



September 15, 2020

Mr. Bart Fletcher  
Public Utilities Supervisor  
Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

Dear Mr. Fletcher:

Enclosed is Florida Power & Light Company's Rate of Return Surveillance Report to the Florida Public Service Commission for July 2020. This report was prepared using a thirteen-month average and year-end rate base and adjustments consistent with Docket Nos. 160021-EI, 160061-EI, 160062-EI and 160088-EI, Order No. PSC-16-0560-AS-EI. The required rate of return was calculated using the return on common equity as authorized in the aforementioned docket and order. The return on common equity is 11.60%.

This report was prepared consistent with the guidelines provided in Commission Form PSC/AFA 14.

Pursuant to FPSC Order No. PSC-2019-0225-FOF-EI, FPL also provides as Attachment 1 to the Report the monthly amounts of amortization credits or debits to the Reserve Amount during 2020. The balance of the Reserve Amount as of July 31, 2020 is \$776,811,283.

Sincerely,

A handwritten signature in cursive script that reads "David Hughes".

David Hughes  
Assistant Controller, FPL Finance

Enclosures

Copy: J. R. Kelly, Office of Public Counsel

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
EARNINGS SURVEILLANCE REPORT SUMMARY  
JULY, 2020

SCHEDULE 1: PAGE 1 OF 1

	<u>ACTUAL PER BOOKS</u>	<u>FPSC ADJUSTMENTS</u>	<u>FPSC ADJUSTED</u>	<u>PRO FORMA ADJUSTMENTS</u>	<u>PRO FORMA ADJUSTED</u>
<u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 3,025,697,660 (A)	(184,432,372) (B)	2,841,265,288	(187,161,054)	\$ 2,654,104,234
RATE BASE	\$ 40,550,018,162	980,977,778	41,530,995,940	0	\$ 41,530,995,940
AVERAGE RATE OF RETURN	7.46%		6.84%		6.39%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 3,025,697,660 (A)	(181,457,239) (B)	2,844,240,421	(187,161,054)	\$ 2,657,079,368
RATE BASE	\$ 42,634,413,142	1,067,743,726	43,702,156,868	0	\$ 43,702,156,868
YEAR END RATE OF RETURN	7.10%		6.51%		6.08%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)

LOW	5.90%
MIDPOINT	6.35%
HIGH	6.85%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	5.87	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	5.75	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	2.89%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	74.81%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	39.14%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	1.19%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.60%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.64%	(PROFORMA ADJUSTED)

NOTE: THIS REPORT HAS BEEN PREPARED USING A THIRTEEN MONTH AVERAGE AND END OF PERIOD RATE BASE AND ADJUSTMENTS CONSISTENT WITH DOCKET NO. 160021-EI, ORDER NO. PSC-16-0560-AS-EI. THIS REPORT DOES NOT NECESSARILY REPRESENT THE OPINION OF THE COMPANY AS TO THE ACTUAL EARNED RATE OF RETURN FOR THE PERIOD COVERED.

I AM AWARE THAT SECTION 837.06, FLORIDA STATUTES, PROVIDES:

WHOEVER KNOWINGLY MAKES A FALSE STATEMENT IN WRITING WITH THE INTENT TO MISLEAD A PUBLIC SERVANT IN THE PERFORMANCE OF HIS OFFICIAL DUTY SHALL BE GUILTY OF A MISDEMEANOR OF THE SECOND DEGREE, PUNISHABLE AS PROVIDED IN S. 775.082, S. 775.083, OR S. 775.084.

KEITH FERGUSON  
(VICE PRESIDENT ACCOUNTING AND CONTROLLER)

*Paul Angler*  
(SIGNATURE)  
on behalf of Keith Ferguson

9/15/2020  
(DATE)

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
RATE BASE  
JULY, 2020

SCHEDULE 2: PAGE 1 OF 3

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 54,505,836,533	16,275,598,208	38,230,238,325	476,266,920	3,305,250,499	632,847,711	42,644,603,454	(486,942,086)	\$ 42,157,661,369
JURISDICTIONAL PER BOOKS	\$ 52,306,195,388	13,353,901,992	38,952,293,396	453,257,391	3,141,847,144	599,796,667	43,147,194,598	(2,597,176,436)	\$ 40,550,018,162
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,144,530,477)	(765,854,031)	(1,378,676,447)	0	(1,431,133,342)	0	(2,809,809,789)	3,790,787,567	\$ 980,977,778
FPSC ADJUSTED:	\$ 50,161,664,910	12,588,047,961	37,573,616,949	453,257,391	1,710,713,802	599,796,667	40,337,384,810	1,193,611,131	\$ 41,530,995,940
 <b>PRO FORMA ADJUSTMENTS</b>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 50,161,664,910	12,588,047,961	37,573,616,949	453,257,391	1,710,713,802	599,796,667	40,337,384,810	1,193,611,131	\$ 41,530,995,940

NOTE:

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL OF THE PROFORMA ADJUSTMENTS THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
JULY, 2020

SCHEDULE 2: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 11,456,410,473	2,842,129,927	1,569,547,101	2,062,001,137	1,359,671,915	243,760,123	91,558,912	213,647,076	(2,527,479)	8,379,788,711	\$ 3,076,621,762
JURISDICTIONAL PER BOOKS	\$ 11,036,169,837	2,712,461,353	1,524,176,065	1,985,621,676	1,338,453,070	233,620,332	85,755,154	206,171,259	(2,527,467)	8,083,731,442	\$ 2,952,438,395
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (487,810,773)	0	0	0	(12,546,493)	(117,847,545)	0	0	0	(130,394,038)	\$ (357,416,735)
FRANCHISE EXPENSE	0	0	0	0	(475,248,724)	117,843,687	0	0	0	(357,405,037)	357,405,037
GROSS RECEIPTS TAX	(253,272,959)	0	0	0	(253,033,660)	(59,337)	0	0	0	(253,092,997)	(179,962)
FINANCIAL PLANNING SERVICES	0	0	(478,493)	0	0	118,648	0	0	0	(359,845)	359,845
INDUSTRY ASSOCIATION DUES	0	0	(2,074,552)	0	0	514,410	0	0	0	(1,560,141)	1,560,141
ECONOMIC DEVELOPMENT 5%	0	0	(220,136)	0	0	54,585	0	0	0	(165,551)	165,551
AVIATION - EXPENSES	0	0	(111,474)	0	0	27,641	0	0	0	(83,832)	83,832
EXECUTIVE COMPENSATION	0	0	(42,787,874)	0	0	10,609,773	0	0	0	(32,178,102)	32,178,102
FUEL COST REC RETAIL	(2,554,647,377)	(2,530,799,229)	(263,728)	0	(1,794,813)	(32,687,030)	27,887,879	0	0	(2,537,656,921)	(16,990,456)
CONSERVATION COST RECOVERY	(53,765,081)	0	(42,286,764)	(8,797,539)	(1,031,512)	(407,779)	(1,203)	0	0	(52,524,796)	(1,240,285)
CAPACITY COST RECOVERY	(264,370,402)	(163,218,465)	(31,124,626)	(13,487,307)	(341,608)	(12,510,768)	(1,455,828)	0	0	(222,138,603)	(42,231,799)
ENVIRONMENTAL COST RECOVERY	(174,526,611)	0	(28,094,285)	(39,480,801)	(313,543)	(24,558,901)	(1,925,026)	0	258	(94,372,299)	(80,154,312)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(427,743)	0	106,064	0	0	0	(321,679)	321,679
STORM DEFICIENCY RECOVERY	(42,701)	0	(27,646)	(69,137)	0	13,410	0	0	0	(83,373)	40,672
INTEREST TAX DEFICIENCIES	0	0	355,506	0	0	(88,152)	0	0	0	267,354	(267,354)
INTEREST SYNCHRONIZATION	0	0	0	0	0	9,063,982	(4,256,920)	0	0	4,807,062	(4,807,062)
TOTAL FPSC ADJUSTMENTS	\$ (3,788,435,903)	(2,694,017,694)	(147,114,071)	(62,262,528)	(744,310,353)	(49,807,310)	20,248,902	0	258	(3,677,262,796)	\$ (111,173,107)
FPSC ADJUSTED	\$ 7,247,733,934	18,443,659	1,377,061,994	1,923,359,149	594,142,717	183,813,022	106,004,056	206,171,259	(2,527,209)	4,406,468,646	\$ 2,841,265,288
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (249,051,165)	0	0	0	(179,317)	(61,710,794)	0	0	0	(61,890,111)	\$ (187,161,054)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,998,682,769	18,443,659	1,377,061,994	1,923,359,149	593,963,400	122,102,228	106,004,056	206,171,259	(2,527,209)	4,344,578,535	\$ 2,654,104,234
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 76,058,356 \$ 73,259,265										
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:											
ON A TOTAL COMPANY BASIS	\$ 4,544,961										
ON A JURISDICTIONAL BASIS	\$ 4,402,728										
<b>CURRENT MONTH AMOUNT</b>											
SYSTEM PER BOOKS	\$ 1,131,372,528	283,357,150	109,237,412	210,201,926	127,565,772	77,772,352	(8,353,088)	(1,903,830)	(69,421)	797,808,272	\$ 333,564,256
JURISDICTIONAL PER BOOKS	\$ 1,095,905,333	272,271,138	105,385,167	203,635,716	125,714,369	75,490,488	(7,974,827)	(1,837,212)	(69,421)	772,615,417	\$ 323,289,917

NOTES:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
DETAIL OF PRO FORMA ADJUSTMENTS  
JULY, 2020

SCHEDULE 2: PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (249,051,165)	0	0	0	(179,317)	(61,710,794)	0	0	0	(61,890,111)	\$ (187,161,054)
TOTAL PROFORMA ADJUSTMENTS	\$ (249,051,165)	0	0	0	(179,317)	(61,710,794)	0	0	0	(61,890,111)	\$ (187,161,054)

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
SYSTEM ADJUSTMENTS  
JULY, 2020

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 1,497,611,957	\$ 1,429,879,813
FUEL AND CAPACITY	172,720,891	165,205,963
CAPITALIZED EXECUTIVE COMPENSATION	38,682,528	37,471,975
LOAD CONTROL	44,022,568	44,022,568
ASSET RETIREMENT OBLIGATION	381,674,893	369,730,543
CAPITAL LEASES	101,392,654	98,219,615
TOTAL	<u>\$ 2,236,105,490</u>	<u>\$ 2,144,530,477</u>
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (361,328,397)	\$ (344,986,683)
ACCUM PROV DECOMMISSIONING COSTS	(4,912,374,679)	(4,703,188,376)
ASSET RETIREMENT OBLIGATION	(29,948,463)	(29,011,239)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,558,519,046	4,415,862,172
FUEL AND CAPACITY	(49,233,658)	(46,967,646)
OTHER RATE CASE ADJUSTMENTS (1)	(32,903)	(32,903)
LOAD CONTROL	(23,695,376)	(23,695,376)
CAPITAL LEASES	(34,927,006)	(33,833,981)
TOTAL	<u>\$ (853,021,436)</u>	<u>\$ (765,854,031)</u>
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 1,444,230,710	\$ 1,349,128,153
CWIP - CLAUSE PROJECTS	85,737,865	82,005,189
TOTAL	<u>\$ 1,529,968,575</u>	<u>\$ 1,431,133,342</u>
<b>NUCLEAR FUEL:</b>		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
<b>WORKING CAPITAL:</b> (SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,883,783,077)	\$ (3,790,787,567)
<b>TOTAL ADJUSTMENTS</b>	<u><b>\$ (970,730,448)</b></u>	<u><b>\$ (980,977,778)</b></u>

**NOTES:**

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-E

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
SYSTEM ADJUSTMENTS  
INCOME STATEMENT  
JULY, 2020

SCHEDULE 2: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 11,456,410,473	2,842,129,927	1,569,547,101	2,062,001,137	1,359,671,915	243,760,123	91,558,912	213,647,076	(2,527,479)	8,379,788,711	\$ 3,076,621,762
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (487,810,773)	0	0	0	(12,546,493)	(119,508,213)	0	0	0	(132,054,706)	\$ (355,756,067)
FRANCHISE EXPENSE	0	0	0	0	(475,248,724)	119,504,291	0	0	0	(355,744,433)	355,744,433
GROSS RECEIPTS TAX	(253,272,959)	0	0	0	(253,033,660)	(60,236)	0	0	0	(253,093,896)	(179,063)
FINANCIAL PLANNING SERVICES	0	0	(493,951)	0	0	124,056	0	0	0	(369,895)	369,895
INDUSTRY ASSOCIATION DUES	0	0	(2,141,571)	0	0	539,881	0	0	0	(1,601,690)	1,601,690
ECONOMIC DEVELOPMENT 5%	0	0	(227,248)	0	0	57,159	0	0	0	(170,089)	170,089
AVIATION - EXPENSES	0	0	(115,075)	0	0	29,039	0	0	0	(86,036)	86,036
EXECUTIVE COMPENSATION	0	0	(44,170,160)	0	0	11,102,893	0	0	0	(33,067,267)	33,067,267
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY	(2,669,678,629)	(2,652,187,538)	(276,952)	0	(1,796,260)	(32,763,220)	28,550,103	0	0	(2,658,473,866)	(11,204,763)
CONSERVATION COST RECOVERY	(53,765,081)	0	(42,286,764)	(8,797,539)	(1,031,512)	(413,386)	(1,203)	0	0	(52,530,404)	(1,234,677)
CAPACITY COST RECOVERY	(264,733,051)	(170,464,168)	(32,506,332)	(14,086,045)	(348,583)	(10,479,719)	(1,455,828)	0	0	(229,340,675)	(35,392,375)
ENVIRONMENTAL COST RECOVERY	(174,526,611)	0	(29,425,087)	(41,350,972)	(322,443)	(24,099,760)	(1,925,026)	0	270	(97,123,018)	(77,403,593)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(427,743)	0	106,064	0	0	0	(321,679)	321,679
STORM DEFICIENCY RECOVERY	(42,701)	0	(27,646)	(69,137)	0	14,151	0	0	0	(82,632)	39,931
INTEREST TAX DEFICIENCIES	0	0	366,991	0	0	(92,236)	0	0	0	274,755	(274,755)
INTEREST SYNCHRONIZATION	0	0	0	0	0	9,316,367	(4,394,442)	0	0	4,921,925	(4,921,925)
TOTAL FPSC ADJUSTMENTS	\$ (3,903,829,805)	(2,822,651,706)	(151,303,794)	(64,731,436)	(744,327,676)	(46,622,868)	20,773,804	0	270	(3,808,863,605)	\$ (94,966,200)
FPSC ADJUSTED	\$ 7,552,580,668	19,478,222	1,418,243,307	1,997,269,701	615,344,239	197,137,255	112,332,516	213,647,076	(2,527,209)	4,570,925,106	\$ 2,981,655,562
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ (249,051,165)	0	0	0	(179,317)	(61,710,794)	0	0	0	(61,890,111)	\$ (187,161,054)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,303,529,504	19,478,222	1,418,243,307	1,997,269,701	615,164,922	135,426,461	112,332,516	213,647,076	(2,527,209)	4,509,034,995	\$ 2,794,494,508

(A) THE ADDITION OF EARNINGS FROM AFUDC  
WOULD INCREASE THE SYSTEM NOI BY

\$ 76,058,356

NOTES:  
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
SYSTEM ADJUSTMENTS  
JULY, 2020

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>ADJUSTMENTS TO ASSETS PER BOOKS:</b>		
ACCOUNTS RECEIVABLE - ASSOC COS	50,056,859	36,519,267
INTEREST & DIVIDENDS RECEIVABLE	447,479	432,900
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRC	47,578,100	48,950,529
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	20,277,635	20,277,635
PREPAYMENTS - ECCR	42,919,639	42,919,639
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	6,728,824	6,481,190
TEMPORARY CASH INVESTMENTS	178,797,451	172,972,076
STORM DEFICIENCY RECOVERY	(710,349)	(710,349)
NUCLEAR COST RECOVERY	0	0
JOBGING ACCOUNTS	25,500,341	24,669,518
OTH REG ASSETS - CLAUSES	7,116,438	6,776,627
MISC. DEFFERED DEBIT - CLAUSES	4,961,761	4,724,837
CEDAR BAY TRANSACTION	446,384,973	427,411,056
ICL TRANSACTION	296,819,444	284,202,919
SJRPP TRANSACTION	84,895,424	80,802,582
EARLY RETIRED ASSETS	134,371,061	128,659,485
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,346,145,081	\$ 1,285,089,911
<b>ADJUSTMENTS TO LIABILITIES PER BOOKS:</b>		
ACCOUNTS PAYABLE - ASSOC COS	46,153,846	44,650,108
ACCUM DEFERRED RETIREMENT BENEFITS	(144,318)	(139,801)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(42,312,997)	(42,312,997)
ACCUM. PROV. - RATE REFUNDS	(695,046)	0
GAIN ON SALE OF EMISSION ALLOWANCE	(315)	(301)
JOBGING ACCOUNTS	(24,924,671)	(24,112,604)
POLE ATTACHMENT RENTS PAYABLE	(9,941,107)	(9,941,107)
SJRPP ACCELERATED RECOVERY	(4,521,662)	(4,329,466)
STORM DEFICIENCY RECOVERY	(37,033,158)	(37,033,158)
ASSET RETIREMENT OBLIGATION	(4,910,245,476)	(4,756,581,476)
MARGIN CALL CASH COLLATERAL	(1,041,421)	(1,007,490)
NUCLEAR COST RECOVERY	(241,630,584)	(241,630,584)
CEDAR BAY TRANSACTION	(3,591,249)	(3,438,600)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (5,229,928,158)	\$ (5,075,877,478)
<b>NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS</b>	<b>\$ (3,883,783,077)</b>	<b>\$ (3,790,787,567)</b>

NOTES:

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
DETAIL OF PRO FORMA ADJUSTMENTS  
JULY, 2020

SCHEDULE 2: PAGE 3C OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE      OTHER		DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (249,051,165)	0	0	0	(179,317)	(61,710,794)	0	0	0	(61,890,111)	\$ (187,161,054)
TOTAL PROFORMA ADJUSTMENTS	\$ (249,051,165)	0	0	0	(179,317)	(61,710,794)	0	0	0	(61,890,111)	\$ (187,161,054)

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
RATE BASE  
JULY, 2020

SCHEDULE 3: PAGE 1 OF 3

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 56,468,083,598	16,755,942,914	39,712,140,684	466,439,153	3,960,037,352	645,716,432	44,784,333,622	(486,942,086)	\$ 44,297,391,536
JURISDICTIONAL PER BOOKS	\$ 54,197,902,511	13,779,725,660	40,418,176,851	444,326,491	3,757,092,928	611,993,307	45,231,589,578	(2,597,176,436)	\$ 42,634,413,142
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,170,345,049)	(800,527,914)	(1,369,817,135)	0	(1,353,226,706)	0	(2,723,043,840)	3,790,787,567	\$ 1,067,743,726
FPSC ADJUSTED:	\$ 52,027,557,462	12,979,197,746	39,048,359,716	444,326,491	2,403,866,222	611,993,307	42,508,545,737	1,193,611,131	\$ 43,702,156,868
 <b>PRO FORMA ADJUSTMENTS</b>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 52,027,557,462	12,979,197,746	39,048,359,716	444,326,491	2,403,866,222	611,993,307	42,508,545,737	1,193,611,131	\$ 43,702,156,868

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
INCOME STATEMENT  
JULY, 2020

SCHEDULE 3: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 11,456,410,473	2,842,129,927	1,569,547,101	2,062,001,137	1,359,671,915	243,760,123	91,558,912	213,647,076	(2,527,479)	8,379,788,711	\$ 3,076,621,762
JURISDICTIONAL PER BOOKS	\$ 11,036,169,837	2,712,461,353	1,524,176,065	1,985,621,676	1,338,453,070	233,620,332	85,755,154	206,171,259	(2,527,467)	8,083,731,442	\$ 2,952,438,395
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (487,810,773)	0	0	0	(12,546,493)	(117,847,545)	0	0	0	(130,394,038)	\$ (357,416,735)
FRANCHISE EXPENSE	0	0	0	0	(475,248,724)	117,843,687	0	0	0	(357,405,037)	357,405,037
GROSS RECEIPTS TAX	(253,272,959)	0	0	0	(253,033,660)	(59,337)	0	0	0	(253,092,997)	(179,962)
FINANCIAL PLANNING SERVICES	0	0	(478,493)	0	0	118,648	0	0	0	(359,845)	359,845
INDUSTRY ASSOCIATION DUES	0	0	(2,074,552)	0	0	514,410	0	0	0	(1,560,141)	1,560,141
ECONOMIC DEVELOPMENT 5%	0	0	(220,136)	0	0	54,585	0	0	0	(165,551)	165,551
AVIATION - EXPENSES	0	0	(111,474)	0	0	27,641	0	0	0	(83,832)	83,832
EXECUTIVE COMPENSATION	0	0	(42,787,874)	0	0	10,609,773	0	0	0	(32,178,102)	32,178,102
FUEL COST REC RETAIL	(2,554,647,377)	(2,530,799,229)	(263,728)	0	(1,794,813)	(32,687,030)	27,887,879	0	0	(2,537,656,921)	(16,990,456)
CONSERVATION COST RECOVERY	(53,765,081)	0	(42,286,764)	(8,797,539)	(1,031,512)	(407,779)	(1,203)	0	0	(52,524,796)	(1,240,285)
CAPACITY COST RECOVERY	(264,370,402)	(163,218,465)	(31,124,626)	(13,487,307)	(341,608)	(12,510,768)	(1,455,828)	0	0	(222,138,603)	(42,231,799)
ENVIRONMENTAL COST RECOVERY	(174,526,611)	0	(28,094,285)	(39,480,801)	(313,543)	(24,558,901)	(1,925,026)	0	258	(94,372,299)	(80,154,312)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(427,743)	0	106,064	0	0	0	(321,679)	321,679
STORM DEFICIENCY RECOVERY	(42,701)	0	(27,646)	(69,137)	0	13,410	0	0	0	(83,373)	40,672
INTEREST TAX DEFICIENCIES	0	0	355,506	0	0	(88,152)	0	0	0	267,354	(267,354)
INTEREST SYNCHRONIZATION	0	0	0	0	0	6,088,849	(4,256,920)	0	0	1,831,929	(1,831,929)
TOTAL FPSC ADJUSTMENTS	\$ (3,788,435,903)	(2,694,017,694)	(147,114,071)	(62,262,528)	(744,310,353)	(52,782,443)	20,248,902	0	258	(3,680,237,930)	\$ (108,197,974)
FPSC ADJUSTED	\$ 7,247,733,934	18,443,659	1,377,061,994	1,923,359,149	594,142,717	180,837,889	106,004,056	206,171,259	(2,527,209)	4,403,493,513	\$ 2,844,240,421
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (249,051,165)	0	0	0	(179,317)	(61,710,794)	0	0	0	(61,890,111)	\$ (187,161,054)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,998,682,769	18,443,659	1,377,061,994	1,923,359,149	593,963,400	119,127,094	106,004,056	206,171,259	(2,527,209)	4,341,603,402	\$ 2,657,079,368
<b>(A) THE ADDITION OF EARNINGS FROM AFUDC</b>											
WOULD INCREASE THE SYSTEM NOI BY	\$ 76,058,356										
AND THE JURISDICTIONAL NOI BY	\$ 73,259,265										

NOTES:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
INCOME STATEMENT  
DETAIL OF PRO FORMA ADJUSTMENTS  
JULY, 2020

SCHEDULE 3: PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (249,051,165)	0	0	0	(179,317)	(61,710,794)	0	0	0	(61,890,111)	\$ (187,161,054)
TOTAL PROFORMA ADJUSTMENTS	\$ (249,051,165)	0	0	0	(179,317)	(61,710,794)	0	0	0	(61,890,111)	\$ (187,161,054)

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
SYSTEM ADJUSTMENTS  
JULY, 2020

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 1,543,380,775	\$ 1,473,578,656
FUEL AND CAPACITY	185,237,514	177,190,558
CAPITALIZED EXECUTIVE COMPENSATION	42,912,865	41,569,925
LOAD CONTROL	39,263,887	39,263,887
ASSET RETIREMENT OBLIGATION	350,827,564	339,848,568
CAPITAL LEASES	102,088,263	98,893,455
TOTAL	<u>\$ 2,263,710,867</u>	<u>\$ 2,170,345,049</u>
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (385,670,818)	\$ (368,228,175)
ACCUM PROV DECOMMISSIONING COSTS	(5,055,543,443)	(4,840,260,507)
ASSET RETIREMENT OBLIGATION	(32,068,377)	(31,064,811)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,691,886,449	4,545,055,900
FUEL AND CAPACITY	(48,114,863)	(45,896,406)
OTHER RATE CASE ADJUSTMENTS (1)	(427,743)	(427,743)
LOAD CONTROL	(20,806,552)	(20,806,552)
CAPITAL LEASES	(40,156,294)	(38,899,620)
TOTAL	<u>\$ (890,901,641)</u>	<u>\$ (800,527,914)</u>
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 1,403,454,553	\$ 1,305,145,425
CWIP - CLAUSE PROJECTS	50,262,002	48,081,281
TOTAL	<u>\$ 1,453,716,554</u>	<u>\$ 1,353,226,706</u>
<b>NUCLEAR FUEL:</b>		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
<b>WORKING CAPITAL:</b> (SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,883,783,077)	\$ (3,790,787,567)
<b>TOTAL ADJUSTMENTS</b>	<u>\$ (1,057,257,297)</u>	<u>\$ (1,067,743,726)</u>

**NOTES:**

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
SYSTEM ADJUSTMENTS  
INCOME STATEMENT  
JULY, 2020

SCHEDULE 3: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 11,456,410,473	2,842,129,927	1,569,547,101	2,062,001,137	1,359,671,915	243,760,123	91,558,912	213,647,076	(2,527,479)	8,379,788,711	\$ 3,076,621,762
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (487,810,773)	0	0	0	(12,546,493)	(119,508,213)	0	0	0	(132,054,706)	\$ (355,756,067)
FRANCHISE EXPENSE	0	0	0	0	(475,248,724)	119,504,291	0	0	0	(355,744,433)	355,744,433
GROSS RECEIPTS TAX	(253,272,959)	0	0	0	(253,033,660)	(60,236)	0	0	0	(253,093,896)	(179,063)
FINANCIAL PLANNING SERVICES	0	0	(493,951)	0	0	124,056	0	0	0	(369,895)	369,895
INDUSTRY ASSOCIATION DUES	0	0	(2,141,571)	0	0	539,881	0	0	0	(1,601,690)	1,601,690
ECONOMIC DEVELOPMENT 5%	0	0	(227,248)	0	0	57,159	0	0	0	(170,089)	170,089
AVIATION - EXPENSES	0	0	(115,075)	0	0	29,039	0	0	0	(86,036)	86,036
EXECUTIVE COMPENSATION	0	0	(44,170,160)	0	0	11,102,893	0	0	0	(33,067,267)	33,067,267
FUEL COST REC RETAIL	(2,669,678,629)	(2,652,187,538)	(276,952)	0	(1,796,260)	(32,763,220)	28,550,103	0	0	(2,658,473,866)	(11,204,763)
CONSERVATION COST RECOVERY	(53,765,081)	0	(42,286,764)	(8,797,539)	(1,031,512)	(413,386)	(1,203)	0	0	(52,530,404)	(1,234,677)
CAPACITY COST RECOVERY	(264,733,051)	(170,464,168)	(32,506,332)	(14,086,045)	(348,583)	(10,479,719)	(1,455,828)	0	0	(229,340,675)	(35,392,375)
ENVIRONMENTAL COST RECOVERY	(174,526,611)	0	(29,425,087)	(41,350,972)	(322,443)	(24,099,760)	(1,925,026)	0	270	(97,123,018)	(77,403,593)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(427,743)	0	106,064	0	0	0	(321,679)	321,679
STORM DEFICIENCY RECOVERY	(42,701)	0	(27,646)	(69,137)	0	14,151	0	0	0	(82,632)	39,931
INTEREST TAX DEFICIENCIES	0	0	366,991	0	0	(92,236)	0	0	0	274,755	(274,755)
INTEREST SYNCHRONIZATION	0	0	0	0	0	6,320,907	(4,394,442)	0	0	1,926,465	(1,926,465)
TOTAL FPSC ADJUSTMENTS	\$ (3,903,829,805)	(2,822,651,706)	(151,303,794)	(64,731,436)	(744,327,676)	(49,618,328)	20,773,604	0	270	(3,811,859,066)	\$ (91,970,739)
FPSC ADJUSTED	\$ 7,552,580,668	19,478,222	1,418,243,307	1,997,269,701	615,344,239	194,141,795	112,332,516	213,647,076	(2,527,209)	4,567,929,646	\$ 2,984,651,023
<b>PRO FORMA ADJUSTMENTS</b>											
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3)	\$ (249,051,165)	0	0	0	(179,317)	(61,710,794)	0	0	0	(61,890,111)	\$ (187,161,054)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,303,529,504	19,478,222	1,418,243,307	1,997,269,701	615,164,922	132,431,000	112,332,516	213,647,076	(2,527,209)	4,506,039,535	\$ 2,797,489,969

(A) THE ADDITION OF EARNINGS FROM AFUDC  
WOULD INCREASE THE SYSTEM NOI BY \$ 76,058,356

NOTES:  
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
INCOME STATEMENT  
DETAIL OF PRO FORMA ADJUSTMENTS  
JULY, 2020

SCHEDULE 3: PAGE 3B OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (249,051,165)	0	0	0	(179,317)	(61,710,794)	0	0	0	(61,890,111)	\$ (187,161,054)
TOTAL PROFORMA ADJUSTMENTS	\$ (249,051,165)	0	0	0	(179,317)	(61,710,794)	0	0	0	(61,890,111)	\$ (187,161,054)

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS  
JULY, 2020

SCHEDULE 4: PAGE 1 OF 2

AVERAGE	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 2	ADJUSTMENTS		ADJUSTED RETAIL 5	RATIO (%) 6	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 11	WEIGHTED COST (%) 12
			3	4								
LONG TERM DEBT	\$ 12,932,387,482	\$ 12,435,590,169	\$ 405,165,748	\$ (70,587,679)	\$ 12,770,168,238	30.75%	4.12%	1.27%	4.12%	1.27%	4.12%	1.27%
SHORT TERM DEBT	390,800,649	375,773,667	12,313,028	-	388,086,694	0.93%	2.97%	0.03%	2.97%	0.03%	2.97%	0.03%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	19,602,130,779	18,848,393,850	617,607,930	-	19,466,001,780	46.87%	9.60%	4.50%	10.55%	4.94%	11.60%	5.44%
CUSTOMER DEPOSITS	408,517,649	408,072,830	13,371,379	-	421,444,209	1.01%	2.15%	0.02%	2.15%	0.02%	2.15%	0.02%
DEFERRED INCOME TAX	8,235,274,003	7,917,130,748	254,687,547	(144,479,266)	8,027,339,028	19.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS(1)	588,550,807	565,056,898	14,529,807	(121,630,714)	457,955,990	1.10%	7.43%	0.08%	8.00%	0.09%	8.64%	0.10%
TOTAL	\$ 42,157,661,369	\$ 40,550,018,162	\$ 1,317,675,438	\$ (336,697,660)	\$ 41,530,995,940	100.00%		5.90%		6.35%		6.85%

YEAR END	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 2	ADJUSTMENTS		ADJUSTED RETAIL 5	RATIO (%) 6	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 11	WEIGHTED COST (%) 12
			3	4								
LONG TERM DEBT	\$ 14,135,351,283	\$ 13,600,977,184	\$ 446,974,208	\$ (66,195,880)	\$ 13,981,755,511	31.99%	3.89%	1.25%	3.89%	1.25%	3.89%	1.25%
SHORT TERM DEBT	418,349,510	402,522,478	13,292,950	(0)	415,815,428	0.95%	0.83%	0.01%	0.83%	0.01%	0.83%	0.01%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	20,330,973,007	19,561,810,038	646,011,512	-	20,207,821,551	46.24%	9.60%	4.44%	10.55%	4.88%	11.60%	5.36%
CUSTOMER DEPOSITS	408,492,343	408,044,766	13,475,318	(0)	421,520,085	0.96%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX	8,307,347,103	7,991,474,058	259,140,078	(144,479,266)	8,106,134,870	18.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS(1)	696,878,290	669,584,616	18,193,512	(118,668,704)	569,109,423	1.30%	7.24%	0.09%	7.83%	0.10%	8.42%	0.11%
TOTAL	\$ 44,297,391,536	\$ 42,634,413,142	\$ 1,397,087,577	\$ (329,343,851)	\$ 43,702,156,868	100.00%		5.81%		6.25%		6.75%

NOTE:  
(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$2,869 MILLION OF EXCESS DEFERRED TAXES;  
(2) INVESTMENT TAX CREDITS COST RATES ARE BASED ON THE WEIGHTED AVERAGE COST OF LONG TERM DEBT, PREFERRED STOCK AND COMMON EQUITY  
(3) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
CAPITAL STRUCTURE  
PROFORMA ADJUSTED BASIS  
JULY, 2020

SCHEDULE 4: PAGE 2 OF 2

AVERAGE	FPSC ADJUSTED 1	PRO-FORMA ADJUSTMENTS 2	TOTAL PRO-FORMA ADJUSTED 3	TOTAL RATIO (%) 4	LOW POINT		MIDPOINT		HIGH POINT	
					COST RATE (%) 5	WEIGHTED COST (%) 6	COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10
LONG TERM DEBT	\$ 12,770,168,238	\$ -	\$ 12,770,168,238	30.75%	4.12%	1.27%	4.12%	1.27%	4.12%	1.27%
SHORT TERM DEBT	388,086,694	-	388,086,694	0.93%	2.97%	0.03%	2.97%	0.03%	2.97%	0.03%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	19,466,001,780	-	19,466,001,780	46.87%	9.60%	4.50%	10.55%	4.94%	11.60%	5.44%
CUSTOMER DEPOSITS	421,444,209	-	421,444,209	1.01%	2.15%	0.02%	2.15%	0.02%	2.15%	0.02%
DEFERRED INCOME TAX	8,027,339,028	-	8,027,339,028	19.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	457,955,990	-	457,955,990	1.10%	7.43%	0.08%	8.00%	0.09%	8.64%	0.10%
TOTAL	\$ 41,530,995,940	\$ -	\$ 41,530,995,940	100.00%		5.90%		6.35%		6.85%

YEAR END	FPSC ADJUSTED 1	PRO-FORMA ADJUSTMENTS 2	TOTAL PRO-FORMA ADJUSTED 3	TOTAL RATIO (%) 4	LOW POINT		MIDPOINT		HIGH POINT	
					COST RATE (%) 5	WEIGHTED COST (%) 6	COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10
LONG TERM DEBT	\$ 13,981,755,511	\$ -	\$ 13,981,755,511	31.99%	3.89%	1.25%	3.89%	1.25%	3.89%	1.25%
SHORT TERM DEBT	415,815,428	-	415,815,428	0.95%	0.83%	0.01%	0.83%	0.01%	0.83%	0.01%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	20,207,821,551	-	20,207,821,551	46.24%	9.60%	4.44%	10.55%	4.88%	11.60%	5.36%
CUSTOMER DEPOSITS	421,520,085	-	421,520,085	0.96%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX	8,106,134,870	-	8,106,134,870	18.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	569,109,423	-	569,109,423	1.30%	7.24%	0.09%	7.83%	0.10%	8.42%	0.11%
TOTAL	\$ 43,702,156,868	\$ -	\$ 43,702,156,868	100.00%		5.81%		6.25%		6.75%

NOTE:

(1) INVESTMENT TAX CREDITS COST RATES ARE BASED ON THE WEIGHTED AVERAGE COST OF LONG TERM DEBT, PREFERRED STOCK AND COMMON EQUITY.

(2) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

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A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 3,087,964,635
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	17,338,496
INCOME TAXES	537,135,123
TOTAL	\$ 3,642,438,255
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 620,539,356
TIMES INTEREST EARNED WITH AFUDC	5.87

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 3,087,964,635
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(58,719,860)
INCOME TAXES	537,135,123
TOTAL	\$ 3,566,379,899
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 620,539,356
TIMES INTEREST EARNED WITHOUT AFUDC	5.75

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 17,338,496
X (1 - INCOME_TAX_RATE)	0.7520
SUBTOTAL	\$ 13,039,206
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	58,719,860
TOTAL	\$ 71,759,065
NET INCOME AVAILABLE FOR COMMON	\$ 2,484,763,775
AFUDC AS PERCENT OF NET INCOME	2.89%

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 274,547,248
GAINS ON DISPOSITION OF PROPERTY	(2,527,479)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	0
TOTAL	\$ 272,019,769

\*\* INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF: 0

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 2,484,763,775
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(800,000,000)
AFUDC (DEBT & OTHER)	(76,058,356)
DEPRECIATION AND AMORTIZATION EXPENSE	2,062,001,137
DEFERRED INCOME TAXES	85,129,889
INVESTMENT TAX CREDITS	213,647,076
OTHER SOURCE/USES OF FUNDS	272,019,769
INTERNALLY GENERATED FUNDS	\$ 4,241,503,290
CONSTRUCTION EXPENDITURES	\$ 5,670,028,215
PERCENT INTERNALLY GENERATED FUNDS	74.81%

E. LONG TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL

F. SHORT TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL

AVERAGE RETAIL AMOUNTS	
JURIS ADJUSTED LONG TERM DEBT	\$ 12,770,168,238
JURIS ADJUSTED SHORT TERM DEBT	388,086,694
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	19,466,001,780
TOTAL	\$ 32,624,256,712
LTD TO TOTAL INVESTOR FUNDS	39.14%
STD TO TOTAL INVESTOR FUNDS	1.19%

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.84%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :	
LONG TERM DEBT	1.27%
SHORT TERM DEBT	0.03%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	0.09%
SUBTOTAL	1.40%
TOTAL	5.44%
DIVIDED BY COMMON EQUITY RATIO	46.87%
JURISDICTIONAL RETURN ON COMMON EQUITY	11.60%

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H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 6.39%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT 1.27%

SHORT TERM DEBT 0.03%

PREFERRED STOCK 0.00%

CUSTOMER DEPOSITS 0.02%

TAX CREDITS - WTD COST 0.09%

SUBTOTAL 1.40%

PRO FORMA ROR LESS NON EQUITY COST 4.99%

PRO FORMA COMMON EQUITY RATIO 46.87%

PRO FORMA RETURN ON COMMON EQUITY 10.64%

	AMOUNT	RELATED ORDER
Rollover Reserve Amount - 12/31/2016 <sup>(1)</sup>	\$ 252,100,355	
Depreciation Reserve Surplus Approved by FPSC - 1/1/2017	\$ 1,000,000,000	PSC-16-0560-AS-EI
Total Reserve Amount Available Under Current Settlement Agreement	<u>\$ 1,252,100,355</u>	
Actual Amortization from 1/1/2017 - 12/31/2017:		
January, 2017	\$ (125,223,511)	
February, 2017	\$ (35,682,879)	
March, 2017	\$ (52,328,640)	
April, 2017	\$ 26,451,730	
May, 2017	\$ (36,038,470)	
June, 2017	\$ (7,408,419)	
July, 2017	\$ 25,671,697	
August, 2017	\$ 22,847,456	
September, 2017	\$ 75,509,428	
October, 2017	\$ 54,523,942	
November, 2017	\$ (52,119,437)	
December, 2017 <sup>(2)</sup>	<u>\$ (1,148,303,252)</u>	
Total Amortization from 1/1/2017 - 12/31/2017	<u>\$ (1,252,100,355)</u>	
Remaining Reserve Amount - 12/31/2017	<u><u>\$0</u></u>	
Actual Amortization from 1/1/2018 - 12/31/2018:		
January, 2018	\$ -	
February, 2018	\$ -	
March, 2018	\$ -	
April, 2018	\$ -	
May, 2018	\$ -	
June, 2018	\$ -	
July, 2018	\$ 51,958,256	
August, 2018	\$ 55,277,885	
September, 2018	\$ 193,713,805	
October, 2018	\$ 125,007,557	
November, 2018	\$ 14,253,285	
December, 2018	<u>\$ 100,738,501</u>	
Total Amortization from 1/1/2018 - 12/31/2018	<u>\$ 540,949,289</u>	
Remaining Reserve Amount - 12/31/2018	<u><u>\$540,949,289</u></u>	
Actual Amortization from 1/1/2019 - 12/31/2019:		
January, 2019	\$ (84,875,022)	
February, 2019	\$ (33,423,808)	
March, 2019	\$ (37,487,852)	
April, 2019	\$ (1,238,828)	
May, 2019	\$ 48,530,293	
June, 2019	\$ 173,309,107	
July, 2019	\$ 86,035,009	
August, 2019	\$ 52,771,234	
September, 2019	\$ 172,044,151	
October, 2019	\$ 157,733,862	
November, 2019	\$ (657,986)	
December, 2019	<u>\$ (176,076,008)</u>	
Total Amortization from 1/1/2019 - 12/31/2019	<u>\$ 356,664,152</u>	
Actual Amortization from 1/1/2020 - 12/31/2020:		
January, 2020	\$ (114,482,970)	
February, 2020	\$ (45,574,339)	
March, 2020	\$ 11,911,325	
April, 2020	\$ 5,861,698	
May, 2020	\$ (5,982,714)	
June, 2020	\$ (9,495,711)	
July, 2020	<u>\$ 41,960,553</u>	
Total Amortization from 1/1/2020 - 12/31/2020	<u>\$ (115,802,158)</u>	
Reduction in Total Reserve Amount Available Under Current Settlement Agreement	\$ (5,000,000)	PSC-2019-0319-S-EI
Remaining Reserve Amount - 7/31/2020	<u><u>\$776,811,283</u></u>	

**Notes:**

- (1) Rollover Reserve Amount provided pursuant to Order No. PSC-16-0560-AS-EI, Docket Nos. 160021-EI, 160061-EI, 160062-EI, and 160088-EI.  
(2) The December 2017 amortization amount is a partial offset to the \$1.3 billion Hurricane Irma restoration cost write-off.  
(3) Available Reserve Amount reduction pursuant to Order No. PSC-2019-0319-S-EI, Docket No. 20180049-EI.