



March 15, 2022

Mr. Andrew Maurey  
Director, Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

Dear Mr. Maurey:

Enclosed is Florida Power & Light Company's Rate of Return Surveillance Report to the Florida Public Service Commission for January 2022.

The FPL report was prepared using a thirteen-month average and year-end rate base and adjustments consistent with Docket No. 20210015-EI, Order No. PSC-2021-0446-S-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 11.42%.

Pursuant to Docket No. 20210015-EI, Order No. PSC-2021-0446-S-EI, Attachment 1 to the Report includes the "Rollover" Reserve Amount of \$346,140,025 that was projected to remain at the end of 2021 and the monthly amounts of amortization debits and credits during 2022. The January 2022 year-to-date amortization credit to the Reserve Amount was \$64,072,766. The balance of the Reserve Amount as of January 31, 2022 is \$1,385,927,234.

FPL does not presently have any proforma adjustments to capital structure to report, therefore Schedule 4.2 has not been included in the FPL Earnings Surveillance Report for January 2022.

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

Sincerely,

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

David Hughes

Assistant Controller, FPL Finance

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Enclosures:

Copy: Richard Gentry, Office of Public Counsel

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
EARNINGS SURVEILLANCE REPORT SUMMARY  
JANUARY, 2022

SCHEDULE 1: PAGE 1 OF 1

	ACTUAL PER BOOKS	FPSC ADJUSTMENTS	FPSC ADJUSTED	PRO FORMA ADJUSTMENTS	PRO FORMA ADJUSTED
<u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 3,759,097,609 (A)	(371,906,614) (B)	3,387,190,996	(58,450,455)	\$ 3,328,740,540
RATE BASE	\$ 52,168,095,342	(1,768,472,441)	50,399,622,901	0	\$ 50,399,622,901
AVERAGE RATE OF RETURN	7.21%		6.72%		6.60%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 3,759,097,609 (A)	(358,041,927) (B)	3,401,055,682	(58,450,455)	\$ 3,342,605,227
RATE BASE	\$ 54,995,868,587	(1,617,198,431)	53,378,670,156	0	\$ 53,378,670,156
YEAR END RATE OF RETURN	6.84%		6.37%		6.26%

(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS

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

LOW	5.88%
MIDPOINT	6.33%
HIGH	6.87%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	7.08	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.81	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	5.24%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	68.52%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	37.70%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	2.22%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.42%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	11.18%	(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. 20210015-EI, ORDER NO. PSC-2021-0446-S-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)

(SIGNATURE)

3/14/2022  
(DATE)

ON BEHALF OF KEITH FERGUSON

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
RATE BASE  
JANUARY, 2022

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	\$ 65,933,023,514	19,408,788,782	46,524,234,732	545,574,698	6,260,950,146	666,708,311	53,997,467,886	(37,761,731)	\$ 53,959,706,155
JURISDICTIONAL PER BOOKS	\$ 63,609,394,187	16,062,000,522	47,547,393,665	523,660,293	5,951,852,967	629,783,714	54,652,690,639	(2,484,595,296)	\$ 52,168,095,342
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (3,495,576,902)	(1,208,860,467)	(2,286,716,435)	(11,900,605)	(3,395,758,275)	0	(5,694,375,315)	3,925,902,874	\$ (1,768,472,441)
FPSC ADJUSTED:	\$ 60,113,817,286	14,853,140,056	45,260,677,230	511,759,688	2,556,094,691	629,783,714	48,958,315,324	1,441,307,578	\$ 50,399,622,901
<u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 60,113,817,286	14,853,140,056	45,260,677,230	511,759,688	2,556,094,691	629,783,714	48,958,315,324	1,441,307,578	\$ 50,399,622,901

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  
JANUARY, 2022

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	\$ 14,000,451,690	4,120,835,920	1,738,087,659	2,052,021,247	1,537,813,532	101,528,871	307,278,154	423,887,408	(666,547)	10,280,786,244	\$ 3,719,665,446
JURISDICTIONAL PER BOOKS	\$ 13,487,096,082	3,926,017,958	1,685,031,212	1,973,034,236	1,515,230,994	97,834,291	294,752,878	409,737,372	(667,406)	9,900,971,536	\$ 3,586,124,546
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (554,953,528)	0	(365,430)	0	(12,688,533)	(131,608,966)	0	0	0	(144,662,929)	\$ (410,290,599)
FRANCHISE EXPENSE	0	0	0	0	(540,603,768)	131,294,261	0	0	0	(409,309,507)	409,309,507
GROSS RECEIPTS TAX	(306,445,371)	0	(772,673)	0	(305,805,962)	32,365	0	0	0	(306,546,270)	100,899
FINANCIAL PLANNING SERVICES	0	0	(79,937)	0	0	19,414	0	0	0	(60,523)	60,523
INDUSTRY ASSOCIATION DUES	0	0	(72,487)	0	0	17,605	0	0	0	(54,882)	54,882
ECONOMIC DEVELOPMENT (B)	0	0	(480,288)	0	0	116,646	0	0	0	(363,643)	363,643
AVIATION - EXPENSES	0	0	(92,660)	0	0	22,504	0	0	0	(70,156)	70,156
EXECUTIVE COMPENSATION	0	0	(49,961,252)	0	0	12,133,888	0	0	0	(37,827,363)	37,827,363
FUEL COST REC RETAIL	(3,677,068,417)	(3,665,392,124)	(2,238,217)	(356,979)	(28,532)	141,640,645	(143,839,205)	0	0	(3,670,214,413)	(6,854,005)
CONSERVATION COST RECOVERY	(54,869,749)	0	(39,915,935)	(8,318,178)	(1,089,044)	(3,075,482)	1,770,606	0	0	(50,628,032)	(4,241,717)
CAPACITY COST RECOVERY	(321,330,428)	(232,052,145)	(40,992,255)	(6,779,121)	(158,365)	(4,377,689)	(5,028,766)	0	0	(289,388,340)	(31,942,088)
ENVIRONMENTAL COST RECOVERY	(327,148,560)	0	(43,070,859)	(82,262,067)	(6,357,683)	(39,856,924)	(5,068,919)	0	(31,445)	(176,647,898)	(150,500,662)
STORM PROTECTION PLAN COST RECOVERY	(58,708,184)	0	(7,382,497)	(7,635,589)	(18,401)	(11,183,630)	674,974	0	0	(25,545,142)	(33,163,041)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	1,632,684	0	(396,523)	0	0	0	1,236,161	(1,236,161)
STORM DEFICIENCY RECOVERY	(84,225,860)	0	8,026	(81,163,701)	0	(745,643)	0	0	0	(81,901,319)	(2,324,542)
INTEREST TAX DEFICIENCIES	0	0	317,610	0	0	(77,137)	0	0	0	240,473	(240,473)
INTEREST SYNCHRONIZATION	0	0	0	0	0	16,782,726	(10,946,341)	0	0	5,836,385	(5,836,385)
NORTH ESCAMBIA TIMBER SALES	(119,994)	0	0	0	0	(29,142)	0	0	0	(29,142)	(90,852)
TOTAL FPSC ADJUSTMENTS	\$ (5,384,870,092)	(3,897,444,269)	(185,098,854)	(184,882,953)	(866,750,289)	110,708,918	(162,437,650)	0	(31,445)	(5,185,936,541)	\$ (198,933,551)
FPSC ADJUSTED	\$ 8,102,225,990	28,573,689	1,499,932,358	1,788,151,284	648,480,705	208,543,209	132,315,228	409,737,372	(698,851)	4,715,034,994	\$ 3,387,190,996
<b>PRO FORMA ADJUSTMENTS</b>											
WEATHER NORMALIZATION ADJUSTMENT (2)	\$ (77,255,239)	0	(55,624)	0	0	(18,749,160)	0	0	0	(18,804,784)	\$ (58,450,455)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,024,970,751	28,573,689	1,499,876,734	1,788,151,284	648,480,705	189,794,050	132,315,228	409,737,372	(698,851)	4,696,230,211	\$ 3,328,740,540
<b>(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY</b>											
	\$ 179,049,125										
	\$ 172,973,063										
<b>(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:</b>											
ON A TOTAL COMPANY BASIS	\$ 9,938,812										
ON A JURISDICTIONAL BASIS	\$ 9,605,769										
<b>CURRENT MONTH AMOUNT</b>											
SYSTEM PER BOOKS	\$ 1,180,691,872	384,524,924	161,584,579	62,566,637	135,871,592	53,859,800	(93,632,257)	120,699,093	(15,996)	825,458,372	\$ 355,233,499
JURISDICTIONAL PER BOOKS	\$ 1,133,570,776	367,200,614	157,949,615	54,887,486	133,788,085	51,800,788	(90,619,044)	116,669,965	(16,859)	791,660,649	\$ 341,910,128

NOTES:

- (1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.  
(2) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

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  
JANUARY, 2022

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 2,562,937,445	\$ 2,494,770,081
FUEL AND CAPACITY	183,189,512	176,125,124
CAPITALIZED EXECUTIVE COMPENSATION	50,745,648	49,045,194
LOAD CONTROL	48,914,354	48,914,354
ASSET RETIREMENT OBLIGATION	115,676,317	111,800,079
CAPITAL LEASES	328,421,250	317,416,066
STORM PROTECTION	300,877,044	297,506,003
TOTAL	\$ 3,590,761,570	\$ 3,495,576,902
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (626,093,903)	\$ (609,441,460)
ACCUM PROV DECOMMISSIONING COSTS	(6,114,825,287)	(5,872,272,999)
ASSET RETIREMENT OBLIGATION	32,886,520	31,784,514
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	5,682,780,881	5,492,354,572
FUEL AND CAPACITY	(48,093,772)	(46,140,193)
OTHER RATE CASE ADJUSTMENTS (1)	125,591	125,591
LOAD CONTROL	(12,548,309)	(12,548,309)
CAPITAL LEASES	(196,906,456)	(190,308,248)
STORM PROTECTION	(2,441,287)	(2,413,935)
TOTAL	\$ (1,285,116,024)	\$ (1,208,860,467)
<b>PROPERTY HELD FOR FUTURE USE:</b>		
FUTURE USE PLANT - NORTH ESCAMBIA	\$ 12,313,213	\$ 11,900,605
TOTAL	\$ 12,313,213	\$ 11,900,605
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 3,218,435,493	\$ 3,009,961,538
CWIP - CLAUSE PROJECTS	392,124,051	385,796,738
TOTAL	\$ 3,610,559,544	\$ 3,395,758,275
<b>NUCLEAR FUEL:</b>		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
<b>WORKING CAPITAL:</b>		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (4,075,021,245)	\$ (3,925,902,874)
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 1,853,497,057</b>	<b>\$ 1,768,472,441</b>

**NOTES:**

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
SYSTEM ADJUSTMENTS  
INCOME STATEMENT  
JANUARY, 2022

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	\$ 14,000,451,690	4,120,835,920	1,738,087,659	2,052,021,247	1,537,813,532	101,528,871	307,278,154	423,887,408	(666,547)	10,280,786,244	\$ 3,719,665,446
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (554,953,528)	0	(365,430)	0	(12,688,533)	(132,370,167)	0	0	0	(145,424,130)	\$ (409,529,398)
FRANCHISE EXPENSE	0	0	0	0	(540,603,768)	132,055,403	0	0	0	(408,548,365)	408,548,365
GROSS RECEIPTS TAX	(306,445,371)	0	(772,673)	0	(305,805,962)	30,538	0	0	0	(306,548,098)	102,726
FINANCIAL PLANNING SERVICES	0	0	(82,709)	0	0	20,110	0	0	0	(62,599)	62,599
INDUSTRY ASSOCIATION DUES	0	0	(75,000)	0	0	18,391	0	0	0	(56,609)	56,609
ECONOMIC DEVELOPMENT	0	0	(496,941)	0	0	120,757	0	0	0	(376,184)	376,184
AVIATION - EXPENSES	0	0	(95,873)	0	0	23,402	0	0	0	(72,471)	72,471
EXECUTIVE COMPENSATION	0	0	(51,693,466)	0	0	12,603,714	0	0	0	(39,089,753)	39,089,753
FUEL COST RECOVERY	(3,863,707,243)	(3,849,536,510)	(2,238,836)	(372,876)	(29,803)	137,720,946	(144,921,341)	0	0	(3,859,378,419)	(4,328,825)
CONSERVATION COST RECOVERY	(54,869,749)	0	(39,915,935)	(8,318,178)	(1,089,044)	(3,023,170)	1,770,606	0	0	(50,575,721)	(4,294,029)
CAPACITY COST RECOVERY	(321,776,573)	(241,165,859)	(42,595,926)	(7,045,666)	(164,592)	(1,964,237)	(5,028,766)	0	0	(297,965,045)	(23,811,528)
ENVIRONMENTAL COST RECOVERY	(327,148,560)	0	(44,241,888)	(84,509,804)	(6,531,401)	(39,298,067)	(5,068,919)	0	(32,305)	(179,682,385)	(147,466,175)
STORM PROTECTION PLAN COST RECOVERY	(58,708,184)	0	(7,465,436)	(7,722,108)	(18,401)	(11,220,884)	674,974	0	0	(25,751,855)	(32,956,329)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	1,632,684	0	(396,523)	0	0	0	1,236,161	(1,236,161)
STORM DEFICIENCY RECOVERY	(84,225,860)	0	8,026	(81,163,701)	0	(745,296)	0	0	0	(81,900,971)	(2,324,890)
INTEREST TAX DEFICIENCIES	0	0	328,622	0	0	(80,270)	0	0	0	248,352	(248,352)
INTEREST SYNCHRONIZATION	0	0	0	0	0	17,522,762	(11,325,864)	0	0	6,196,899	(6,196,899)
NORTH ESCAMBIA TIMBER SALES	(119,994)	0	0	0	0	(29,060)	0	0	0	(29,060)	(90,934)
TOTAL FPSC ADJUSTMENTS	\$ (5,571,955,064)	(4,090,702,368)	(189,703,465)	(187,499,650)	(866,931,504)	110,988,348	(163,899,309)	0	(32,305)	(5,387,780,251)	\$ (184,174,812)
FPSC ADJUSTED	\$ 8,428,496,626	30,133,551	1,548,384,194	1,864,521,597	670,882,029	212,517,219	143,378,845	423,887,408	(698,851)	4,893,005,993	\$ 3,535,490,634
<b>PRO FORMA ADJUSTMENTS</b>											
WEATHER NORMALIZATION ADJUSTMENT (2)	\$ (77,255,239)	0	(55,624)	0	0	(18,749,160)	0	0	0	(18,804,784)	\$ (58,450,455)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,351,241,388	30,133,551	1,548,328,570	1,864,521,597	670,882,029	193,768,059	143,378,845	423,887,408	(698,851)	4,874,201,209	\$ 3,477,040,178
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 179,049,125										

NOTES:  
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.  
(2) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

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  
JANUARY, 2022

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>ADJUSTMENTS TO ASSETS PER BOOKS:</b>		
ACCOUNTS RECEIVABLE - ASSOC COS	257,381,488	249,446,204
ASSET RETIREMENT OBLIGATION	101,484,206	98,083,536
CEDAR BAY TRANSACTION	310,199,727	298,464,560
EARLY RETIRED ASSETS	559,034,132	544,257,671
EMPLOYEE LOAN RECEIVABLES	2,768	2,675
ICL TRANSACTION	221,569,444	213,187,249
INTEREST & DIVIDENDS RECEIVABLE	8,431	8,171
JOBGING ACCOUNTS	24,038,918	23,297,778
MISC. DEFERRED DEBIT - CLAUSES	4,898,730	4,689,891
NET UNDERRECOVERED CLAUSES	319,061,657	315,866,871
OPERATING LEASES	34,163,794	32,808,644
OTH REG ASSETS - CLAUSES	73,183,238	71,173,393
POLE ATTACHMENTS RENTS RECEIVABLE	49,313,317	47,792,947
PREPAYMENTS - ECCR	38,428,049	38,428,049
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	6,655,111	6,653,701
STORM DEFICIENCY RECOVERY	287,814,580	18,621,135
SJRPP TRANSACTION	50,400,544	48,983,406
TEMPORARY CASH INVESTMENTS	8,128,465	7,877,858
UNREALIZED LOSS ON FWD CONTRACT	38,963	36,805
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 2,345,805,563	\$ 2,019,680,546
<b>ADJUSTMENTS TO LIABILITIES PER BOOKS:</b>		
ACCUM DEFERRED RETIREMENT BENEFITS	(12,407,030)	(11,991,279)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(94,598,471)	174,594,973
ACCUM. PROV. - RATE REFUNDS	(4,468,940)	0
ASSET RETIREMENT OBLIGATION	(5,932,827,924)	(5,734,022,700)
CEDAR BAY TRANSACTION	(2,495,625)	(2,401,213)
DEFERRED TRANSMISSION CREDIT	(9,790,522)	(8,856,890)
FAS 133 HEDGES	(619,306)	(594,740)
GAIN ON SALE OF EMISSION ALLOWANCE	(263)	(256)
JOBGING ACCOUNTS	(24,223,628)	(23,476,794)
MARGIN CALL CASH COLLATERAL	(6,317)	(6,122)
MISC. DEFERRED CREDIT - CLAUSES	(12,512,603)	(12,157,515)
NUCLEAR COST RECOVERY	(241,630,584)	(241,630,584)
OTH REG LIAB - CLAUSES	(43,244,643)	(43,067,545)
SJRPP ACCELERATED RECOVERY	(745,329)	(717,133)
STORM DEFICIENCY RECOVERY	(41,255,622)	(41,255,622)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (6,420,826,808)	\$ (5,945,583,419)
<b>NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS</b>	<b>\$ (4,075,021,245)</b>	<b>\$ (3,925,902,874)</b>

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
RATE BASE  
JANUARY, 2022

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	\$ 68,124,307,142	19,440,738,524	48,683,568,618	651,757,621	6,305,816,467	662,948,960	56,304,091,667	(37,761,731)	\$ 56,266,329,935
JURISDICTIONAL PER BOOKS	\$ 65,716,690,767	15,477,600,221	50,239,090,546	625,544,021	5,989,596,747	626,232,569	57,480,463,883	(2,484,595,296)	\$ 54,995,868,587
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (3,444,386,272)	(1,290,344,956)	(2,154,041,316)	(11,837,866)	(3,377,222,123)	0	(5,543,101,305)	3,925,902,874	\$ (1,617,198,431)
FPSC ADJUSTED:	\$ 62,272,304,495	14,187,255,265	48,085,049,230	613,706,155	2,612,374,624	626,232,569	51,937,362,578	1,441,307,578	\$ 53,378,670,156
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 62,272,304,495	14,187,255,265	48,085,049,230	613,706,155	2,612,374,624	626,232,569	51,937,362,578	1,441,307,578	\$ 53,378,670,156

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
INCOME STATEMENT  
JANUARY, 2022

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	\$ 14,000,451,690	4,120,835,920	1,738,087,659	2,052,021,247	1,537,813,532	101,528,871	307,278,154	423,887,408	(666,547)	10,280,786,244	\$ 3,719,665,446
JURISDICTIONAL PER BOOKS	\$ 13,487,096,082	3,926,017,958	1,685,031,212	1,973,034,236	1,515,230,994	97,834,291	294,752,878	409,737,372	(667,406)	9,900,971,536	\$ 3,586,124,546
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (554,953,528)	0	(365,430)	0	(12,688,533)	(131,608,966)	0	0	0	(144,662,929)	\$ (410,290,599)
FRANCHISE EXPENSE	0	0	0	0	(540,603,768)	131,294,261	0	0	0	(409,309,507)	409,309,507
GROSS RECEIPTS TAX	(306,445,371)	0	(772,673)	0	(305,805,962)	32,365	0	0	0	(306,546,270)	100,899
FINANCIAL PLANNING SERVICES	0	0	(79,937)	0	0	19,414	0	0	0	(60,523)	60,523
INDUSTRY ASSOCIATION DUES	0	0	(72,487)	0	0	17,605	0	0	0	(54,882)	54,882
ECONOMIC DEVELOPMENT	0	0	(480,288)	0	0	116,646	0	0	0	(363,643)	363,643
AVIATION - EXPENSES	0	0	(92,660)	0	0	22,504	0	0	0	(70,156)	70,156
EXECUTIVE COMPENSATION	0	0	(49,961,252)	0	0	12,133,888	0	0	0	(37,827,363)	37,827,363
FUEL COST REC RETAIL	(3,677,068,417)	(3,665,392,124)	(2,238,217)	(356,979)	(28,532)	141,640,645	(143,839,205)	0	0	(3,670,214,413)	(6,854,005)
CONSERVATION COST RECOVERY	(54,869,749)	0	(39,915,935)	(8,318,178)	(1,089,044)	(3,075,482)	1,770,606	0	0	(50,628,032)	(4,241,717)
CAPACITY COST RECOVERY	(321,330,428)	(232,052,145)	(40,992,255)	(6,779,121)	(158,365)	(4,377,689)	(5,028,766)	0	0	(289,388,340)	(31,942,088)
ENVIRONMENTAL COST RECOVERY	(327,148,560)	0	(43,070,859)	(82,262,067)	(6,357,683)	(39,856,924)	(5,068,919)	0	(31,445)	(176,647,898)	(150,500,662)
STORM PROTECTION PLAN COST RECOVERY	(58,708,184)	0	(7,382,497)	(7,635,589)	(18,401)	(11,183,630)	674,974	0	0	(25,545,142)	(33,163,041)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	1,632,684	0	(396,523)	0	0	0	1,236,161	(1,236,161)
STORM DEFICIENCY RECOVERY	(84,225,860)	0	8,026	(81,163,701)	0	(745,643)	0	0	0	(81,901,319)	(2,324,542)
INTEREST TAX DEFICIENCIES	0	0	317,610	0	0	(77,137)	0	0	0	240,473	(240,473)
INTEREST SYNCHRONIZATION	0	0	0	0	0	2,918,039	(10,946,341)	0	0	(8,028,302)	8,028,302
NORTH ESCAMBIA TIMBER SALES	(119,994)	0	0	0	0	(29,142)	0	0	0	(29,142)	(90,852)
TOTAL FPSC ADJUSTMENTS	\$ (5,384,870,092)	(3,897,444,269)	(185,098,854)	(184,882,953)	(866,750,289)	96,844,231	(162,437,650)	0	(31,445)	(5,199,801,228)	\$ (185,068,864)
FPSC ADJUSTED	\$ 8,102,225,990	28,573,689	1,499,932,358	1,788,151,284	648,480,705	194,678,523	132,315,228	409,737,372	(698,851)	4,701,170,307	\$ 3,401,055,682
<b>PRO FORMA ADJUSTMENTS</b>											
WEATHER NORMALIZATION ADJUSTMENT (2)	\$ (77,255,239)	0	(55,624)	0	0	(18,749,160)	0	0	0	(18,804,784)	\$ (58,450,455)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,024,970,751	28,573,689	1,499,876,734	1,788,151,284	648,480,705	175,929,363	132,315,228	409,737,372	(698,851)	4,682,365,524	\$ 3,342,605,227
<b>(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY</b>											
	\$ 179,049,125										
	\$ 172,973,063										

NOTES:  
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.  
(2) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

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  
SYSTEM ADJUSTMENTS  
JANUARY, 2022

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 2,081,625,686	\$ 2,026,259,944
FUEL AND CAPACITY	151,699,576	145,958,848
CAPITALIZED EXECUTIVE COMPENSATION	55,725,785	53,858,450
LOAD CONTROL	36,145,212	36,145,212
ASSET RETIREMENT OBLIGATION	168,630,837	162,980,127
CAPITAL LEASES	340,386,981	328,980,834
STORM PROTECTION	698,023,550	690,202,859
TOTAL	<u>\$ 3,532,237,626</u>	<u>\$ 3,444,386,272</u>
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (689,066,228)	\$ (670,738,887)
ACCUM PROV DECOMMISSIONING COSTS	(6,532,680,340)	(6,273,553,301)
ASSET RETIREMENT OBLIGATION	33,949,590	32,811,961
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	6,085,097,146	5,881,189,479
FUEL AND CAPACITY	(17,509,409)	(16,845,230)
OTHER RATE CASE ADJUSTMENTS (1)	1,632,684	1,632,684
LOAD CONTROL	(17,126,179)	(17,126,179)
CAPITAL LEASES	(227,813,278)	(220,179,402)
STORM PROTECTION	(7,621,473)	(7,536,082)
TOTAL	<u>\$ (1,371,137,486)</u>	<u>\$ (1,290,344,956)</u>
<b>PROPERTY HELD FOR FUTURE USE:</b>		
FUTURE USE PLANT - NORTH ESCAMBIA	\$ 12,248,298	\$ 11,837,866
TOTAL	<u>\$ 12,248,298</u>	<u>\$ 11,837,866</u>
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 3,098,840,199	\$ 2,888,258,246
CWIP - CLAUSE PROJECTS	496,292,110	488,963,878
TOTAL	<u>\$ 3,595,132,309</u>	<u>\$ 3,377,222,123</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)	\$ (4,075,021,245)	\$ (3,925,902,874)
<b>TOTAL ADJUSTMENTS</b>	<u><b>\$ 1,693,459,502</b></u>	<u><b>\$ 1,617,198,431</b></u>

**NOTES:**

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
SYSTEM ADJUSTMENTS  
INCOME STATEMENT  
JANUARY, 2022

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	\$ 14,000,451,690	4,120,835,920	1,738,087,659	2,052,021,247	1,537,813,532	101,528,871	307,278,154	423,887,408	(666,547)	10,280,786,244	\$ 3,719,665,446
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (554,953,528)	0	(365,430)	0	(12,688,533)	(132,370,167)	0	0	0	(145,424,130)	\$ (409,529,398)
FRANCHISE EXPENSE	0	0	0	0	(540,603,768)	132,055,403	0	0	0	(408,548,365)	408,548,365
GROSS RECEIPTS TAX	(306,445,371)	0	(772,673)	0	(305,805,962)	30,538	0	0	0	(306,548,098)	102,726
FINANCIAL PLANNING SERVICES	0	0	(82,709)	0	0	20,110	0	0	0	(62,599)	62,599
INDUSTRY ASSOCIATION DUES	0	0	(75,000)	0	0	18,391	0	0	0	(56,609)	56,609
ECONOMIC DEVELOPMENT	0	0	(496,941)	0	0	120,757	0	0	0	(376,184)	376,184
AVIATION - EXPENSES	0	0	(95,873)	0	0	23,402	0	0	0	(72,471)	72,471
EXECUTIVE COMPENSATION	0	0	(51,693,466)	0	0	12,603,714	0	0	0	(39,089,753)	39,089,753
FUEL COST REC RETAIL	(3,863,707,243)	(3,849,536,510)	(2,238,836)	(372,876)	(29,803)	137,720,946	(144,921,341)	0	0	(3,859,378,419)	(4,328,825)
CONSERVATION COST RECOVERY	(54,869,749)	0	(39,915,935)	(8,318,178)	(1,089,044)	(3,023,170)	1,770,606	0	0	(50,575,721)	(4,294,029)
CAPACITY COST RECOVERY	(321,776,573)	(241,165,859)	(42,595,926)	(7,045,666)	(164,592)	(1,964,237)	(5,028,766)	0	0	(297,965,045)	(23,811,528)
ENVIRONMENTAL COST RECOVERY	(327,148,560)	0	(44,241,888)	(84,509,804)	(6,531,401)	(39,298,067)	(5,068,919)	0	(32,305)	(179,682,385)	(147,466,175)
STORM PROTECTION PLAN COST RECOVERY	(58,708,184)	0	(7,465,436)	(7,722,108)	(18,401)	(11,220,884)	674,974	0	0	(25,751,855)	(32,956,329)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	1,632,684	0	(396,523)	0	0	0	1,236,161	(1,236,161)
STORM DEFICIENCY RECOVERY	(84,225,860)	0	8,026	(81,163,701)	0	(745,296)	0	0	0	(81,900,971)	(2,324,890)
INTEREST TAX DEFICIENCIES	0	0	328,622	0	0	(80,270)	0	0	0	248,352	(248,352)
INTEREST SYNCHRONIZATION	0	0	0	0	0	4,922,575	(11,325,864)	0	0	(6,403,288)	6,403,288
NORTH ESCAMBIA TIMBER SALES	(90,934)	0	0	0	0	0	0	0	0	0	(90,934)
TOTAL FPSC ADJUSTMENTS	\$ (5,571,926,003)	(4,090,702,368)	(189,703,465)	(187,499,650)	(866,931,504)	98,417,221	(163,899,309)	0	(32,305)	(5,400,351,378)	\$ (171,574,625)
FPSC ADJUSTED	\$ 8,428,525,686	30,133,551	1,548,384,194	1,864,521,597	670,882,029	199,946,092	143,378,845	423,887,408	(698,851)	4,880,434,866	\$ 3,548,090,821
<b>PRO FORMA ADJUSTMENTS</b>											
WEATHER NORMALIZATION ADJUSTMENT (2)	\$ (77,255,239)	0	(55,624)	0	0	(18,749,160)	0	0	0	(18,804,784)	\$ (58,450,455)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,351,270,448	30,133,551	1,548,328,570	1,864,521,597	670,882,029	181,196,933	143,378,845	423,887,408	(698,851)	4,861,630,082	\$ 3,489,640,365
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 179,049,125										

NOTES:

- (1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.  
(2) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

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

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS  
JANUARY, 2022

SCHEDULE 4: PAGE 1 OF 2

AVERAGE	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 5	ADJUSTMENTS		ADJUSTED RETAIL 8	RATIO (%) 9	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%) 10	WEIGHTED COST (%) 11	COST RATE (%) 12	WEIGHTED COST (%) 13	COST RATE (%) 14	WEIGHTED COST (%) 15
			6	7								
LONG TERM DEBT	\$ 16,346,437,645	\$ 15,799,446,729	\$ (424,181,259)	\$ (166,570,163)	\$ 15,208,695,307	30.18%	3.56%	1.07%	3.56%	1.07%	3.56%	1.07%
SHORT TERM DEBT	952,353,567	920,485,351	(24,976,378)	0	895,508,973	1.78%	0.90%	0.02%	0.90%	0.02%	0.90%	0.02%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	25,768,063,023	24,906,402,957	(676,048,726)	8,856,890	24,239,211,121	48.09%	9.70%	4.67%	10.60%	5.10%	11.70%	5.63%
CUSTOMER DEPOSITS	423,063,577	422,866,754	(11,474,034)	0	411,392,720	0.82%	2.17%	0.02%	2.17%	0.02%	2.17%	0.02%
DEFERRED INCOME TAX	(1) 6,108,779,102	5,903,004,283	(157,725,984)	(90,133,530)	5,655,144,770	11.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	3,415,850,604	3,301,547,402	(89,583,931)	(0)	3,211,963,471	6.37%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS	(2) 945,158,638	914,341,867	(21,690,785)	(114,944,543)	777,706,539	1.54%	7.33%	0.11%	7.88%	0.12%	8.56%	0.13%
TOTAL	\$ 53,959,706,155	\$ 52,168,095,342	\$ (1,405,681,096)	\$ (362,791,346)	\$ 50,399,622,901	100.00%		5.88%		6.33%		6.87%

YEAR END	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 5	ADJUSTMENTS		ADJUSTED RETAIL 8	RATIO (%) 9	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%) 10	WEIGHTED COST (%) 11	COST RATE (%) 12	WEIGHTED COST (%) 13	COST RATE (%) 14	WEIGHTED COST (%) 15
			6	7								
LONG TERM DEBT	\$ 18,608,798,364	\$ 18,185,193,813	\$ (421,014,784)	\$ (148,263,776)	\$ 17,615,915,252	33.00%	3.35%	1.10%	3.35%	1.10%	3.35%	1.10%
SHORT TERM DEBT	1,299,735,244	1,270,268,311	(29,650,375)	(0)	1,240,617,936	2.32%	1.03%	0.02%	1.03%	0.02%	1.03%	0.02%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	25,314,169,341	24,740,975,183	(577,706,139)	8,856,890	24,172,125,935	45.28%	9.70%	4.39%	10.60%	4.80%	11.70%	5.30%
CUSTOMER DEPOSITS	413,030,462	412,766,091	(9,634,712)	(0)	403,131,379	0.76%	2.27%	0.02%	2.27%	0.02%	2.27%	0.02%
DEFERRED INCOME TAX	6,194,224,643	6,051,371,987	(139,146,158)	(90,133,530)	5,822,092,299	10.91%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	3,281,995,675	3,207,587,945	(74,870,942)	(0)	3,132,717,002	5.87%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS	(2) 1,154,376,206	1,127,705,258	(23,710,167)	(111,924,739)	992,070,353	1.86%	7.02%	0.13%	7.54%	0.14%	8.18%	0.15%
TOTAL	\$ 56,266,329,935	\$ 54,995,868,587	\$ (1,275,733,277)	\$ (341,465,154)	\$ 53,378,670,156	100.00%		5.67%		6.09%		6.60%

NOTE:

(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$2,895 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  
JANUARY, 2022

SCHEDULE 5: PAGE 1 OF 2

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 3,829,570,824
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	44,686,775
INCOME TAXES	823,733,287
TOTAL	<u>\$ 4,697,990,886</u>
 INTEREST CHARGES EXCLUDING DEBT AFUDC	 <u>\$ 663,689,078</u>
 TIMES INTEREST EARNED WITH AFUDC	 <u>7.08</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 3,829,570,824
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(134,362,349)
INCOME TAXES	823,733,287
TOTAL	<u>\$ 4,518,941,761</u>
 INTEREST CHARGES EXCLUDING DEBT AFUDC	 <u>\$ 663,689,078</u>
 TIMES INTEREST EARNED WITHOUT AFUDC	 <u>6.81</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 44,686,775
X (1 - INCOME_TAX_RATE)	0.7571
SUBTOTAL	<u>\$ 33,833,878</u>
 ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	 134,362,349
TOTAL	<u>\$ 168,196,227</u>
 NET INCOME AVAILABLE FOR COMMON	 <u>\$ 3,210,568,522</u>
 AFUDC AS PERCENT OF NET INCOME	 <u>5.24%</u>

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 3,210,568,522
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(540,000,000)
AFUDC (DEBT & OTHER)	(179,049,125)
DEPRECIATION AND AMORTIZATION EXPENSE	2,052,021,247
DEFERRED INCOME TAXES	298,265,096
INVESTMENT TAX CREDITS	423,887,408
CLAUSE OVER/UNDER RECOVERY	(442,905,573)
OTHER	1,669,468
INTERNALLY GENERATED FUNDS	<u>\$ 4,824,457,043</u>
 CONSTRUCTION EXPENDITURES	 <u>\$ 7,041,372,864</u>
 PERCENT INTERNALLY GENERATED FUNDS	 <u>68.52%</u>

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	\$ 15,208,695,307
JURIS ADJUSTED SHORT TERM DEBT	895,508,973
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	24,239,211,121
TOTAL	<u>\$ 40,343,415,401</u>
 LTD TO TOTAL INVESTOR FUNDS	 <u>37.70%</u>
 STD TO TOTAL INVESTOR FUNDS	 <u>2.22%</u>

ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

	G. FPSC ADJ.	H. PROFORMA
RATE OF RETURN	6.72%	6.60%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :		
LONG TERM DEBT	1.07%	1.07%
SHORT TERM DEBT	0.02%	0.02%
PREFERRED STOCK	0.00%	0.00%
CUSTOMER DEPOSITS	0.02%	0.02%
TAX CREDITS - WEIGHTED COST	0.12%	0.12%
SUBTOTAL	<u>1.23%</u>	<u>1.23%</u>
TOTAL	<u>5.49%</u>	<u>5.38%</u>
 DIVIDED BY COMMON EQUITY RATIO	 <u>48.09%</u>	 <u>48.09%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>11.42%</u>	<u>11.18%</u>