



December 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 October 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 Docket No. 20210015-EI, Order No. PSC-2022-0358-FOF-EI. The return on common equity is 11.80%.

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 October 2022 amortization debit to the Reserve Amount was \$0. The balance of the Reserve Amount as of October 31, 2022 is \$1,450,000,000.

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 October 2022.

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

Sincerely,

A handwritten signature in blue ink that reads "Keith Ferguson".

Keith Ferguson
Controller, FPL Finance

Page 2

Enclosures:

Copy: Richard Gentry, Office of Public Counsel

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

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	\$ 4,175,060,055 (A)	(383,900,884) (B)	3,791,159,171	(106,850,201)	\$ 3,684,308,970
RATE BASE	\$ 57,272,589,319	(2,666,928,979)	54,605,660,339	0	\$ 54,605,660,339
AVERAGE RATE OF RETURN	7.29%		6.94%		6.75%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 4,175,060,055 (A)	(385,622,316) (B)	3,789,437,739	(106,850,201)	\$ 3,682,587,538
RATE BASE	\$ 59,920,038,860	(2,672,597,735)	57,247,441,125	0	\$ 57,247,441,125
YEAR END RATE OF RETURN	6.97%		6.62%		6.43%

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

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

LOW	5.98%
MIDPOINT	6.46%
HIGH	6.95%

IV. FINANCIAL INTEGRITY INDICATORS

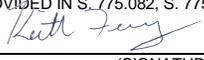
A. TIMES INTEREST EARNED WITH AFUDC	6.93	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.74	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	3.93%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	44.64%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	38.79%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	1.86%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.80%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	11.39%	(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)

12/12/2022
(DATE)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
OCTOBER, 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	\$ 69,668,938,105	19,686,334,449	49,982,603,656	684,644,324	6,409,172,065	650,270,502	57,726,690,547	1,558,945,610	\$ 59,285,636,157
JURISDICTIONAL PER BOOKS	\$ 67,159,157,831	15,898,160,874	51,260,996,958	657,065,541	6,101,264,901	614,256,287	58,633,583,687	(1,360,994,368)	\$ 57,272,589,319
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (3,692,046,851)	(1,242,548,519)	(2,449,498,333)	(10,812,258)	(3,065,547,217)	0	(5,525,857,808)	2,858,928,829	\$ (2,666,928,979)
FPSC ADJUSTED:	\$ 63,467,110,980	14,655,612,355	48,811,498,625	646,253,283	3,035,717,684	614,256,287	53,107,725,879	1,497,934,460	\$ 54,605,660,339
 PRO FORMA ADJUSTMENTS									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 63,467,110,980	14,655,612,355	48,811,498,625	646,253,283	3,035,717,684	614,256,287	53,107,725,879	1,497,934,460	\$ 54,605,660,339

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
OCTOBER, 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	\$ 16,363,718,809	5,446,624,403	1,811,275,604	2,291,754,946	1,700,799,283	(104,846,021)	918,075,527	110,233,837	(20,491,746)	12,153,425,835	\$ 4,210,292,974
JURISDICTIONAL PER BOOKS	\$ 15,687,572,158	5,149,838,472	1,758,242,709	2,211,760,919	1,677,395,991	(100,103,045)	873,216,022	106,554,056	(19,630,217)	11,657,274,908	\$ 4,030,297,250
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (644,467,464)	0	(58,872)	0	(14,926,387)	(157,913,637)	0	0	0	(172,898,895)	\$ (471,568,568)
FRANCHISE EXPENSE	0	0	0	0	(627,868,178)	157,508,738	0	0	0	(470,359,441)	470,359,441
GROSS RECEIPTS TAX	(364,059,057)	0	(9,729,272)	0	(356,408,271)	521,414	0	0	0	(365,616,128)	1,557,071
FINANCIAL PLANNING SERVICES	0	0	(142,289)	0	0	35,695	0	0	0	(106,594)	106,594
INDUSTRY ASSOCIATION DUES	0	0	(62,822)	0	0	15,760	0	0	0	(47,062)	47,062
ECONOMIC DEVELOPMENT (B)	0	0	(566,714)	0	0	142,167	0	0	0	(424,547)	424,547
AVIATION - EXPENSES	0	0	(202,307)	0	0	50,751	0	0	0	(151,556)	151,556
EXECUTIVE COMPENSATION	0	0	(65,219,673)	0	0	16,361,186	0	0	0	(48,858,486)	48,858,486
FUEL COST REC RETAIL	(4,905,454,190)	(4,906,591,946)	(373,123)	0	(29,178)	378,808,949	(383,128,452)	0	18,758,648	(4,892,555,102)	(12,899,089)
CONSERVATION COST RECOVERY	(50,031,548)	0	(35,378,842)	(10,556,619)	(908,566)	(3,615,680)	2,816,050	0	0	(47,643,657)	(2,387,892)
CAPACITY COST RECOVERY	(311,089,356)	(223,694,158)	(42,110,120)	(8,117,017)	(147,221)	(4,501,130)	(4,786,019)	0	0	(283,355,666)	(27,733,689)
ENVIRONMENTAL COST RECOVERY	(372,470,539)	0	(51,969,088)	(115,643,178)	(1,348,905)	(43,797,065)	(7,255,900)	0	182	(220,013,954)	(152,456,585)
STORM PROTECTION PLAN COST RECOVERY	(215,271,426)	0	(78,389,932)	(24,992,886)	(115,670)	(27,092,412)	(947,255)	0	0	(131,538,155)	(83,733,271)
OTHER RATE CASE ADJUSTMENTS (1) (2)	0	0	34,678	34,678	0	(17,399)	0	0	0	51,957	(51,957)
STORM DEFICIENCY RECOVERY	(86,723,033)	0	4,504	(89,631,863)	0	728,587	0	0	0	(88,898,772)	2,175,740
INTEREST TAX DEFICIENCIES	0	0	87,797	0	0	(22,025)	0	0	0	65,772	(65,772)
INTEREST SYNCHRONIZATION	0	0	0	0	0	20,405,075	(8,573,216)	0	0	11,831,859	(11,831,859)
NORTH ESCAMBIA TIMBER SALES	(119,994)	0	0	0	0	(30,102)	0	0	0	(30,102)	(89,892)
TOTAL FPSC ADJUSTMENTS	\$ (6,949,686,608)	(5,130,286,104)	(284,076,074)	(248,906,885)	(1,001,752,376)	337,588,873	(401,874,792)	0	18,758,831	(6,710,548,528)	\$ (239,138,079)
FPSC ADJUSTED	\$ 8,737,885,551	19,552,368	1,474,166,635	1,962,854,034	675,643,615	237,485,828	471,341,229	106,554,056	(871,386)	4,946,726,380	\$ 3,791,159,171
PRO FORMA ADJUSTMENTS											
WEATHER NORMALIZATION ADJUSTMENT (3)	\$ (142,733,776)	0	(102,768)	0	0	(35,780,807)	0	0	0	(35,883,575)	\$ (106,850,201)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,595,151,774	19,552,368	1,474,063,866	1,962,854,034	675,643,615	201,705,021	471,341,229	106,554,056	(871,386)	4,910,842,805	\$ 3,684,308,970
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY											
	\$ 149,847,919										
	\$ 144,762,805										
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:											
ON A TOTAL COMPANY BASIS	\$ 11,233,751										
ON A JURISDICTIONAL BASIS	\$ 10,953,057										
CURRENT MONTH AMOUNT											
SYSTEM PER BOOKS	\$ 1,367,607,434	461,520,452	132,838,145	211,058,198	144,833,227	35,655,798	39,428,907	(2,470,356)	(707,844)	1,022,156,527	\$ 345,450,907
JURISDICTIONAL PER BOOKS	\$ 1,314,592,378	432,067,655	128,151,243	205,000,403	142,872,951	34,779,102	38,578,738	(2,387,892)	(680,094)	978,382,107	\$ 336,210,271

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.
(2) ADJUSTMENT TO REFLECT INCREMENTAL EXPENSE REQUIRED TO KEEP FPL FROM EXCEEDING THE TOP OF ITS AUTHORIZED REGULATORY ROE RANGE. IN ACCORDANCE WITH 2021 BASE RATE SETTLEMENT AGREEMENT, 50% IS ALLOCATED TO STORM AND THE REMAINING 50% IS TREATED AS AN OFFSET TO CAPITAL RECOVERY REGULATORY ASSET AMORTIZATION INCLUDED IN BASE DEPRECIATION AND AMORTIZATION.
(3) 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
OCTOBER, 2022

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 2,171,708,284	\$ 2,086,918,926
FUEL AND CAPACITY	153,935,822	147,708,326
CAPITALIZED EXECUTIVE COMPENSATION	55,741,673	53,873,806
LOAD CONTROL	36,078,292	36,078,292
ASSET RETIREMENT OBLIGATION	136,657,885	132,078,568
CAPITAL LEASES	289,549,958	279,847,326
STORM PROTECTION	972,761,661	955,541,607
TOTAL	<u>\$ 3,816,433,576</u>	<u>\$ 3,692,046,851</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (709,448,045)	\$ (681,749,277)
ACCUM PROV DECOMMISSIONING COSTS	(6,049,664,730)	(5,809,697,117)
ASSET RETIREMENT OBLIGATION	55,669,318	53,803,875
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	5,620,913,978	5,432,560,789
FUEL AND CAPACITY	(21,187,501)	(20,321,978)
OTHER RATE CASE ADJUSTMENTS (1) (2)	2,668	2,668
LOAD CONTROL	(13,683,847)	(13,683,847)
CAPITAL LEASES	(195,816,690)	(189,255,000)
STORM PROTECTION	(14,464,688)	(14,208,630)
TOTAL	<u>\$ (1,327,679,538)</u>	<u>\$ (1,242,548,519)</u>
PROPERTY HELD FOR FUTURE USE:		
FUTURE USE PLANT - NORTH ESCAMBIA	\$ 11,187,131	\$ 10,812,258
TOTAL	<u>\$ 11,187,131</u>	<u>\$ 10,812,258</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,693,982,911	\$ 2,511,822,582
CWIP - CLAUSE PROJECTS	566,531,763	553,724,636
TOTAL	<u>\$ 3,260,514,674</u>	<u>\$ 3,065,547,217</u>
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
WORKING CAPITAL:		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (2,974,638,219)	\$ (2,858,928,829)
TOTAL ADJUSTMENTS	<u>\$ 2,785,817,624</u>	<u>\$ 2,666,928,979</u>

NOTES:

- (1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.
(2) ADJUSTMENT TO REFLECT INCREMENTAL EXPENSE REQUIRED TO KEEP FPL FROM EXCEEDING THE TOP OF ITS AUTHORIZED RETAIL ROE. IN ACCORDANCE WITH 2021 BASE RATE SETTLEMENT AGREEMENT, 50% IS ALLOCATED TO STORM RESERVE AND THE REMAINING 50% IS TREATED AS AN OFFSET TO CAPITAL RECOVERY REGULATORY ASSET.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
OCTOBER, 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	\$ 16,363,718,809	5,446,624,403	1,811,275,604	2,291,754,946	1,700,799,283	(104,846,021)	918,075,527	110,233,837	(20,491,746)	12,153,425,835	\$ 4,210,292,974
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (644,467,464)	0	(58,872)	0	(14,926,387)	(154,884,544)	0	0	0	(169,869,802)	\$ (474,597,661)
FRANCHISE EXPENSE	0	0	0	0	(627,868,178)	154,491,090	0	0	0	(473,377,089)	473,377,089
GROSS RECEIPTS TAX	(364,059,057)	0	(9,729,272)	0	(356,408,271)	508,967	0	0	0	(365,628,576)	1,569,518
FINANCIAL PLANNING SERVICES	0	0	(147,223)	0	0	36,125	0	0	0	(111,097)	111,097
INDUSTRY ASSOCIATION DUES	0	0	(65,000)	0	0	16,306	0	0	0	(48,694)	48,694
ECONOMIC DEVELOPMENT	0	0	(586,363)	0	0	144,112	0	0	0	(442,251)	442,251
AVIATION - EXPENSES	0	0	(209,322)	0	0	51,462	0	0	0	(157,860)	157,860
EXECUTIVE COMPENSATION	0	0	(67,480,914)	0	0	16,586,093	0	0	0	(50,894,821)	50,894,821
FUEL COST RECOVERY	(5,201,402,916)	(5,192,840,813)	(373,592)	0	(30,518)	377,591,685	(385,634,315)	0	19,620,170	(5,181,667,383)	(19,735,533)
CONSERVATION COST RECOVERY	(50,031,548)	0	(35,378,842)	(10,556,619)	(908,566)	(3,588,626)	2,816,050	0	0	(47,616,602)	(2,414,946)
CAPACITY COST RECOVERY	(311,580,887)	(233,169,381)	(43,881,108)	(8,458,681)	(153,417)	(1,643,461)	(4,786,019)	0	0	(292,092,067)	(19,488,820)
ENVIRONMENTAL COST RECOVERY	(372,470,539)	0	(54,078,925)	(120,341,640)	(1,403,710)	(41,157,601)	(7,255,900)	0	190	(224,237,586)	(148,232,953)
STORM PROTECTION PLAN COST RECOVERY	(215,271,426)	0	(79,801,797)	(25,443,289)	(117,755)	(26,170,489)	(947,255)	0	0	(132,480,585)	(82,790,841)
OTHER RATE CASE ADJUSTMENTS (1) (2)	0	0	34,678	34,678	0	(17,399)	0	0	0	51,957	(51,957)
STORM DEFICIENCY RECOVERY	(86,723,033)	0	4,504	(89,631,863)	0	708,925	0	0	0	(88,918,435)	2,195,402
INTEREST TAX DEFICIENCIES	0	0	90,841	0	0	(21,884)	0	0	0	(68,957)	(68,957)
INTEREST SYNCHRONIZATION	0	0	0	0	0	21,142,958	(8,870,459)	0	0	12,272,499	(12,272,499)
NORTH ESCAMBIA TIMBER SALES	(119,994)	0	0	0	0	(29,060)	0	0	0	(29,060)	(90,934)
TOTAL FPSC ADJUSTMENTS	\$ (7,246,126,865)	(5,426,010,194)	(291,661,205)	(254,397,414)	(1,001,816,802)	343,764,659	(404,677,899)	0	19,620,359	(7,015,178,496)	\$ (230,948,370)
FPSC ADJUSTED	\$ 9,117,591,944	20,614,209	1,519,614,399	2,037,357,532	698,982,482	238,918,638	513,397,629	110,233,837	(871,386)	5,138,247,339	\$ 3,979,344,605
PRO FORMA ADJUSTMENTS											
WEATHER NORMALIZATION ADJUSTMENT (3)	\$ (142,733,776)	0	(102,768)	0	0	(35,780,807)	0	0	0	(35,883,575)	\$ (106,850,201)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,974,858,168	20,614,209	1,519,511,631	2,037,357,532	698,982,482	203,137,831	513,397,629	110,233,837	(871,386)	5,102,363,764	\$ 3,872,494,403
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY											
	\$ 149,847,919										

NOTES:

- (1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.
- (2) ADJUSTMENT TO REFLECT INCREMENTAL EXPENSE REQUIRED TO KEEP FPL FROM EXCEEDING THE TOP OF ITS AUTHORIZED ROE. IN ACCORDANCE WITH 2021 BASE RATE SETTLEMENT AGREEMENT, 50% IS ALLOCATED TO STORM RESERVE AND THE REMAINING 50% IS TREATED AS AN OFFSET TO CAPITAL RECOVERY REGULATORY ASSET AMORTIZATION INCLUDED IN BASE DEPRECIATION AND AMORTIZATION.
- (3) 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
OCTOBER, 2022

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	227,580,776	220,564,273
ASSET RETIREMENT OBLIGATION	63,572,123	61,441,862
CEDAR BAY TRANSACTION	242,107,104	232,327,909
EARLY RETIRED ASSETS	937,917,656	901,986,575
EMPLOYEE LOAN RECEIVABLES	1,206	1,166
ICL TRANSACTION	183,944,444	176,514,557
INTEREST & DIVIDENDS RECEIVABLE	426,890	413,729
JOBGING ACCOUNTS	15,834,178	15,345,997
MISC. DEFERRED DEBIT - CLAUSES	11,837,474	11,347,954
NET UNDERRECOVERED CLAUSES	1,038,881,053	1,030,378,551
OPERATING LEASES	17,320,805	16,633,753
OTH REG ASSETS - CLAUSES	82,310,458	79,088,662
POLE ATTACHMENTS RENTS RECEIVABLE	59,937,810	58,089,878
PREPAYMENTS - ECCR	36,182,254	36,182,254
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	6,422,084	6,420,090
STORM DEFICIENCY RECOVERY	353,529,812	294,770,723
SJRPP TRANSACTION	42,086,423	40,443,255
TEMPORARY CASH INVESTMENTS	153,560,769	148,826,385
UNREALIZED LOSS ON FWD CONTRACT	38,963	36,805
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 3,473,492,281	\$ 3,330,814,375
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - CARE TO SHARE	(88,645)	(85,912)
ACCUM DEFERRED RETIREMENT BENEFITS	(12,166,049)	(11,758,372)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(88,052,626)	(29,293,536)
ACCUM. PROV. - RATE REFUNDS	17,529	0
ASSET RETIREMENT OBLIGATION	(5,876,814,518)	(5,679,886,268)
CEDAR BAY TRANSACTION	(1,947,813)	(1,869,137)
DEFERRED TRANSMISSION CREDIT	(9,588,886)	(8,674,483)
GAIN ON SALE OF EMISSION ALLOWANCE	(229)	(220)
JOBGING ACCOUNTS	(22,340,348)	(21,651,576)
MARGIN CALL CASH COLLATERAL	(2,464,231)	(2,388,257)
MISC. DEFERRED CREDIT - CLAUSES	(7,531,135)	(7,234,640)
NUCLEAR COST RECOVERY	(241,630,584)	(241,630,584)
OTH REG LIAB - CLAUSES	(40,921,564)	(40,668,818)
OTHER RATE CASE ADJUSTMENTS (1) (2)	2,668	2,668
STORM DEFICIENCY RECOVERY	(144,604,068)	(144,604,068)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (6,448,130,500)	\$ (6,189,743,204)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (2,974,638,219)	\$ (2,858,928,829)

NOTES:

- (1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.
- (2) ADJUSTMENT TO REFLECT INCREMENTAL EXPENSE REQUIRED TO KEEP FPL FROM EXCEEDING THE TOP OF ITS AUTHORIZED RETAIL ROE. IN ACCORDANCE WITH 2021 BASE RATE SETTLEMENT AGREEMENT, 50% IS ALLOCATED TO STORM RESERVE AND THE REMAINING 50% IS TREATED AS AN OFFSET TO CAPITAL RECOVERY REGULATORY ASSET.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
RATE BASE
OCTOBER, 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	\$ 72,410,590,462	19,858,580,254	52,552,010,209	744,046,887	6,577,724,264	642,153,200	60,515,934,560	1,558,945,610	\$ 62,074,880,170
JURISDICTIONAL PER BOOKS	\$ 69,777,615,241	16,103,805,036	53,673,810,205	714,032,275	6,286,602,199	606,588,549	61,281,033,228	(1,360,994,368)	\$ 59,920,038,860
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (3,903,213,979)	(1,109,574,323)	(2,793,639,656)	(10,339,955)	(2,727,546,953)	0	(5,531,526,564)	2,858,928,829	\$ (2,672,597,735)
FPSC ADJUSTED:	\$ 65,874,401,262	14,994,230,713	50,880,170,549	703,692,320	3,559,055,246	606,588,549	55,749,506,665	1,497,934,460	\$ 57,247,441,125
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 65,874,401,262	14,994,230,713	50,880,170,549	703,692,320	3,559,055,246	606,588,549	55,749,506,665	1,497,934,460	\$ 57,247,441,125

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
OCTOBER, 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	\$ 16,363,718,809	5,446,624,403	1,811,275,604	2,291,754,946	1,700,799,283	(104,846,021)	918,075,527	110,233,837	(20,491,746)	12,153,425,835	\$ 4,210,292,974
JURISDICTIONAL PER BOOKS	\$ 15,687,572,158	5,149,838,472	1,758,242,709	2,211,760,919	1,677,395,991	(100,103,045)	873,216,022	106,554,056	(19,630,217)	11,657,274,908	\$ 4,030,297,250
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (644,467,464)	0	(58,872)	0	(14,926,387)	(157,913,637)	0	0	0	(172,898,895)	\$ (471,568,568)
FRANCHISE EXPENSE	0	0	0	0	(627,868,178)	157,508,738	0	0	0	(470,359,441)	470,359,441
GROSS RECEIPTS TAX	(364,059,057)	0	(9,729,272)	0	(356,408,271)	521,414	0	0	0	(365,616,128)	1,557,071
FINANCIAL PLANNING SERVICES	0	0	(142,289)	0	0	35,695	0	0	0	(106,594)	106,594
INDUSTRY ASSOCIATION DUES	0	0	(62,822)	0	0	15,760	0	0	0	(47,062)	47,062
ECONOMIC DEVELOPMENT	0	0	(566,714)	0	0	142,167	0	0	0	(424,547)	424,547
AVIATION - EXPENSES	0	0	(202,307)	0	0	50,751	0	0	0	(151,556)	151,556
EXECUTIVE COMPENSATION	0	0	(65,219,673)	0	0	16,361,186	0	0	0	(48,858,486)	48,858,486
FUEL COST REC RETAIL	(4,905,454,190)	(4,906,591,946)	(373,123)	0	(29,178)	378,808,949	(383,128,452)	0	18,758,648	(4,892,555,102)	(12,899,089)
CONSERVATION COST RECOVERY	(50,031,548)	0	(35,378,842)	(10,556,619)	(908,566)	(3,615,680)	2,816,050	0	0	(47,643,657)	(2,387,892)
CAPACITY COST RECOVERY	(311,089,356)	(223,694,158)	(42,110,120)	(8,117,017)	(147,221)	(4,501,130)	(4,786,019)	0	0	(283,355,666)	(27,733,689)
ENVIRONMENTAL COST RECOVERY	(372,470,539)	0	(51,969,088)	(115,643,178)	(1,348,905)	(43,797,065)	(7,255,900)	0	182	(220,013,954)	(152,456,585)
STORM PROTECTION PLAN COST RECOVERY	(215,271,426)	0	(78,389,932)	(24,992,886)	(115,670)	(27,092,412)	(947,255)	0	0	(131,538,155)	(83,733,271)
OTHER RATE CASE ADJUSTMENTS (1) (2)	0	0	34,678	34,678	0	(17,399)	0	0	0	51,957	(51,957)
STORM DEFICIENCY RECOVERY	(86,723,033)	0	4,504	(89,631,863)	0	728,587	0	0	0	(88,898,772)	2,175,740
INTEREST TAX DEFICIENCIES	0	0	87,797	0	0	(22,025)	0	0	0	65,772	(65,772)
INTEREST SYNCHRONIZATION	0	0	0	0	0	22,126,507	(8,573,216)	0	0	13,553,291	(13,553,291)
NORTH ESCAMBIA TIMBER SALES	(119,994)	0	0	0	0	(30,102)	0	0	0	(30,102)	(89,892)
TOTAL FPSC ADJUSTMENTS	\$ (6,949,686,608)	(5,130,286,104)	(284,076,074)	(248,906,885)	(1,001,752,376)	339,310,304	(401,874,792)	0	18,758,831	(6,708,827,096)	\$ (240,859,511)
FPSC ADJUSTED	\$ 8,737,885,551	19,552,368	1,474,166,635	1,962,854,034	675,643,615	239,207,260	471,341,229	106,554,056	(871,386)	4,948,447,812	\$ 3,789,437,739
PRO FORMA ADJUSTMENTS											
WEATHER NORMALIZATION ADJUSTMENT (3)	\$ (142,733,776)	0	(102,768)	0	0	(35,780,807)	0	0	0	(35,883,575)	\$ (106,850,201)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,595,151,774	19,552,368	1,474,063,866	1,962,854,034	675,643,615	203,426,453	471,341,229	106,554,056	(871,386)	4,912,564,237	\$ 3,682,587,538
(A) THE ADDITION OF EARNINGS FROM AFUDC											
WOULD INCREASE THE SYSTEM NOI BY	\$ 149,847,919										
AND THE JURISDICTIONAL NOI BY	\$ 144,762,805										

NOTES:

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- (3) 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
OCTOBER, 2022

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 2,080,378,941	\$ 1,999,155,327
FUEL AND CAPACITY	150,005,409	143,946,388
CAPITALIZED EXECUTIVE COMPENSATION	57,206,749	55,289,788
LOAD CONTROL	33,919,261	33,919,261
ASSET RETIREMENT OBLIGATION	127,940,764	123,653,552
CAPITAL LEASES	112,348,889	108,584,150
STORM PROTECTION	1,464,592,065	1,438,665,513
TOTAL	\$ 4,026,392,077	\$ 3,903,213,979
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (746,110,119)	\$ (716,979,964)
ACCUM PROV DECOMMISSIONING COSTS	(5,427,562,578)	(5,212,271,435)
ASSET RETIREMENT OBLIGATION	73,620,090	71,153,129
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	5,032,962,513	4,864,311,197
FUEL AND CAPACITY	(18,891,298)	(18,128,241)
OTHER RATE CASE ADJUSTMENTS (1) (2)	34,678	34,678
LOAD CONTROL	(14,100,303)	(14,100,303)
CAPITAL LEASES	(56,702,672)	(54,802,602)
STORM PROTECTION	(29,309,628)	(28,790,782)
TOTAL	\$ (1,186,059,316)	\$ (1,109,574,323)
PROPERTY HELD FOR FUTURE USE:		
FUTURE USE PLANT - NORTH ESCAMBIA	\$ 10,698,453	\$ 10,339,955
TOTAL	\$ 10,698,453	\$ 10,339,955
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,158,024,224	\$ 2,014,610,459
CWIP - CLAUSE PROJECTS	729,740,211	712,936,494
TOTAL	\$ 2,887,764,435	\$ 2,727,546,953
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
WORKING CAPITAL: (SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (2,974,638,219)	\$ (2,858,928,829)
TOTAL ADJUSTMENTS	\$ 2,764,157,430	\$ 2,672,597,735

NOTES:

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FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
OCTOBER, 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	\$ 16,363,718,809	5,446,624,403	1,811,275,604	2,291,754,946	1,700,799,283	(104,846,021)	918,075,527	110,233,837	(20,491,746)	12,153,425,835	\$ 4,210,292,974
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (644,467,464)	0	(58,872)	0	(14,926,387)	(154,884,544)	0	0	0	(169,869,802)	\$ (474,597,661)
FRANCHISE EXPENSE	0	0	0	0	(627,868,178)	154,491,090	0	0	0	(473,377,089)	473,377,089
GROSS RECEIPTS TAX	(364,059,057)	0	(9,729,272)	0	(356,408,271)	508,967	0	0	0	(365,628,576)	1,569,518
FINANCIAL PLANNING SERVICES	0	0	(147,223)	0	0	36,125	0	0	0	(111,097)	111,097
INDUSTRY ASSOCIATION DUES	0	0	(65,000)	0	0	16,306	0	0	0	(48,694)	48,694
ECONOMIC DEVELOPMENT 5%	0	0	(586,363)	0	0	144,112	0	0	0	(442,251)	442,251
AVIATION - EXPENSES	0	0	(209,322)	0	0	51,462	0	0	0	(157,860)	157,860
EXECUTIVE COMPENSATION	0	0	(67,480,914)	0	0	16,586,093	0	0	0	(50,894,821)	50,894,821
FUEL COST REC RETAIL	(5,201,402,916)	(5,192,840,813)	(373,592)	0	(30,518)	377,591,685	(385,634,315)	0	19,620,170	(5,181,667,383)	(19,735,533)
CONSERVATION COST RECOVERY	(50,031,548)	0	(35,378,842)	(10,556,619)	(908,566)	(3,588,626)	2,816,050	0	0	(47,616,602)	(2,414,946)
CAPACITY COST RECOVERY	(311,580,887)	(233,169,381)	(43,881,108)	(8,458,681)	(153,417)	(1,643,461)	(4,786,019)	0	0	(292,092,067)	(19,488,820)
ENVIRONMENTAL COST RECOVERY	(372,470,539)	0	(54,078,925)	(120,341,640)	(1,403,710)	(41,157,601)	(7,255,900)	0	190	(224,237,586)	(148,232,953)
STORM PROTECTION PLAN COST RECOVERY	(215,271,426)	0	(79,801,797)	(25,443,289)	(117,755)	(26,170,489)	(947,255)	0	0	(132,480,585)	(82,790,841)
OTHER RATE CASE ADJUSTMENTS (1) (2)	0	0	34,678	34,678	0	(17,399)	0	0	0	51,957	(51,957)
STORM DEFICIENCY RECOVERY	(86,723,033)	0	4,504	(89,631,863)	0	708,925	0	0	0	(88,918,435)	2,195,402
INTEREST TAX DEFICIENCIES	0	0	90,841	0	0	(21,884)	0	0	0	(68,957)	(68,957)
INTEREST SYNCHRONIZATION	0	0	0	0	0	22,716,926	(8,870,459)	0	0	13,846,467	(13,846,467)
NORTH ESCAMBIA TIMBER SALES	(119,994)	0	0	0	0	(29,060)	0	0	0	(29,060)	(90,934)
TOTAL FPSC ADJUSTMENTS	\$ (7,246,126,865)	(5,426,010,194)	(291,661,205)	(254,397,414)	(1,001,816,802)	345,338,626	(404,677,899)	0	19,620,359	(7,013,604,528)	\$ (232,522,337)
FPSC ADJUSTED	\$ 9,117,591,944	20,614,209	1,519,614,399	2,037,357,532	698,982,482	240,492,605	513,397,629	110,233,837	(871,386)	5,139,821,306	\$ 3,977,770,637
PRO FORMA ADJUSTMENTS											
WEATHER NORMALIZATION ADJUSTMENT (3)	\$ (142,733,776)	0	(102,768)	0	0	(35,780,807)	0	0	0	(35,883,575)	\$ (106,850,201)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,974,858,168	20,614,209	1,519,511,631	2,037,357,532	698,982,482	204,711,798	513,397,629	110,233,837	(871,386)	5,103,937,731	\$ 3,870,920,436
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 149,847,919										

NOTES:

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

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

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 3	SPECIFIC 4			COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 11	WEIGHTED COST (%) 12
			LONG TERM DEBT	\$ 18,577,776,357			\$ 17,942,917,118	\$ (748,710,784)	\$ (113,646,169)	\$ 17,080,560,165	31.28%	3.59%
SHORT TERM DEBT	884,084,778	853,864,069	(35,856,611)	0	818,007,458	1.50%	1.34%	0.02%	1.34%	0.02%	1.34%	0.02%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	28,235,891,527	27,271,289,434	(1,145,577,025)	8,674,483	26,134,386,892	47.86%	9.80%	4.69%	10.80%	5.17%	11.80%	5.65%
CUSTOMER DEPOSITS	442,073,838	441,888,573	(18,556,381)	(0)	423,332,192	0.78%	2.13%	0.02%	2.13%	0.02%	2.13%	0.02%
DEFERRED INCOME TAX	(1) 6,714,280,801	6,483,137,778	(269,773,381)	(58,944,621)	6,154,419,777	11.27%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	3,314,633,165	3,201,328,914	(134,434,520)	(0)	3,066,894,394	5.62%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS	(2) 1,116,895,690	1,078,163,431	(40,680,640)	(109,423,330)	928,059,460	1.70%	7.35%	0.12%	7.95%	0.14%	8.56%	0.15%
TOTAL	\$ 59,285,636,157	\$ 57,272,589,319	\$ (2,393,589,342)	\$ (273,339,637)	\$ 54,605,660,339	100.00%		5.98%		6.46%		6.95%

YEAR END	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 2	ADJUSTMENTS		ADJUSTED RETAIL 5	RATIO (%) 6	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA 3	SPECIFIC 4			COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 11	WEIGHTED COST (%) 12
			LONG TERM DEBT	\$ 18,681,447,905			\$ 18,028,637,756	\$ (733,407,031)	\$ (76,835,391)	\$ 17,218,395,335	30.08%	3.52%
SHORT TERM DEBT	178,602,565	172,360,428	(7,041,652)	(0)	165,318,775	0.29%	7.96%	0.0230%	7.96%	0.02%	7.96%	0.02%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.0000%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	31,350,543,371	30,255,439,226	(1,236,417,009)	8,674,483	29,027,696,700	50.71%	9.80%	4.9692%	10.80%	5.48%	11.80%	5.98%
CUSTOMER DEPOSITS	463,939,966	463,988,426	(18,955,889)	(0)	445,032,537	0.78%	2.23%	0.0174%	2.23%	0.02%	2.23%	0.02%
DEFERRED INCOME TAX	7,261,642,158	7,006,176,012	(283,823,777)	(58,944,621)	6,663,407,615	11.64%	0.00%	0.0000%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	3,110,494,761	3,001,783,362	(122,635,543)	0	2,879,147,820	5.03%	0.00%	0.0000%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS	(2) 1,028,209,445	991,653,650	(36,138,883)	(107,072,423)	848,442,343	1.48%	7.46%	0.1106%	8.09%	0.12%	8.72%	0.13%
TOTAL	\$ 62,074,880,170	\$ 59,920,038,860	\$ (2,438,419,784)	\$ (234,177,951)	\$ 57,247,441,125	100.00%		6.18%		6.69%		7.21%

NOTE:

(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$2,774 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
OCTOBER, 2022

SCHEDULE 5: PAGE 1 OF 2

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 4,314,817,162
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	34,998,849
INCOME TAXES	912,265,576
TOTAL	<u>\$ 5,262,081,588</u>
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 758,970,001</u>
TIMES INTEREST EARNED WITH AFUDC	<u>6.93</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 4,314,817,162
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(114,849,070)
INCOME TAXES	912,265,576
TOTAL	<u>\$ 5,112,233,669</u>
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 758,970,001</u>
TIMES INTEREST EARNED WITHOUT AFUDC	<u>6.74</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 34,998,849
X (1 - INCOME_TAX_RATE)	0.7491
SUBTOTAL	<u>\$ 26,218,942</u>
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	114,849,070
TOTAL	<u>\$ 141,068,011</u>
NET INCOME AVAILABLE FOR COMMON	<u>\$ 3,590,846,010</u>
AFUDC AS PERCENT OF NET INCOME	<u>3.93%</u>

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 3,590,846,010
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(2,105,000,000)
AFUDC (DEBT & OTHER)	(149,847,919)
DEPRECIATION AND AMORTIZATION EXPENSE	2,291,754,946
DEFERRED INCOME TAXES	909,722,200
INVESTMENT TAX CREDITS	110,233,837
CLAUSE OVER/UNDER RECOVERY	(1,460,121,731)
OTHER	1,633,350
INTERNALLY GENERATED FUNDS	<u>\$ 3,189,220,693</u>
CONSTRUCTION EXPENDITURES	<u>\$ 7,143,587,952</u>
PERCENT INTERNALLY GENERATED FUNDS	<u>44.64%</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	\$ 17,080,560,165
JURIS ADJUSTED SHORT TERM DEBT	818,007,458
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	26,134,386,892
TOTAL	<u>\$ 44,032,954,515</u>
LTD TO TOTAL INVESTOR FUNDS	<u>38.79%</u>
STD TO TOTAL INVESTOR FUNDS	<u>1.86%</u>

ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

	G. FPSC ADJ.	H. PROFORMA
RATE OF RETURN	6.94%	6.75%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :		
LONG TERM DEBT	1.12%	1.12%
SHORT TERM DEBT	0.02%	0.02%
PREFERRED STOCK	0.00%	0.00%
CUSTOMER DEPOSITS	0.02%	0.02%
TAX CREDITS - WEIGHTED COST	0.14%	0.14%
SUBTOTAL	<u>1.30%</u>	<u>1.30%</u>
TOTAL	<u>5.65%</u>	<u>5.45%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>47.86%</u>	<u>47.86%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>11.80%</u>	<u>11.39%</u>