



February 15, 2023

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 December 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 11.74%.

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 December 2022 amortization debit to the Reserve Amount was \$0. The balance of the Reserve Amount as of December 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 December 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: Office of Public Counsel (rewhinkel.charles@leg.state.fl.us)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
EARNINGS SURVEILLANCE REPORT SUMMARY
DECEMBER, 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	\$ 4,301,885,985 (A)	(407,822,913) (B)	3,894,063,072	(184,645,791)	\$ 3,709,417,281
RATE BASE	\$ 58,831,569,609	(2,981,160,616)	55,850,408,993	0	\$ 55,850,408,993
AVERAGE RATE OF RETURN	7.31%		6.97%		6.64%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 4,301,885,985 (A)	(399,368,093) (B)	3,902,517,892	(184,645,791)	\$ 3,717,872,101
RATE BASE	\$ 62,429,986,198	(4,150,490,876)	58,279,495,322	0	\$ 58,279,495,322
YEAR END RATE OF RETURN	6.89%		6.70%		6.38%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	6.03%
MIDPOINT	6.52%
HIGH	7.01%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.79	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.62	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	3.48%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	39.14%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	38.71%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	1.79%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.74%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	11.06%	(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)

2/10/2023
(DATE)

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

SCHEDULE 2: PAGE 1 OF 3

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION (1)	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL	NET UTILITY PLANT	WORKING CAPITAL (1)	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 70,646,694,303	19,677,361,379	50,969,332,925	721,797,633	6,370,982,275	649,368,219	58,711,481,053	2,181,733,094	\$ 60,893,214,147
JURISDICTIONAL PER BOOKS	\$ 68,091,373,602	15,812,403,595	52,278,970,007	692,702,448	6,070,207,818	613,403,976	59,655,284,249	(823,714,640)	\$ 58,831,569,609
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (3,729,813,191)	(1,205,467,094)	(2,524,346,098)	(10,635,976)	(2,938,521,786)	0	(5,473,503,859)	2,492,343,243	\$ (2,981,160,616)
FPSC ADJUSTED:	\$ 64,361,560,411	14,606,936,501	49,754,623,910	682,066,472	3,131,686,032	613,403,976	54,181,780,390	1,668,628,603	\$ 55,850,408,993
 PRO FORMA ADJUSTMENTS (2)									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 64,361,560,411	14,606,936,501	49,754,623,910	682,066,472	3,131,686,032	613,403,976	54,181,780,390	1,668,628,603	\$ 55,850,408,993

NOTE:

(1) SYSTEM PER BOOK INCLUDES \$132.3 MILLION 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.

(2) 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
DECEMBER, 2022

SCHEDULE 2: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER (2)	DEPRECIATION & AMORTIZATION (2)	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	\$ 16,848,896,708	5,663,566,785	1,682,825,501	2,476,786,376	1,738,573,615	745,502	962,460,807	(23,133,219)	(20,934,109)	12,480,891,257	\$ 4,368,005,451
JURISDICTIONAL PER BOOKS	\$ 16,136,409,596	5,350,723,273	1,633,576,682	2,395,693,502	1,714,895,493	709,280	912,920,698	(22,360,995)	(20,062,774)	11,966,095,158	\$ 4,170,314,438
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (663,552,600)	0	0	0	(15,403,518)	(164,273,385)	0	0	0	(179,676,903)	\$ (483,875,697)
FRANCHISE EXPENSE	0	0	0	0	(646,463,515)	163,846,178	0	0	0	(482,617,337)	482,617,337
GROSS RECEIPTS TAX	(375,819,692)	0	(11,331,942)	0	(366,718,070)	565,275	0	0	0	(377,484,737)	1,665,045
FINANCIAL PLANNING SERVICES	0	0	(145,271)	0	0	36,819	0	0	0	(108,452)	108,452
INDUSTRY ASSOCIATION DUES	0	0	(62,822)	0	0	15,922	0	0	0	(46,900)	46,900
ECONOMIC DEVELOPMENT (B)	0	0	(474,319)	0	0	120,216	0	0	0	(354,103)	354,103
AVIATION - EXPENSES	0	0	(210,301)	0	0	53,301	0	0	0	(157,001)	157,001
EXECUTIVE COMPENSATION	0	0	(59,752,447)	0	0	15,144,258	0	0	0	(44,608,189)	44,608,189
FUEL COST REC RETAIL	(5,132,555,458)	(5,109,818,390)	(9,298)	0	(29,176)	350,360,946	(360,967,028)	0	19,148,252	(5,101,314,696)	(31,240,762)
CONSERVATION COST RECOVERY	(55,308,583)	0	(40,063,575)	(11,315,316)	(875,232)	(2,780,319)	2,006,166	0	0	(53,028,276)	(2,280,307)
CAPACITY COST RECOVERY	(310,795,822)	(225,342,551)	(40,924,990)	(8,441,237)	(143,010)	(5,611,255)	(3,498,760)	0	0	(283,961,804)	(26,834,017)
ENVIRONMENTAL COST RECOVERY	(378,912,616)	0	(49,875,823)	(122,794,704)	(252,017)	(46,815,160)	(5,393,070)	0	183	(225,130,590)	(153,782,026)
STORM PROTECTION PLAN COST RECOVERY	(245,544,460)	0	(87,813,993)	(29,347,789)	(130,510)	(29,722,170)	(2,783,341)	0	0	(149,797,804)	(95,746,656)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(87,199,584)	0	3,625	(90,040,507)	0	719,113	0	0	0	(89,317,769)	2,118,185
INTEREST TAX DEFICIENCIES	0	0	22,157	0	0	(5,616)	0	0	0	16,541	(16,541)
INTEREST SYNCHRONIZATION	0	0	0	0	0	21,756,616	(7,606,045)	0	0	14,150,571	(14,150,571)
NORTH ESCAMBIA TIMBER SALES	0	0	0	0	0	0	0	0	0	0	0
TOTAL FPSC ADJUSTMENTS	\$ (7,249,688,815)	(5,335,160,942)	(290,638,999)	(261,939,553)	(1,030,015,048)	303,410,738	(378,242,079)	0	19,148,435	(6,973,437,448)	\$ (276,251,366)
FPSC ADJUSTED	\$ 8,886,720,782	15,562,332	1,342,937,683	2,133,753,948	684,880,445	304,120,018	534,678,619	(22,360,995)	(914,340)	4,992,657,710	\$ 3,894,063,072
PRO FORMA ADJUSTMENTS											
WEATHER NORMALIZATION ADJUSTMENT (3)	\$ (247,510,323)	0	(178,207)	0	0	(62,686,325)	0	0	0	(62,864,532)	\$ (184,645,791)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,639,210,458	15,562,332	1,342,759,476	2,133,753,948	684,880,445	241,433,693	534,678,619	(22,360,995)	(914,340)	4,929,793,178	\$ 3,709,417,281
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY											
	\$ 136,193,289										
	\$ 131,571,547										
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:											
ON A TOTAL COMPANY BASIS	\$ 9,815,274										
ON A JURISDICTIONAL BASIS	\$ 9,486,371										
CURRENT MONTH AMOUNT											
SYSTEM PER BOOKS	\$ 1,321,206,069	441,230,480	147,976,794	213,349,535	134,014,720	901,788	73,355,036	(3,256,741)	(197,938)	1,007,373,674	\$ 313,832,395
JURISDICTIONAL PER BOOKS	\$ 1,264,574,532	416,678,930	143,269,126	205,934,877	132,101,743	856,765	69,619,704	(3,148,026)	(192,626)	965,120,493	\$ 299,454,039

NOTES:

- (1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.
- (2) SYSTEM PER BOOK INCLUDES \$132.3 MILLION 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
DECEMBER, 2022

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 2,082,342,455	\$ 1,996,043,870
FUEL AND CAPACITY	148,102,009	142,044,690
CAPITALIZED EXECUTIVE COMPENSATION	56,529,466	54,635,201
LOAD CONTROL	33,490,026	33,490,026
ASSET RETIREMENT OBLIGATION	138,019,941	133,394,982
CAPITAL LEASES	255,192,733	246,641,390
STORM PROTECTION	1,141,938,602	1,123,563,034
TOTAL	<u>\$ 3,855,615,232</u>	<u>\$ 3,729,813,191</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (714,217,044)	\$ (684,617,724)
ACCUM PROV DECOMMISSIONING COSTS	(5,939,641,664)	(5,704,038,255)
ASSET RETIREMENT OBLIGATION	63,203,727	61,085,811
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	5,520,490,032	5,335,501,985
FUEL AND CAPACITY	(15,732,135)	(15,094,021)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
LOAD CONTROL	(14,079,795)	(14,079,795)
CAPITAL LEASES	(171,203,996)	(165,467,060)
STORM PROTECTION	(19,064,815)	(18,758,033)
TOTAL	<u>\$ (1,290,245,690)</u>	<u>\$ (1,205,467,094)</u>
PROPERTY HELD FOR FUTURE USE:		
FUTURE USE PLANT - NORTH ESCAMBIA	\$ 11,004,737	\$ 10,635,976
TOTAL	<u>\$ 11,004,737</u>	<u>\$ 10,635,976</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,513,611,736	\$ 2,343,163,938
CWIP - CLAUSE PROJECTS	608,825,689	595,357,847
TOTAL	<u>\$ 3,122,437,424</u>	<u>\$ 2,938,521,786</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)	\$ (2,601,086,615)	\$ (2,492,343,243)
TOTAL ADJUSTMENTS	<u>\$ 3,097,725,089</u>	<u>\$ 2,981,160,616</u>

NOTES:

(1) REFLECTS A PORTION OF THE DEPRECIATION 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
DECEMBER, 2022

SCHEDULE 2: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER (2)	DEPRECIATION & AMORTIZATION (2)	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	\$ 16,848,896,708	5,663,566,785	1,682,825,501	2,476,786,376	1,738,573,615	745,502	962,460,807	(23,133,219)	(20,934,109)	12,480,891,257	\$ 4,368,005,451
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (663,552,600)	0	0	0	(15,403,518)	(160,423,597)	0	0	0	(175,827,115)	\$ (487,725,485)
FRANCHISE EXPENSE	0	0	0	0	(646,463,515)	160,012,058	0	0	0	(486,451,457)	486,451,457
GROSS RECEIPTS TAX	(375,819,692)	0	(11,331,942)	0	(366,718,070)	545,658	0	0	0	(377,504,354)	1,684,662
FINANCIAL PLANNING SERVICES	0	0	(150,307)	0	0	37,474	0	0	0	(112,833)	112,833
INDUSTRY ASSOCIATION DUES	0	0	(65,000)	0	0	16,306	0	0	0	(48,694)	48,694
ECONOMIC DEVELOPMENT	0	0	(490,764)	0	0	121,825	0	0	0	(368,939)	368,939
AVIATION - EXPENSES	0	0	(217,593)	0	0	53,736	0	0	0	(163,857)	163,857
EXECUTIVE COMPENSATION	0	0	(61,824,133)	0	0	15,339,059	0	0	0	(46,485,074)	46,485,074
FUEL COST RECOVERY	(5,450,343,188)	(5,412,190,623)	(9,721)	0	(30,504)	345,406,972	(360,008,905)	0	20,019,578	(5,406,813,202)	(43,529,986)
CONSERVATION COST RECOVERY	(55,308,583)	0	(40,063,575)	(11,315,316)	(875,232)	(2,759,097)	2,006,166	0	0	(53,007,055)	(2,301,528)
CAPACITY COST RECOVERY	(311,349,607)	(234,961,859)	(42,671,973)	(8,801,572)	(149,115)	(2,620,042)	(3,498,760)	0	0	(292,703,321)	(18,646,286)
ENVIRONMENTAL COST RECOVERY	(378,912,616)	0	(52,032,195)	(128,103,710)	(262,913)	(43,724,508)	(5,393,070)	0	191	(229,516,204)	(149,396,413)
STORM PROTECTION PLAN COST RECOVERY	(245,544,460)	0	(89,342,168)	(29,827,764)	(132,644)	(28,543,291)	(2,783,341)	0	0	(150,629,209)	(94,915,251)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(87,199,584)	0	3,625	(90,040,507)	0	692,053	0	0	0	(89,344,829)	2,145,246
INTEREST TAX DEFICIENCIES	0	0	22,925	0	0	(5,280)	0	0	0	17,645	(17,645)
INTEREST SYNCHRONIZATION	0	0	0	0	0	22,535,356	(7,869,755)	0	0	14,665,601	(14,665,601)
NORTH ESCAMBIA TIMBER SALES	0	0	0	0	0	0	0	0	0	0	0
TOTAL FPSC ADJUSTMENTS	\$ (7,568,030,330)	(5,647,152,482)	(298,172,821)	(268,088,870)	(1,030,035,511)	306,684,682	(377,547,665)	0	20,019,769	(7,294,292,897)	\$ (273,737,433)
FPSC ADJUSTED	\$ 9,280,866,379	16,414,304	1,384,652,680	2,208,697,506	708,538,104	307,430,184	584,913,142	(23,133,219)	(914,340)	5,186,598,360	\$ 4,094,268,018
PRO FORMA ADJUSTMENTS											
WEATHER NORMALIZATION ADJUSTMENT (3)	\$ (247,510,323)	0	(178,207)	0	0	(62,686,325)	0	0	0	(62,864,532)	\$ (184,645,791)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 9,033,356,055	16,414,304	1,384,474,472	2,208,697,506	708,538,104	244,743,859	584,913,142	(23,133,219)	(914,340)	5,123,733,828	\$ 3,909,622,227
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 136,193,289										

NOTES:

- (1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.
- (2) SYSTEM PER BOOK INCLUDES \$132.3 MILLION 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
DECEMBER, 2022

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	226,558,200	219,573,224
ASSET RETIREMENT OBLIGATION	51,656,861	49,925,873
CEDAR BAY TRANSACTION	226,975,410	217,683,066
EARLY RETIRED ASSETS	1,006,712,474	965,838,311
EMPLOYEE LOAN RECEIVABLES	956	924
ICL TRANSACTION	175,583,333	168,394,974
INTEREST & DIVIDENDS RECEIVABLE	648,386	628,396
JOBGING ACCOUNTS	15,176,418	14,708,516
MISC. DEFFERED DEBIT - CLAUSES	13,138,947	12,592,889
NET UNDERRECOVERED CLAUSES	1,278,117,052	1,270,083,338
OPERATING LEASES	12,901,013	12,389,278
OTH REG ASSETS - CLAUSES	85,675,476	82,118,729
POLE ATTACHMENTS RENTS RECEIVABLE	64,082,120	62,106,415
PREPAYMENTS - ECCR	35,683,188	35,683,188
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	6,296,500	6,287,587
STORM DEFICIENCY RECOVERY	505,745,442	487,113,108
SJRPP TRANSACTION	41,442,659	39,725,150
TEMPORARY CASH INVESTMENTS	153,268,462	148,543,089
UNREALIZED LOSS ON FWD CONTRACT	35,966	33,974
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 3,899,698,864	\$ 3,793,430,030
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - CARE TO SHARE	(874,626)	(847,660)
ACCUM DEFERRED RETIREMENT BENEFITS	(11,685,439)	(11,293,867)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(78,782,740)	(60,150,406)
ACCUM. PROV. - RATE REFUNDS	(207,992)	0
ASSET RETIREMENT OBLIGATION	(5,773,371,777)	(5,579,909,826)
CEDAR BAY TRANSACTION	(1,826,077)	(1,751,318)
DEFERRED TRANSMISSION CREDIT	(9,544,078)	(8,633,948)
GAIN ON SALE OF EMISSION ALLOWANCE	(218)	(209)
JOBGING ACCOUNTS	(22,427,582)	(21,736,121)
MARGIN CALL CASH COLLATERAL	(2,546,538)	(2,468,027)
MISC. DEFERRED CREDIT - CLAUSES	(6,500,806)	(6,230,867)
NUCLEAR COST RECOVERY	(241,630,584)	(241,630,584)
OTH REG LIAB - CLAUSES	(40,405,327)	(40,138,745)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
STORM DEFICIENCY RECOVERY	(310,981,694)	(310,981,694)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (6,500,785,479)	\$ (6,285,773,273)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (2,601,086,615)	\$ (2,492,343,243)

NOTES:

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

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

SCHEDULE 3: PAGE 1 OF 3

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION (1)	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL	NET UTILITY PLANT	WORKING CAPITAL (1)	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 73,672,087,221	19,871,196,625	53,800,890,596	876,649,870	7,207,660,978	666,757,290	62,551,958,733	2,181,733,094	\$ 64,733,691,827
JURISDICTIONAL PER BOOKS	\$ 70,996,306,585	16,093,452,958	54,902,853,627	841,140,585	6,879,876,646	629,829,980	63,253,700,838	(823,714,640)	\$ 62,429,986,198
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (4,104,348,859)	(1,134,057,732)	(2,970,291,127)	(10,766,181)	(3,661,776,812)	0	(6,642,834,119)	2,492,343,243	\$ (4,150,490,876)
FPSC ADJUSTED:	\$ 66,891,957,726	14,959,395,226	51,932,562,500	830,374,404	3,218,099,834	629,829,980	56,610,866,719	1,668,628,603	\$ 58,279,495,322
 <u>PRO FORMA ADJUSTMENTS (2)</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 66,891,957,726	14,959,395,226	51,932,562,500	830,374,404	3,218,099,834	629,829,980	56,610,866,719	1,668,628,603	\$ 58,279,495,322

- NOTE:
- (1) SYSTEM PER BOOK INCLUDES \$132.3 MILLION 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.
- (2) 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
YEAR END RATE OF RETURN
INCOME STATEMENT
DECEMBER, 2022

SCHEDULE 3: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER (2)	DEPRECIATION & AMORTIZATION (2)	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	\$ 16,848,896,708	5,663,566,785	1,682,825,501	2,476,786,376	1,738,573,615	745,502	962,460,807	(23,133,219)	(20,934,109)	12,480,891,257	\$ 4,368,005,451
JURISDICTIONAL PER BOOKS	\$ 16,136,409,596	5,350,723,273	1,633,576,682	2,395,693,502	1,714,895,493	709,280	912,920,698	(22,360,995)	(20,062,774)	11,966,095,158	\$ 4,170,314,438
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (663,552,600)	0	0	0	(15,403,518)	(164,273,385)	0	0	0	(179,676,903)	\$ (483,875,697)
FRANCHISE EXPENSE	0	0	0	0	(646,463,515)	163,846,178	0	0	0	(482,617,337)	482,617,337
GROSS RECEIPTS TAX	(375,819,692)	0	(11,331,942)	0	(366,718,070)	565,275	0	0	0	(377,484,737)	1,665,045
FINANCIAL PLANNING SERVICES	0	0	(145,271)	0	0	36,819	0	0	0	(108,452)	108,452
INDUSTRY ASSOCIATION DUES	0	0	(62,822)	0	0	15,922	0	0	0	(46,900)	46,900
ECONOMIC DEVELOPMENT	0	0	(474,319)	0	0	120,216	0	0	0	(354,103)	354,103
AVIATION - EXPENSES	0	0	(210,301)	0	0	53,301	0	0	0	(157,001)	157,001
EXECUTIVE COMPENSATION	0	0	(59,752,447)	0	0	15,144,258	0	0	0	(44,608,189)	44,608,189
FUEL COST REC RETAIL	(5,132,555,458)	(5,109,818,390)	(9,298)	0	(29,176)	350,360,946	(360,967,028)	0	19,148,252	(5,101,314,696)	(31,240,762)
CONSERVATION COST RECOVERY	(55,308,583)	0	(40,063,575)	(11,315,316)	(875,232)	(2,780,319)	2,006,166	0	0	(53,028,276)	(2,280,307)
CAPACITY COST RECOVERY	(310,795,822)	(225,342,551)	(40,924,990)	(8,441,237)	(143,010)	(5,611,255)	(3,498,760)	0	0	(283,961,804)	(26,834,017)
ENVIRONMENTAL COST RECOVERY	(378,912,616)	0	(49,875,823)	(122,794,704)	(252,017)	(46,815,160)	(5,393,070)	0	183	(225,130,590)	(153,782,026)
STORM PROTECTION PLAN COST RECOVERY	(245,544,460)	0	(87,813,993)	(29,347,789)	(130,510)	(29,722,170)	(2,783,341)	0	0	(149,797,804)	(95,746,656)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(87,199,584)	0	3,625	(90,040,507)	0	719,113	0	0	0	(89,317,769)	2,118,185
INTEREST TAX DEFICIENCIES	0	0	22,157	0	0	(5,616)	0	0	0	16,541	(16,541)
INTEREST SYNCHRONIZATION	0	0	0	0	0	13,301,796	(7,606,045)	0	0	5,695,751	(5,695,751)
NORTH ESCAMBIA TIMBER SALES	0	0	0	0	0	0	0	0	0	0	0
TOTAL FPSC ADJUSTMENTS	\$ (7,249,688,815)	(5,335,160,942)	(290,638,999)	(261,939,553)	(1,030,015,048)	294,955,918	(378,242,079)	0	19,148,435	(6,981,892,268)	\$ (267,796,546)
FPSC ADJUSTED	\$ 8,886,720,782	15,562,332	1,342,937,683	2,133,753,948	684,880,445	295,665,198	534,678,619	(22,360,995)	(914,340)	4,984,202,890	\$ 3,902,517,892
PRO FORMA ADJUSTMENTS											
WEATHER NORMALIZATION ADJUSTMENT (3)	\$ (247,510,323)	0	(178,207)	0	0	(62,686,325)	0	0	0	(62,864,532)	\$ (184,645,791)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,639,210,458	15,562,332	1,342,759,476	2,133,753,948	684,880,445	232,978,873	534,678,619	(22,360,995)	(914,340)	4,921,338,357	\$ 3,717,872,101

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

\$ 136,193,289
\$ 131,571,547

NOTES:

- (1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.
- (2) SYSTEM PER BOOK INCLUDES \$132.3 MILLION 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
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
DECEMBER, 2022

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 2,080,540,105	\$ 1,994,316,215
FUEL AND CAPACITY	150,208,695	144,059,171
CAPITALIZED EXECUTIVE COMPENSATION	58,323,143	56,368,772
LOAD CONTROL	35,200,766	35,200,766
ASSET RETIREMENT OBLIGATION	123,452,012	119,315,215
CAPITAL LEASES	113,619,173	109,811,868
STORM PROTECTION	1,672,184,907	1,645,276,852
TOTAL	<u>\$ 4,233,528,802</u>	<u>\$ 4,104,348,859</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (755,632,470)	\$ (724,316,769)
ACCUM PROV DECOMMISSIONING COSTS	(5,666,828,718)	(5,442,046,780)
ASSET RETIREMENT OBLIGATION	76,306,327	73,749,351
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	5,260,758,711	5,084,474,092
FUEL AND CAPACITY	(18,939,202)	(18,163,834)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
LOAD CONTROL	(15,114,316)	(15,114,316)
CAPITAL LEASES	(59,124,958)	(57,143,719)
STORM PROTECTION	(36,076,281)	(35,495,757)
TOTAL	<u>\$ (1,214,650,907)</u>	<u>\$ (1,134,057,732)</u>
PROPERTY HELD FOR FUTURE USE:		
FUTURE USE PLANT - NORTH ESCAMBIA	\$ 11,139,457	\$ 10,766,181
TOTAL	<u>\$ 11,139,457</u>	<u>\$ 10,766,181</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 3,129,776,429	\$ 2,937,852,200
CWIP - CLAUSE PROJECTS	741,376,601	723,924,611
TOTAL	<u>\$ 3,871,153,030</u>	<u>\$ 3,661,776,812</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)	\$ (2,601,086,615)	\$ (2,492,343,243)
TOTAL ADJUSTMENTS	<u>\$ 4,300,083,767</u>	<u>\$ 4,150,490,876</u>

NOTES:

(1) REFLECTS A PORTION OF THE DEPRECIATION 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
DECEMBER, 2022

SCHEDULE 3: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER (2)	DEPRECIATION & AMORTIZATION (2)	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	\$ 16,848,896,708	5,663,566,785	1,682,825,501	2,476,786,376	1,738,573,615	745,502	962,460,807	(23,133,219)	(20,934,109)	12,480,891,257	\$ 4,368,005,451
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (663,552,600)	0	0	0	(15,403,518)	(160,423,597)	0	0	0	(175,827,115)	\$ (487,725,485)
FRANCHISE EXPENSE	0	0	0	0	(646,463,515)	160,012,058	0	0	0	(486,451,457)	486,451,457
GROSS RECEIPTS TAX	(375,819,692)	0	(11,331,942)	0	(366,718,070)	545,658	0	0	0	(377,504,354)	1,684,662
FINANCIAL PLANNING SERVICES	0	0	(150,307)	0	0	37,474	0	0	0	(112,833)	112,833
INDUSTRY ASSOCIATION DUES	0	0	(65,000)	0	0	16,306	0	0	0	(48,694)	48,694
ECONOMIC DEVELOPMENT 5%	0	0	(490,764)	0	0	121,825	0	0	0	(368,939)	368,939
AVIATION - EXPENSES	0	0	(217,593)	0	0	53,736	0	0	0	(163,857)	163,857
EXECUTIVE COMPENSATION	0	0	(61,824,133)	0	0	15,339,059	0	0	0	(46,485,074)	46,485,074
FUEL COST REC RETAIL	(5,450,343,188)	(5,412,190,623)	(9,721)	0	(30,504)	345,406,972	(360,008,905)	0	20,019,578	(5,406,813,202)	(43,529,986)
CONSERVATION COST RECOVERY	(55,308,583)	0	(40,063,575)	(11,315,316)	(875,232)	(2,759,097)	2,006,166	0	0	(53,007,055)	(2,301,528)
CAPACITY COST RECOVERY	(311,349,607)	(234,961,859)	(42,671,973)	(8,801,572)	(149,115)	(2,620,042)	(3,498,760)	0	0	(292,703,321)	(18,646,286)
ENVIRONMENTAL COST RECOVERY	(378,912,616)	0	(52,032,195)	(128,103,710)	(262,913)	(43,724,508)	(5,393,070)	0	191	(229,516,204)	(149,396,413)
STORM PROTECTION PLAN COST RECOVERY	(245,544,460)	0	(89,342,168)	(29,827,764)	(132,644)	(28,543,291)	(2,783,341)	0	0	(150,629,209)	(94,915,251)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(87,199,584)	0	3,625	(90,040,507)	0	692,053	0	0	0	(89,344,829)	2,145,246
INTEREST TAX DEFICIENCIES	0	0	22,925	0	0	(5,280)	0	0	0	17,645	(17,645)
INTEREST SYNCHRONIZATION	0	0	0	0	0	13,408,827	(7,869,755)	0	0	5,539,072	(5,539,072)
NORTH ESCAMBIA TIMBER SALES	0	0	0	0	0	0	0	0	0	0	0
TOTAL FPSC ADJUSTMENTS	\$ (7,568,030,330)	(5,647,152,482)	(298,172,821)	(268,088,870)	(1,030,035,511)	297,558,153	(377,547,665)	0	20,019,769	(7,303,419,426)	\$ (264,610,903)
FPSC ADJUSTED	\$ 9,280,866,379	16,414,304	1,384,652,680	2,208,697,506	708,538,104	298,303,655	584,913,142	(23,133,219)	(914,340)	5,177,471,831	\$ 4,103,394,548
PRO FORMA ADJUSTMENTS											
WEATHER NORMALIZATION ADJUSTMENT (3)	\$ (247,510,323)	0	(178,207)	0	0	(62,686,325)	0	0	0	(62,864,532)	\$ (184,645,791)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 9,033,356,055	16,414,304	1,384,474,472	2,208,697,506	708,538,104	235,617,330	584,913,142	(23,133,219)	(914,340)	5,114,607,299	\$ 3,918,748,756
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 136,193,289										

NOTES:

- (1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.
- (2) SYSTEM PER BOOK INCLUDES \$132.3 MILLION 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
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
DECEMBER, 2022

SCHEDULE 4: PAGE 1 OF 1

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	\$ 19,076,038,191			\$ 18,426,074,263	\$ (852,844,428)	\$ (99,851,194)	\$ 17,473,378,641	31.29%	3.66%
SHORT TERM DEBT	876,743,752	846,862,750	(39,410,312)	0	807,452,438	1.45%	1.93%	0.03%	1.93%	0.03%	1.93%	0.03%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	29,150,387,876	28,157,475,152	(1,310,761,585)	8,633,948	26,855,347,514	48.08%	9.80%	4.71%	10.80%	5.19%	11.80%	5.67%
CUSTOMER DEPOSITS	452,401,497	452,319,901	(21,049,537)	-	431,270,364	0.77%	2.12%	0.02%	2.12%	0.02%	2.12%	0.02%
DEFERRED INCOME TAX	(1) 6,911,648,282	6,674,520,867	(308,021,750)	(55,640,432)	6,310,858,685	11.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	3,289,966,361	3,177,838,398	(147,886,543)	(0)	3,029,951,855	5.43%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS	(2) 1,136,028,189	1,096,478,279	(45,984,636)	(108,344,147)	942,149,496	1.69%	7.38%	0.12%	7.99%	0.13%	8.59%	0.14%
TOTAL	\$ 60,893,214,147	\$ 58,831,569,609	\$ (2,725,958,791)	\$ (255,201,825)	\$ 55,850,408,993	100.00%		6.03%		6.52%		7.01%

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	\$ 18,880,601,733			\$ 18,204,249,178	\$ (1,144,460,847)	\$ (71,345,014)	\$ 16,988,443,318	29.15%	3.63%
SHORT TERM DEBT	1,720,245,937	1,658,606,791	(104,683,205)	(0)	1,553,923,585	2.67%	4.77%	0.13%	4.77%	0.13%	4.77%	0.13%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	32,032,535,568	30,885,343,154	(1,949,877,795)	8,633,948	28,944,099,307	49.66%	9.80%	4.87%	10.80%	5.36%	11.80%	5.86%
CUSTOMER DEPOSITS	485,041,103	485,082,747	(30,616,067)	(0)	454,466,680	0.78%	2.22%	0.02%	2.22%	0.02%	2.22%	0.02%
DEFERRED INCOME TAX	7,486,758,340	7,216,933,546	(451,986,042)	(55,640,432)	6,709,307,072	11.51%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	3,091,348,818	2,980,580,876	(188,119,789)	0	2,792,461,087	4.79%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS	(2) 1,037,160,328	999,189,905	(56,372,339)	(106,023,294)	836,794,273	1.44%	7.52%	0.11%	8.15%	0.12%	8.78%	0.13%
TOTAL	\$ 64,733,691,827	\$ 62,429,986,198	\$ (3,926,116,085)	\$ (224,374,791)	\$ 58,279,495,322	100.00%		6.18%		6.68%		7.19%

NOTE:

- (1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$2,745 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
DECEMBER, 2022

SCHEDULE 5: PAGE 1 OF 1

DECEMBER, 2022

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 4,454,132,919
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	31,050,526
INCOME TAXES	926,135,071
TOTAL	<u>\$ 5,411,318,516</u>
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 797,212,193</u>
TIMES INTEREST EARNED WITH AFUDC	<u>6.79</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 4,454,132,919
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(105,142,763)
INCOME TAXES	926,135,071
TOTAL	<u>\$ 5,275,125,227</u>
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 797,212,193</u>
TIMES INTEREST EARNED WITHOUT AFUDC	<u>6.62</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 31,050,526
X (1 - INCOME_TAX_RATE)	0.7466
SUBTOTAL	<u>\$ 23,180,770</u>
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	105,142,763
TOTAL	<u>\$ 128,323,533</u>
NET INCOME AVAILABLE FOR COMMON	<u>\$ 3,687,971,252</u>
AFUDC AS PERCENT OF NET INCOME	<u>3.48%</u>

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 3,687,971,252
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(2,000,000,000)
AFUDC (DEBT & OTHER)	(136,193,289)
DEPRECIATION AND AMORTIZATION EXPENSE	2,476,786,376
DEFERRED INCOME TAXES	954,318,942
INVESTMENT TAX CREDITS	(23,133,219)
CLAUSE OVER/UNDER RECOVERY	(1,372,163,519)
OTHER	17,780,616
INTERNALLY GENERATED FUNDS	<u>\$ 3,605,367,159</u>

CONSTRUCTION EXPENDITURES \$ 9,212,362,485

PERCENT INTERNALLY GENERATED FUNDS 39.14%

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	\$ 17,473,378,641
JURIS ADJUSTED SHORT TERM DEBT	807,452,438
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	26,855,347,514
TOTAL	<u>\$ 45,136,178,593</u>
LTD TO TOTAL INVESTOR FUNDS	<u>38.71%</u>
STD TO TOTAL INVESTOR FUNDS	<u>1.79%</u>

ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

	G. FPSC ADJ.	H. PROFORMA
RATE OF RETURN	6.97%	6.64%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :		
LONG TERM DEBT	1.15%	1.15%
SHORT TERM DEBT	0.03%	0.03%
PREFERRED STOCK	0.00%	0.00%
CUSTOMER DEPOSITS	0.02%	0.02%
TAX CREDITS - WEIGHTED COST	0.13%	0.13%
SUBTOTAL	<u>1.33%</u>	<u>1.33%</u>
TOTAL	<u>5.65%</u>	<u>5.32%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>48.08%</u>	<u>48.08%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>11.74%</u>	<u>11.06%</u>

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
BASIS FOR THE REQUESTED AFUDC RATE
FPSC ADJUSTED BASIS
DECEMBER, 2022

SCHEDULE A: PAGE 1 OF 1

CAPITAL COMPONENTS	JURISDICTIONAL AVERAGE	CAPITAL RATIO	COST OF CAPITAL	AFUDC WEIGHTED COMPONENTS
LONG TERM DEBT	\$ 17,473,378,641	31.29%	3.63%	1.14%
SHORT TERM DEBT	807,452,438	1.45%	1.93% *	0.03%
PREFERRED STOCK	-	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	431,270,364	0.77%	2.12% *	0.02%
COMMON EQUITY	26,855,347,514	48.08%	10.80%	5.19%
DEFERRED INCOME TAX	6,310,858,685	11.30%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	3,029,951,855	5.43%	0.00%	0.00%
INVESTMENT TAX CREDITS	942,149,496	1.69%	0.00%	0.00%
TOTAL	\$ 55,850,408,993	100.00%		6.37%

* 13-MONTH AVERAGE

NOTE:
EFFECTIVE JANUARY 1, 2019 THE COMMISSION APPROVED AFUDC RATE IS 6.22%

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

SCHEDULE B: PAGE 1 OF 1

AVERAGE	SYSTEM		RETAIL		ADJUSTMENTS (1), (2)		ADJUSTED RETAIL
	PER BOOKS 1	PER BOOKS 2	PRO RATA 3	SPECIFIC 4	5		
LONG TERM DEBT	\$ 19,076,038,191	\$ 18,426,074,263	\$ (852,844,428)	\$ (99,851,194)	\$ 17,473,378,641		
SHORT TERM DEBT	876,743,752	846,862,750	(39,410,312)	0	807,452,438		
PREFERRED STOCK	-	-	-	-	-		
COMMON EQUITY	29,150,387,876	28,157,475,152	(1,310,761,585)	8,633,948	26,855,347,514		
CUSTOMER DEPOSITS	452,401,497	452,319,901	(21,049,537)	(0)	431,270,364		
DEFERRED INCOME TAX	6,911,648,282	6,674,520,867	(308,021,750)	(55,640,432)	6,310,858,685		
FAS 109 DEFERRED INCOME TAX	3,289,966,361	3,177,838,398	(147,886,543)	(0)	3,029,951,855		
INVESTMENT TAX CREDITS	1,136,028,189	1,096,478,279	(45,984,636)	(108,344,147)	942,149,496		
TOTAL	\$ 60,893,214,147	\$ 58,831,569,609	\$ (2,725,958,791)	\$ (255,201,825)	\$ 55,850,408,993		

NOTE:

(1) FOR RATE BASE ADJUSTMENTS SEE SCHEDULE 2 PAGE 3

(2) FOR WORKING CAPITAL ADJUSTMENTS SEE SCHEDULE 2 PAGE 3B

(3) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
METHODOLOGY FOR MONTHLY COMPOUNDING
OF THE AFUDC RATE
DECEMBER, 2022

SCHEDULE C: PAGE 1 OF 1

AFUDC COMPOUNDING

$((1+R/12)^{**12})-1 =$	APPROVED RATE
$((1+R/12)^{**12})-1 =$	6.37%
$((1+R/12)^{**12}) =$	1.06370000
$(1+R/12) =$	1.00515938
$(R/12) =$	0.00515938

<u>MONTHS</u>	<u>AFUDC BASE</u>	<u>MONTHLY AFUDC</u>	<u>CUMULATIVE AFUDC</u>
JAN	1.00000000	0.00515938	0.00515938
FEB	1.00515938	0.00518600	0.01034538
MAR	1.01034538	0.00521276	0.01555814
APR	1.01555814	0.00523965	0.02079779
MAY	1.02079779	0.00526668	0.02606447
JUN	1.02606447	0.00529386	0.03135833
JUL	1.03135833	0.00532117	0.03667950
AUG	1.03667950	0.00534862	0.04202812
SEP	1.04202812	0.00537622	0.04740434
OCT	1.04740434	0.00540396	0.05280830
NOV	1.05280830	0.00543184	0.05824014
DEC	1.05824014	0.00545986	0.06370000

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
SUPPLEMENTAL EARNINGS SURVEILLANCE INFORMATION
COMMERCIAL/INDUSTRIAL SERVICE RIDER
DECEMBER, 2022

SCHEDULE D: PAGE 1 OF 1

CONFIDENTIAL

CSA

The information below is presented to comply with Order No. PSC-14-0197-PAA-EI, Docket No. 140048-EI.

This supplemental information is to be treated as confidential. The total difference for all executed Contract Service Arrangements (CSAs) between the calendar year 2022 revenues that would have been received under the otherwise applicable tariff rate(s) and the CISR rate is [REDACTED] ⁽¹⁾

Footnotes:

(1) Please note that, but for the Commercial Industrial Service Rider, FPL would not serve this load and would receive no revenues for it.