



March 17, 2025

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

RE: 2025 Forecasted Earnings Surveillance Report

Dear Mr. Maurey:

On February 21, 2025, you granted Florida Power & Light Company's ("FPL's") request for an extension of time to March 17, 2025 to file its 2025 forecasted earnings surveillance report ("FESR"). Consistent with that extension, I am enclosing FPL's 2025 FESR. Please note that the forecast results contained in the FESR reflect FPL's 2025 planning assumptions and a projected return on equity of 11.68% as of December 2025.

In accordance with the Stipulation and Settlement Agreement that the Commission approved in Order No. PSC-2021-0446-S-EI, the Company will vary the portion of Reserve Amount amortized in 2025 to maintain its actual return on equity within a range of 9.8% to 11.8%. The return on equity range of 9.8% to 11.8% was authorized in Docket No. 20210015-EI, Order No. PSC-2022-0358-FOF-EI.

Sincerely,

A handwritten signature in cursive script that reads "Ina Laney".

Ina Laney

Senior Director of Financial Forecast, Strategy & Analysis

Enclosures:

CC: Office of Public Counsel

**FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
(\$000'S)**

**SCHEDULE 1
PAGE 1 OF 1**

**Company: Florida Power & Light Company and Subsidiaries
YEAR: 2025**

I. AVERAGE RATE OF RETURN (JURISDICTIONAL)	(1) PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED
NET OPERATING INCOME	\$6,051,927 (A)	(\$760,356) (B)	\$5,291,571
AVERAGE RATE BASE	\$75,524,313	(\$4,692,609)	\$70,831,703
AVERAGE RATE OF RETURN	8.01%		7.47%

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

**AVERAGE CAPITAL STRUCTURE
(FPSC ADJUSTED BASIS)**

LOW	6.53%
MIDPOINT	7.03%
HIGH	7.54%

II. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	5.25	(SYSTEM PER BOOK BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	5.09	(SYSTEM PER BOOK BASIS)
C. AFUDC AS PERCENT OF NET INCOME	4.07%	(SYSTEM PER BOOK BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	94.49%	(SYSTEM PER BOOK BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	38.42%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	1.97%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.68%	(FPSC ADJUSTED BASIS)

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
AVERAGE RATE OF RETURN
RATE BASE (\$000's)

Company: Florida Power & Light Company and Subsidiaries
YEAR: 2025

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
1 SYSTEM PER BOOKS	\$91,396,306	\$22,326,553	\$69,069,753	\$1,244,018	\$6,536,361	\$688,175	\$77,538,307	\$955,220	\$78,493,527
2 JURISDICTIONAL PER BOOKS	87,786,694	17,267,157	70,519,537	1,191,427	6,209,726	646,001	78,566,691	(3,042,378)	75,524,313
<u>FPSC ADJUSTMENTS:</u>									
3 ACCUM PROV DECOMMISSIONING COSTS		(7,139,776)	7,139,776				7,139,776		7,139,776
4 CAPITALIZED EXECUTIVE COMPENSATION	(64,322)		(64,322)				(64,322)		(64,322)
5 ENVIRONMENTAL COST RECOVERY	(1,605,462)	(292,581)	(1,312,882)				(1,312,882)		(1,312,882)
6 CAPACITY COST RECOVERY CLAUSE	(151,187)	(17,156)	(134,031)				(134,031)		(134,031)
7 CONSERVATION COST RECOVERY	(47,916)	(18,435)	(29,481)				(29,481)		(29,481)
8 ASSET RETIREMENT OBLIGATION	(155,553)	6,729,069	(6,884,622)				(6,884,622)		(6,884,622)
9 CAPITAL LEASES	(80,905)	(29,642)	(51,263)				(51,263)		(51,263)
10 STORM PROTECTION CLAUSE	(4,933,086)	(249,122)	(4,683,963)				(4,683,963)		(4,683,963)
11 CWIP - PROJECTS EARNING AFUDC					(3,334,769)		(3,334,769)		(3,334,769)
12 CWIP - CLAUSE PROJECTS					(690,711)		(690,711)		(690,711)
13 ACCOUNTS RECEIVABLE - ASSOC COMPANIES								(91,480)	(91,480)
14 JOBBING ACCOUNTS								(2,250)	(2,250)
15 CLAUSE NET UNDERRECOVERIES								(19,549)	(19,549)
16 NUCLEAR COST RECOVERY								241,631	241,631
17 FUEL COST RECOVERY - INCENTIVE MECHANISM								(29,067)	(29,067)
18 FUEL COST RECOVERY - GPIF								(6,111)	(6,111)
19 CONSERVATION COST RECOVERY								(6,865)	(6,865)
20 ENVIRONMENTAL COST RECOVERY								(1,194,396)	(1,194,396)
21 INDIANTOWN TRANSACTION								(24,078)	(24,078)
22 POLE ATTACHMENTS RENTS RECEIVABLE								(19,610)	(19,610)
23 MARGIN CALL CASH COLLATERAL								2,165	2,165
24 PREPAYMENTS - SWA								(26,700)	(26,700)
25 PREPAYMENTS - INTEREST ON COMMERCIAL PAPER								(10,534)	(10,534)
26 STORM DEFICIENCY RECOVERY								(399,671)	(399,671)
27 TEMPORARY CASH INVESTMENTS								(52)	(52)
28 ACCUM DEFERRED RETIREMENT BENEFITS								7,282	7,282
29 ACCUM. PROV. - PROPERTY & STORM INSURANCE								15,446	15,446
30 ASSET RETIREMENT OBLIGATION								6,884,622	6,884,622
31 GAIN ON SALE OF EMISSION ALLOWANCE								(0)	(0)
32 INTEREST & DIVIDENDS RECEIVABLE								(130)	(130)
33 REGULATORY LIABILITY - SWA								25,420	25,420
34 CARE TO SHARE LIABILITY								2,897	2,897
35 DEFERRED TRANSMISSION CREDIT								7,731	7,731
36 MISC. DEFERRED DEBIT - OTHER								(139)	(139)
37 SOLARNOW ADJUSTMENTS	(27,397)	(24,493)	(2,904)				(2,904)		(2,904)
38 TOTAL FPSC ADJUSTMENTS	(7,065,826)	(1,042,135)	(6,023,691)	0	(4,025,479)	0	(10,049,170)	5,356,561	(4,692,609)
39 FPSC ADJUSTED	\$80,720,868	\$16,225,022	\$64,495,846	\$1,191,427	\$2,184,246	\$646,001	\$68,517,521	\$2,314,183	\$70,831,703

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
AVERAGE RATE OF RETURN
INCOME STATEMENT (\$000's)

SCHEDULE 2
PAGE 2 OF 2

Company: Florida Power & Light Company and Subsidiaries
YEAR: 2025

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	OPERATING	OPERATION & MAINTENANCE		DEPRECIATION	TAXES	INCOME TAXES	GAIN LOSS	TOTAL	NET
	REVENUES	FUEL & NET	OTHER	AND	OTHER THAN	AND	ON	OPERATING	OPERATING
		INTERCHANGE	O&M	AMORTIZATION	INCOME	INVESTMENT	DISPOSITION	EXPENSES	INCOME
						TAX CREDIT			
1 SYSTEM PER BOOKS	\$17,773,059	\$3,906,845	\$1,804,126	\$3,257,519	\$2,012,643	\$726,877	(\$1,150)	\$11,706,860	\$6,066,199
2 JURISDICTIONAL PER BOOKS	17,168,268	3,747,689	1,754,077	3,143,276	1,975,913	703,487	(1,150)	11,323,293	5,844,975
<u>FPSC ADJUSTMENTS:</u>									
3 CAPACITY COST RECOVERY	(128,419)	(77,793)	(33,068)	(3,511)	(179)	(3,515)		(118,065)	(10,354)
4 CONSERVATION COST RECOVERY	(64,281)		(46,831)	(13,154)	(1,237)	(775)		(61,997)	(2,284)
5 ENVIRONMENTAL COST RECOVERY	(405,907)		(48,187)	(134,967)	(215)	(56,402)	0	(239,771)	(166,136)
6 FUEL COST RECOVERY	(3,703,524)	(3,654,893)	(52)		(66)	(12,295)		(3,667,307)	(36,217)
7 STORM PROTECTION PLAN COST RECOVERY	(776,184)		(176,790)	(126,560)	(320)	(119,759)		(423,429)	(352,755)
8 STORM DEFICIENCY RECOVERY	(1,184,912)		(150,000)	(1,034,912)		0		(1,184,912)	
9 FRANCHISE REVENUE & EXPENSE	(652,672)				(652,672)	-		(652,672)	
10 GROSS RECEIPTS TAX AND RAF	(412,769)		(14,421)		(398,348)	0		(412,769)	0
11 ECONOMIC DEVELOPMENT			(403)			102		(301)	301
12 FINANCIAL PLANNING SERVICES			(76)			19		(56)	56
13 INDUSTRY ASSOCIATION DUES			(53)			14		(40)	40
14 AVIATION - EXPENSES			(485)			123		(362)	362
15 EXECUTIVE COMPENSATION			(54,475)			13,807		(40,668)	40,668
16 INTEREST TAX DEFICIENCIES			(355)			90		(265)	265
17 INTEREST SYNCHRONIZATION						29,146		29,146	(29,146)
18 SOLARNOW ADJUSTMENTS	(2,300)		(937)	(5,833)	(64)	2,740		(4,094)	1,794
19 TOTAL FPSC ADJUSTMENTS	(7,330,967)	(3,732,686)	(526,134)	(1,318,936)	(1,053,100)	(146,706)	0	(6,777,562)	(553,405)
20 FPSC ADJUSTED	\$9,837,301	\$15,003	\$1,227,943	\$1,824,340	\$922,813	\$556,781	(\$1,149)	\$4,545,730	\$5,291,571

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
AVERAGE CAPITAL STRUCTURE (\$000'S)

Company: Florida Power & Light Company and Subsidiaries
YEAR: 2025

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS PRORATA	ADJUSTMENTS SPECIFIC	ADJUSTED RETAIL	RATIO	LOWPOINT COST RATE	LOWPOINT WEIGHTED COST	MIDPOINT COST RATE	MIDPOINT WEIGHTED COST	HIGHPOINT COST RATE	HIGHPOINT WEIGHTED COST
LONG TERM DEBT	\$25,179,776	\$24,219,595	(\$1,456,947)	(\$62,438)	\$22,700,210	32.05%	4.61%	1.48%	4.61%	1.48%	4.61%	1.48%
SHORT TERM DEBT	1,290,989	1,241,738	(74,891)	(\$0)	1,166,847	1.65%	4.56%	0.08%	4.56%	0.08%	4.56%	0.08%
PREFERRED STOCK	0	0	0	\$0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	38,962,249	37,476,498	(2,260,659)	\$6,737	35,222,577	49.73%	9.80%	4.87%	10.80%	5.37%	11.80%	5.87%
CUSTOMER DEPOSITS	627,093	627,903	(37,870)	(\$0)	590,033	0.83%	2.15%	0.02%	2.15%	0.02%	2.15%	0.02%
DEFERRED INCOME TAX	8,820,974	8,484,301	(511,906)	\$3,439	7,975,833	11.26%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	2,644,304	2,543,423	(153,397)	(\$0)	2,390,026	3.37%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS	968,142	930,856	(50,458)	(\$94,220)	786,177	1.11%	7.76%	0.09%	8.37%	0.09%	8.98%	0.10%
TOTAL	<u>\$78,493,527</u>	<u>\$75,524,313</u>	<u>(\$4,546,127)</u>	<u>(\$146,482)</u>	<u>\$70,831,703</u>	<u>100.00%</u>		<u>6.53%</u>		<u>7.03%</u>		<u>7.54%</u>

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
FINANCIAL INTEGRITY INDICATORS
(\$000's)

SCHEDULE 4
PAGE 1 OF 1

Company: Florida Power & Light Company and Subsidiaries
YEAR: 2025

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$6,277,033
AFUDC - DEBT	49,303
INCOME TAXES	717,630
TOTAL	<u>\$7,043,965</u>
INTEREST CHARGES (BEFORE DEBT AFUDC)	1,340,669
TIE WITH AFUDC	<u>5.25</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$6,277,033
AFUDC - EQUITY	(166,008)
INCOME TAXES	717,630
TOTAL	<u>\$6,828,654</u>
INTEREST CHARGES (BEFORE DEBT AFUDC)	\$1,340,669
TIE WITHOUT AFUDC	<u>5.09</u>

C. PERCENT OF AFUDC TO NET INCOME AVAILABLE TO COMMON

AFUDC - DEBT	\$49,303
X (1-INCOME TAX RATE)	0.7466
SUBTOTAL	<u>\$36,807</u>
AFUDC - EQUITY	166,008
TOTAL	<u>\$202,815</u>
NET INCOME AVAILABLE TO COMMON	\$4,985,666
PERCENT AFUDC TO AVAILABLE NET INCOME	<u>4.07%</u>

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$4,985,666
PREFERRED DIVIDENDS	0
COMMON DIVIDENDS	(12,738)
AFUDC (DEBT & OTHER)	(215,311)
DEPRECIATION & AMORTIZATION	3,257,519
DEFERRED INC TAXES & INVESTMENT CREDITS	413,814
CLAUSE OVER/UNDER RECOVERY	(12,424)
OTHER SOURCES/USES OF FUNDS	(312)
TOTAL	<u>\$8,416,214</u>
CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC DEBT & EQUITY)	\$8,906,730
PERCENT INTERNALLY GENERATED FUNDS	94.49%

E. & F. LONG TERM AND SHORT TERM DEBT AS A PERCENT OF INVESTOR CAPITAL

RECONCILED AVERAGE RETAIL AMOUNTS:	
LONG TERM DEBT	\$22,700,210
SHORT TERM DEBT	1,166,847
PREFERRED STOCK	0
COMMON EQUITY	35,222,577
TOTAL	<u>\$59,089,634</u>
% LONG TERM DEBT TO TOTAL	38.42%
% SHORT TERM DEBT TO TOTAL	1.97%

G. AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

	<u>FPSC ADJUSTED</u>
AVERAGE JURISDICTIONAL EARNED RATE OF RETURN	7.47%
LESS: RECONCILED AVERAGE RETAIL WEIGHTED COST RATES:	
LONG TERM DEBT	1.48%
SHORT TERM DEBT	0.08%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WEIGHTED COST (MIDPOINT)	0.09%
SUBTOTAL	<u>1.66%</u>
TOTAL	5.81%
DIVIDED BY COMMON EQUITY RATIO	49.73%
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>11.68%</u>

Company: Florida Power & Light Company and Subsidiaries
 YEAR: 2025

FORECASTED ASSUMPTIONS:

CUSTOMERS	FORECASTED YEAR (1)	PRIOR YEAR (2)
RESIDENTIAL	5,355,964	5,287,101
COMMERCIAL	657,928	650,176
INDUSTRIAL	15,748	15,160
OTHER	7,829	7,301
TOTAL	6,037,469	5,959,738

MWH SALES	FORECASTED YEAR (3)	PRIOR YEAR (4)
RESIDENTIAL	69,617,694	70,894,303
COMMERCIAL	52,772,314	53,138,252
INDUSTRIAL	4,723,549	4,840,914
OTHER	503,874	512,329
TOTAL	127,617,430	129,385,798

OTHER MAJOR FORECASTED ASSUMPTIONS:

A. INFLATION FACTORS (ANNUAL RATE OF CHANGE):	
1. CONSUMER PRICE INDEX (CPI)	3.2%
2. GROSS DOMESTIC PRODUCT (GDP) DEFLATOR	3.0%
3. PRODUCER PRICE INDEX (PPI) - ALL GOODS	3.4%
4. PRODUCER PRICE INDEX (PPI) - INTERMEDIATE MATERIALS	2.6%
5. PRODUCER PRICE INDEX (PPI) - FINISHED PRODUCT GOODS	2.6%
B. CAPITAL OVERHEAD RATES	
1. PENSION & WELFARE	6.8%
2. PAYROLL TAXES & INSURANCE	7.7%
C. OTHER CORPORATE ASSUMPTIONS	
INTEREST RATES -	
1) 30 DAY COMMERCIAL PAPER	4.3%
2) LONG TERM DEBT	5.7%
DEPRECIATION RESERVE SURPLUS AMORTIZATION	(\$894,732)

- (1) 2025 forecasted annual average retail customer count.
- (2) 2024 actual average retail customer count.
- (3) 2025 forecasted retail billed sales.
- (4) 2024 actual retail billed sales.

I AM THE PERSON RESPONSIBLE FOR PREPARATION OF THIS DOCUMENT AND 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 OR S. 775.083

 Ina Laney
 NAME


 SIGNATURE

Sr. Director of Financial Forecast, Strategy & Analysis

 TITLE

3/17/2025

 DATE

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
INDIVIDUAL PROJECTS COMMENCING DURING 2025
(AMOUNTS IN 000'S)

Company: Florida Power & Light Company and Subsidiaries
YEAR: 2025

Schedule of individual projects that commence during 2025 and exceed a gross cost of 0.4% of the sum of the total balance in FERC accounts 101 & 106:

Project	Estimated Total Cost	Estimated Construction Commencement Date	Estimated In-Service Date
Oct 2027 Solar Projects	440,942	Oct-25	Oct-27
Jul 2026 Battery Storage Projects	753,866	Mar-25	Jul-26
Nov 2026 Battery Storage Projects	716,779	Mar-25	Nov-26
Apr 2027 Battery Storage Projects	646,550	Apr-25	Apr-27
Jul 2027 Battery Storage Projects	540,169	Jul-25	Jul-27
Grid Transformation - North Area Project (1)	583,005	Jan-25	Various

(1) Projects with multiple phases are shown as various.