



March 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 January 2023.

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 2023. The January 2023 amortization credit to the Reserve Amount was \$165,083,754. The balance of the Reserve Amount as of January 31, 2023, is \$1,284,916,246.

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 2023.

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

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Enclosures:

Copy: Office of Public Counsel ([rewhinkel.charles@leg.state.fl.us](mailto:rewhinkel.charles@leg.state.fl.us))

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
EARNINGS SURVEILLANCE REPORT SUMMARY  
JANUARY, 2023

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	\$ 4,394,062,490 (A)	(424,704,519) (B)	3,969,357,971	(184,627,472)	\$ 3,784,730,500
RATE BASE	\$ 59,606,506,574	(3,184,767,717)	56,421,738,857	0	\$ 56,421,738,857
AVERAGE RATE OF RETURN	7.37%		7.04%		6.71%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 4,394,062,490 (A)	(412,608,166) (B)	3,981,454,324	(184,627,472)	\$ 3,796,826,853
RATE BASE	\$ 63,285,129,620	(3,835,106,588)	59,450,023,032	0	\$ 59,450,023,032
YEAR END RATE OF RETURN	6.94%		6.70%		6.39%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	6.06%
MIDPOINT	6.55%
HIGH	7.05%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.70	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.53	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	3.51%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	46.88%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	38.59%	(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	11.12%	(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)

3/8/2023  
\_\_\_\_\_  
(DATE)

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
RATE BASE  
JANUARY, 2023

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 (1)	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 71,187,217,884	19,708,540,206	51,478,677,678	735,909,115	6,375,126,203	647,817,008	59,237,530,004	2,465,842,160	\$ 61,703,372,165
JURISDICTIONAL PER BOOKS	\$ 68,595,864,365	15,798,075,686	52,797,788,679	706,106,625	6,075,497,819	611,091,595	60,190,484,717	(583,978,144)	\$ 59,606,506,574
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (3,765,535,696)	(1,160,202,819)	(2,605,332,877)	(10,576,105)	(2,922,855,318)	0	(5,538,764,300)	2,353,996,583	\$ (3,184,767,717)
FPSC ADJUSTED:	\$ 64,830,328,668	14,637,872,867	50,192,455,802	695,530,520	3,152,642,501	611,091,595	54,651,720,418	1,770,018,439	\$ 56,421,738,857
 <b>PRO FORMA ADJUSTMENTS (2)</b>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 64,830,328,668	14,637,872,867	50,192,455,802	695,530,520	3,152,642,501	611,091,595	54,651,720,418	1,770,018,439	\$ 56,421,738,857

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  
JANUARY, 2023

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	\$ 16,955,315,279	5,708,380,406	1,648,260,157	2,463,971,802	1,750,163,125	(7,793,371)	1,109,453,763	(146,400,624)	(22,873,662)	12,503,161,596	\$ 4,452,153,683
JURISDICTIONAL PER BOOKS	\$ 16,252,210,811	5,400,420,320	1,598,435,413	2,381,729,827	1,725,850,413	(7,434,810)	1,057,624,212	(141,408,415)	(21,918,900)	11,993,298,060	\$ 4,258,912,751
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (666,244,228)	0	0	0	(16,656,106)	(164,638,110)	0	0	0	(181,294,215)	\$ (484,950,012)
FRANCHISE EXPENSE	0	0	0	0	(649,136,998)	164,523,772	0	0	0	(484,613,226)	484,613,226
GROSS RECEIPTS TAX	(377,489,227)	0	(11,438,131)	0	(367,124,067)	271,944	0	0	0	(378,290,254)	801,026
FINANCIAL PLANNING SERVICES	0	0	(149,479)	0	0	37,885	0	0	0	(111,593)	111,593
INDUSTRY ASSOCIATION DUES	0	0	(62,956)	0	0	15,956	0	0	0	(47,000)	47,000
ECONOMIC DEVELOPMENT (B)	0	0	(477,128)	0	0	120,928	0	0	0	(356,200)	356,200
AVIATION - EXPENSES	0	0	(225,525)	0	0	57,159	0	0	0	(168,366)	168,366
EXECUTIVE COMPENSATION	0	0	(59,289,310)	0	0	15,026,876	0	0	0	(44,262,435)	44,262,435
FUEL COST REC RETAIL	(5,191,882,760)	(5,159,945,888)	(9,305)	362,096	(29,287)	335,092,383	(348,578,259)	0	20,948,842	(5,152,159,419)	(39,723,341)
CONSERVATION COST RECOVERY	(53,526,359)	0	(40,603,180)	(11,307,014)	(883,403)	(2,604,546)	2,418,828	0	0	(52,979,316)	(547,043)
CAPACITY COST RECOVERY	(310,266,657)	(224,680,470)	(41,263,464)	(8,402,961)	(140,330)	3,414,929	(12,479,226)	0	0	(283,555,522)	(26,711,135)
ENVIRONMENTAL COST RECOVERY	(379,594,447)	0	(48,729,332)	(124,126,264)	(253,985)	(47,434,961)	(4,906,559)	0	31,290	(225,419,810)	(154,174,637)
STORM PROTECTION PLAN COST RECOVERY	(257,393,743)	0	(88,796,050)	(31,598,107)	(129,535)	(31,702,079)	(2,987,635)	0	0	(155,213,406)	(102,180,336)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	2,021,596	0	(512,374)	0	0	0	1,509,222	(1,509,222)
STORM DEFICIENCY RECOVERY	(91,367,828)	0	877	(97,425,822)	0	1,535,176	0	0	0	(95,889,768)	4,521,940
INTEREST TAX DEFICIENCIES	0	0	(10,686)	0	0	2,708	0	0	0	(7,978)	7,978
INTEREST SYNCHRONIZATION	0	0	0	0	0	22,509,839	(7,861,023)	0	0	14,648,817	(14,648,817)
TOTAL FPSC ADJUSTMENTS	\$ (7,327,765,248)	(5,384,626,358)	(291,053,669)	(270,476,477)	(1,034,353,711)	295,713,488	(374,393,874)	0	20,980,132	(7,038,210,469)	\$ (289,554,780)
FPSC ADJUSTED	\$ 8,924,445,563	15,793,962	1,307,381,744	2,111,253,351	691,496,702	288,278,677	683,230,338	(141,408,415)	(938,768)	4,955,087,591	\$ 3,969,357,971
<b>PRO FORMA ADJUSTMENTS</b>											
WEATHER NORMALIZATION ADJUSTMENT (3)	\$ (247,485,767)	0	(178,190)	0	0	(62,680,105)	0	0	0	(62,858,295)	\$ (184,627,472)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,676,959,796	15,793,962	1,307,203,554	2,111,253,351	691,496,702	225,598,572	683,230,338	(141,408,415)	(938,768)	4,892,229,296	\$ 3,784,730,500
<b>(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY</b>											
	\$ 140,021,182										
	\$ 135,149,739										
<b>(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:</b>											
ON A TOTAL COMPANY BASIS	\$ 9,852,350										
ON A JURISDICTIONAL BASIS	\$ 9,542,565										
<b>CURRENT MONTH AMOUNT</b>											
SYSTEM PER BOOKS	\$ 1,287,110,443	429,338,545	127,019,235	49,752,064	147,461,102	45,320,927	53,360,699	(2,568,312)	(1,955,549)	847,728,711	\$ 439,381,732
JURISDICTIONAL PER BOOKS	\$ 1,249,329,509	416,499,362	122,576,206	42,797,076	145,098,872	44,478,030	52,633,932	(2,480,733)	(1,873,596)	819,729,150	\$ 429,600,359

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  
JANUARY, 2023

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 2,049,416,702	\$ 1,964,605,493
FUEL AND CAPACITY	147,903,247	141,896,515
CAPITALIZED EXECUTIVE COMPENSATION	56,834,494	55,047,461
LOAD CONTROL	33,502,652	33,502,652
ASSET RETIREMENT OBLIGATION	133,510,198	129,312,269
CAPITAL LEASES	237,887,176	230,407,348
STORM PROTECTION	1,230,342,549	1,210,763,958
TOTAL	<u>\$ 3,889,397,017</u>	<u>\$ 3,765,535,696</u>
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (693,565,021)	\$ (664,863,153)
ACCUM PROV DECOMMISSIONING COSTS	(5,874,280,586)	(5,643,370,084)
ASSET RETIREMENT OBLIGATION	67,446,601	65,325,894
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	5,458,262,688	5,286,639,880
FUEL AND CAPACITY	(15,667,001)	(15,036,718)
OTHER RATE CASE ADJUSTMENTS (1)	155,507	155,507
LOAD CONTROL	(13,962,851)	(13,962,851)
CAPITAL LEASES	(158,779,754)	(153,787,282)
STORM PROTECTION	(21,648,509)	(21,304,014)
TOTAL	<u>\$ (1,252,038,925)</u>	<u>\$ (1,160,202,819)</u>
<b>PROPERTY HELD FOR FUTURE USE:</b>		
FUTURE USE PLANT - NORTH ESCAMBIA	\$ 10,919,442	\$ 10,576,105
TOTAL	<u>\$ 10,919,442</u>	<u>\$ 10,576,105</u>
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 2,470,303,414	\$ 2,305,986,027
CWIP - CLAUSE PROJECTS	630,815,336	616,869,291
TOTAL	<u>\$ 3,101,118,751</u>	<u>\$ 2,922,855,318</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)	\$ (2,450,263,117)	\$ (2,353,996,583)
<b>TOTAL ADJUSTMENTS</b>	<u><b>\$ 3,299,133,167</b></u>	<u><b>\$ 3,184,767,717</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  
AVERAGE RATE OF RETURN  
SYSTEM ADJUSTMENTS  
INCOME STATEMENT  
JANUARY, 2023

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	\$ 16,955,315,279	5,708,380,406	1,648,260,157	2,463,971,802	1,750,163,125	(7,793,371)	1,109,453,763	(146,400,624)	(22,873,662)	12,503,161,596	\$ 4,452,153,683
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (666,244,228)	0	0	0	(16,656,106)	(161,290,131)	0	0	0	(177,946,236)	\$ (488,297,991)
FRANCHISE EXPENSE	0	0	0	0	(649,136,998)	161,178,012	0	0	0	(487,958,986)	487,958,986
GROSS RECEIPTS TAX	(377,489,227)	0	(11,438,131)	0	(367,124,067)	264,672	0	0	0	(378,297,526)	808,298
FINANCIAL PLANNING SERVICES	0	0	(154,331)	0	0	38,494	0	0	0	(115,837)	115,837
INDUSTRY ASSOCIATION DUES	0	0	(65,000)	0	0	16,306	0	0	0	(48,694)	48,694
ECONOMIC DEVELOPMENT	0	0	(492,618)	0	0	122,505	0	0	0	(370,113)	370,113
AVIATION - EXPENSES	0	0	(232,846)	0	0	57,602	0	0	0	(175,245)	175,245
EXECUTIVE COMPENSATION	0	0	(61,214,049)	0	0	15,225,128	0	0	0	(45,988,921)	45,988,921
FUEL COST RECOVERY	(5,496,570,162)	(5,457,526,793)	(9,729)	378,576	(30,620)	333,384,344	(348,849,712)	0	21,902,253	(5,450,751,681)	(45,818,481)
CONSERVATION COST RECOVERY	(53,526,359)	0	(40,603,180)	(11,307,014)	(883,403)	(2,610,030)	2,418,828	0	0	(52,984,799)	(541,559)
CAPACITY COST RECOVERY	(310,804,003)	(234,202,659)	(43,012,249)	(8,759,087)	(146,277)	6,360,905	(12,479,226)	0	0	(292,238,594)	(18,565,409)
ENVIRONMENTAL COST RECOVERY	(379,594,447)	0	(50,832,957)	(129,484,744)	(264,949)	(44,525,162)	(4,906,559)	0	32,641	(229,981,730)	(149,612,717)
STORM PROTECTION PLAN COST RECOVERY	(257,393,743)	0	(90,322,407)	(32,109,063)	(131,629)	(30,587,717)	(2,987,635)	0	0	(156,138,452)	(101,255,291)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	2,021,596	0	(512,374)	0	0	0	1,509,222	(1,509,222)
STORM DEFICIENCY RECOVERY	(91,367,828)	0	877	(97,425,822)	0	1,474,037	0	0	0	(95,950,907)	4,583,079
INTEREST TAX DEFICIENCIES	0	0	(11,033)	0	0	3,037	0	0	0	(7,996)	7,996
INTEREST SYNCHRONIZATION	0	0	0	0	0	23,445,878	(8,116,219)	0	0	15,329,659	(15,329,659)
TOTAL FPSC ADJUSTMENTS	\$ (7,632,989,996)	(5,691,729,452)	(298,387,652)	(276,685,558)	(1,034,374,050)	302,045,506	(374,920,523)	0	21,934,894	(7,352,116,835)	\$ (280,873,161)
FPSC ADJUSTED	\$ 9,322,325,283	16,650,954	1,349,872,505	2,187,286,244	715,789,075	294,252,135	734,533,241	(146,400,624)	(938,768)	5,151,044,761	\$ 4,171,280,522
<b>PRO FORMA ADJUSTMENTS</b>											
WEATHER NORMALIZATION ADJUSTMENT (3)	\$ (247,485,767)	0	(178,190)	0	0	(62,680,105)	0	0	0	(62,858,295)	\$ (184,627,472)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 9,074,839,516	16,650,954	1,349,694,315	2,187,286,244	715,789,075	231,572,029	734,533,241	(146,400,624)	(938,768)	5,088,186,466	\$ 3,986,653,051
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 140,021,182										

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  
JANUARY, 2023

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>ADJUSTMENTS TO ASSETS PER BOOKS:</b>		
ACCOUNTS RECEIVABLE - ASSOC COS	225,528,534	218,630,295
ASSET RETIREMENT OBLIGATION	45,478,533	44,048,563
CEDAR BAY TRANSACTION	219,409,563	210,488,830
EARLY RETIRED ASSETS	1,003,387,655	962,694,502
EMPLOYEE LOAN RECEIVABLES	853	826
ICL TRANSACTION	171,402,777	164,433,900
INTEREST & DIVIDENDS RECEIVABLE	701,416	679,962
JOBGING ACCOUNTS	15,304,467	14,836,353
MISC. DEFERRED DEBIT - CLAUSES	13,789,271	13,219,563
NET UNDERRECOVERED CLAUSES	1,385,549,636	1,377,551,699
OPERATING LEASES	10,870,298	10,443,000
OTH REG ASSETS - CLAUSES	87,790,635	84,149,806
POLE ATTACHMENTS RENTS RECEIVABLE	61,985,297	60,089,368
PREPAYMENTS - ECCR	35,433,656	35,433,656
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	6,447,100	6,426,991
STORM DEFICIENCY RECOVERY	580,569,860	580,569,860
SJRPP TRANSACTION	41,078,793	39,378,825
TEMPORARY CASH INVESTMENTS	153,263,077	148,575,219
UNREALIZED LOSS ON FWD CONTRACT	32,969	31,585
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 4,058,024,389	\$ 3,971,682,803
<b>ADJUSTMENTS TO LIABILITIES PER BOOKS:</b>		
ACCOUNTS PAYABLE - CARE TO SHARE	(886,437)	(859,324)
ACCUM DEFERRED RETIREMENT BENEFITS	(11,443,445)	(11,083,632)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(69,931,167)	(69,931,167)
ACCUM. PROV. - RATE REFUNDS	(441,798)	0
ASSET RETIREMENT OBLIGATION	(5,704,699,235)	(5,525,327,783)
CEDAR BAY TRANSACTION	(1,765,209)	(1,693,439)
DEFERRED TRANSMISSION CREDIT	(9,521,674)	(8,583,593)
GAIN ON SALE OF EMISSION ALLOWANCE	(214)	(205)
JOBGING ACCOUNTS	(22,901,113)	(22,200,642)
MARGIN CALL CASH COLLATERAL	(2,742,692)	(2,658,802)
MISC. DEFERRED CREDIT - CLAUSES	(6,348,006)	(6,085,034)
NUCLEAR COST RECOVERY	(241,630,584)	(241,630,584)
OTH REG LIAB - CLAUSES	(40,147,208)	(39,881,863)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
STORM DEFICIENCY RECOVERY	(393,036,417)	(393,036,417)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (6,508,287,507)	\$ (6,325,679,386)
<b>NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS</b>	<b>\$ (2,450,263,117)</b>	<b>\$ (2,353,996,583)</b>

**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  
JANUARY, 2023

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	\$ 74,469,162,434	19,798,803,658	54,670,358,776	833,085,811	6,587,520,248	655,071,794	62,746,036,629	2,465,842,160	\$ 65,211,878,789
JURISDICTIONAL PER BOOKS	\$ 71,747,712,589	15,578,522,327	56,169,190,261	799,216,877	6,282,765,526	617,935,100	63,869,107,764	(583,978,144)	\$ 63,285,129,620
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (3,806,395,370)	(719,836,478)	(3,086,558,893)	(10,789,201)	(3,091,755,077)	0	(6,189,103,171)	2,353,996,583	\$ (3,835,106,588)
FPSC ADJUSTED:	\$ 67,941,317,219	14,858,685,850	53,082,631,369	788,427,675	3,191,010,449	617,935,100	57,680,004,593	1,770,018,439	\$ 59,450,023,032
 <u>PRO FORMA ADJUSTMENTS (2)</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 67,941,317,219	14,858,685,850	53,082,631,369	788,427,675	3,191,010,449	617,935,100	57,680,004,593	1,770,018,439	\$ 59,450,023,032

- 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  
JANUARY, 2023

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	\$ 16,955,315,279	5,708,380,406	1,648,260,157	2,463,971,802	1,750,163,125	(7,793,371)	1,109,453,763	(146,400,624)	(22,873,662)	12,503,161,596	\$ 4,452,153,683
JURISDICTIONAL PER BOOKS	\$ 16,252,210,811	5,400,420,320	1,598,435,413	2,381,729,827	1,725,850,413	(7,434,810)	1,057,624,212	(141,408,415)	(21,918,900)	11,993,298,060	\$ 4,258,912,751
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (666,244,228)	0	0	0	(16,656,106)	(164,638,110)	0	0	0	(181,294,215)	\$ (484,950,012)
FRANCHISE EXPENSE	0	0	0	0	(649,136,998)	164,523,772	0	0	0	(484,613,226)	484,613,226
GROSS RECEIPTS TAX	(377,489,227)	0	(11,438,131)	0	(367,124,067)	271,944	0	0	0	(378,290,254)	801,026
FINANCIAL PLANNING SERVICES	0	0	(149,479)	0	0	37,885	0	0	0	(111,593)	111,593
INDUSTRY ASSOCIATION DUES	0	0	(62,956)	0	0	15,956	0	0	0	(47,000)	47,000
ECONOMIC DEVELOPMENT	0	0	(477,128)	0	0	120,928	0	0	0	(356,200)	356,200
AVIATION - EXPENSES	0	0	(225,525)	0	0	57,159	0	0	0	(168,366)	168,366
EXECUTIVE COMPENSATION	0	0	(59,289,310)	0	0	15,026,876	0	0	0	(44,262,435)	44,262,435
FUEL COST REC RETAIL	(5,191,882,760)	(5,159,945,888)	(9,305)	362,096	(29,287)	335,092,383	(348,578,259)	0	20,948,842	(5,152,159,419)	(39,723,341)
CONSERVATION COST RECOVERY	(53,526,359)	0	(40,603,180)	(11,307,014)	(883,403)	(2,604,546)	2,418,828	0	0	(52,979,316)	(547,043)
CAPACITY COST RECOVERY	(310,266,657)	(224,680,470)	(41,263,464)	(8,402,961)	(140,330)	3,410,929	(12,479,226)	0	0	(283,555,522)	(26,711,135)
ENVIRONMENTAL COST RECOVERY	(379,594,447)	0	(48,729,332)	(124,126,264)	(253,985)	(47,434,961)	(4,906,559)	0	31,290	(225,419,810)	(154,174,637)
STORM PROTECTION PLAN COST RECOVERY	(257,393,743)	0	(88,796,050)	(31,598,107)	(129,535)	(31,702,079)	(2,987,635)	0	0	(155,213,406)	(102,180,336)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	2,021,596	0	(512,374)	0	0	0	1,509,222	(1,509,222)
STORM DEFICIENCY RECOVERY	(91,367,828)	0	877	(97,425,822)	0	1,535,176	0	0	0	(95,889,768)	4,521,940
INTEREST TAX DEFICIENCIES	0	0	(10,686)	0	0	2,708	0	0	0	(7,978)	7,978
INTEREST SYNCHRONIZATION	0	0	0	0	0	10,413,487	(7,861,023)	0	0	2,552,464	(2,552,464)
NORTH ESCAMBIA TIMBER SALES	0	0	0	0	0	0	0	0	0	0	0
TOTAL FPSC ADJUSTMENTS	\$ (7,327,765,248)	(5,384,626,358)	(291,053,669)	(270,476,477)	(1,034,353,711)	283,617,135	(374,393,874)	0	20,980,132	(7,050,306,821)	\$ (277,458,427)
FPSC ADJUSTED	\$ 8,924,445,563	15,793,962	1,307,381,744	2,111,253,351	691,496,702	276,182,324	683,230,338	(141,408,415)	(938,768)	4,942,991,238	\$ 3,981,454,324
<b>PRO FORMA ADJUSTMENTS</b>											
WEATHER NORMALIZATION ADJUSTMENT (3)	\$ (247,485,767)	0	(178,190)	0	0	(62,680,105)	0	0	0	(62,858,295)	\$ (184,627,472)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,676,959,796	15,793,962	1,307,203,554	2,111,253,351	691,496,702	213,502,219	683,230,338	(141,408,415)	(938,768)	4,880,132,943	\$ 3,796,826,853
<b>(A) THE ADDITION OF EARNINGS FROM AFUDC</b>											
WOULD INCREASE THE SYSTEM NOI BY	\$ 140,021,182										
AND THE JURISDICTIONAL NOI BY	\$ 135,149,739										

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  
JANUARY, 2023

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 1,654,026,793	\$ 1,585,578,042
FUEL AND CAPACITY	148,264,332	142,236,214
CAPITALIZED EXECUTIVE COMPENSATION	58,531,442	56,691,052
LOAD CONTROL	36,071,490	36,071,490
ASSET RETIREMENT OBLIGATION	123,452,012	119,570,340
CAPITAL LEASES	113,596,868	110,025,070
STORM PROTECTION	1,784,622,069	1,756,223,160
TOTAL	<u>\$ 3,918,565,006</u>	<u>\$ 3,806,395,370</u>
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (333,658,256)	\$ (319,850,444)
ACCUM PROV DECOMMISSIONING COSTS	(5,669,346,926)	(5,446,492,106)
ASSET RETIREMENT OBLIGATION	78,771,633	76,294,836
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	5,263,156,034	5,097,667,916
FUEL AND CAPACITY	(17,319,307)	(16,615,140)
OTHER RATE CASE ADJUSTMENTS (1)	2,021,596	2,021,596
LOAD CONTROL	(15,197,640)	(15,197,640)
CAPITAL LEASES	(60,379,462)	(58,480,965)
STORM PROTECTION	(39,818,162)	(39,184,531)
TOTAL	<u>\$ (791,770,489)</u>	<u>\$ (719,836,478)</u>
<b>PROPERTY HELD FOR FUTURE USE:</b>		
FUTURE USE PLANT - NORTH ESCAMBIA	\$ 11,139,457	\$ 10,789,201
TOTAL	<u>\$ 11,139,457</u>	<u>\$ 10,789,201</u>
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 2,513,331,560	\$ 2,351,165,442
CWIP - CLAUSE PROJECTS	758,415,647	740,589,635
TOTAL	<u>\$ 3,271,747,207</u>	<u>\$ 3,091,755,077</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)	\$ (2,450,263,117)	\$ (2,353,996,583)
<b>TOTAL ADJUSTMENTS</b>	<u><b>\$ 3,959,418,062</b></u>	<u><b>\$ 3,835,106,588</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, 2023

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	\$ 16,955,315,279	5,708,380,406	1,648,260,157	2,463,971,802	1,750,163,125	(7,793,371)	1,109,453,763	(146,400,624)	(22,873,662)	12,503,161,596	\$ 4,452,153,683
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (666,244,228)	0	0	0	(16,656,106)	(161,290,131)	0	0	0	(177,946,236)	\$ (488,297,991)
FRANCHISE EXPENSE	0	0	0	0	(649,136,998)	161,178,012	0	0	0	(487,958,986)	487,958,986
GROSS RECEIPTS TAX	(377,489,227)	0	(11,438,131)	0	(367,124,067)	264,672	0	0	0	(378,297,526)	808,298
FINANCIAL PLANNING SERVICES	0	0	(154,331)	0	0	38,494	0	0	0	(115,837)	115,837
INDUSTRY ASSOCIATION DUES	0	0	(65,000)	0	0	16,306	0	0	0	(48,694)	48,694
ECONOMIC DEVELOPMENT 5%	0	0	(492,618)	0	0	122,505	0	0	0	(370,113)	370,113
AVIATION - EXPENSES	0	0	(232,846)	0	0	57,602	0	0	0	(175,245)	175,245
EXECUTIVE COMPENSATION	0	0	(61,214,049)	0	0	15,225,128	0	0	0	(45,988,921)	45,988,921
FUEL COST REC RETAIL	(5,496,570,162)	(5,457,526,793)	(9,729)	378,576	(30,620)	333,384,344	(348,849,712)	0	21,902,253	(5,450,751,681)	(45,818,481)
CONSERVATION COST RECOVERY	(53,526,359)	0	(40,603,180)	(11,307,014)	(883,403)	(2,610,030)	2,418,828	0	0	(52,984,799)	(541,559)
CAPACITY COST RECOVERY	(310,804,003)	(234,202,659)	(43,012,249)	(8,759,087)	(146,277)	6,360,905	(12,479,226)	0	0	(292,238,594)	(18,565,409)
ENVIRONMENTAL COST RECOVERY	(379,594,447)	0	(50,832,957)	(129,484,744)	(264,949)	(44,525,162)	(4,906,559)	0	32,641	(229,981,730)	(149,612,717)
STORM PROTECTION PLAN COST RECOVERY	(257,393,743)	0	(90,322,407)	(32,109,063)	(131,629)	(30,587,717)	(2,987,635)	0	0	(156,138,452)	(101,255,291)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	2,021,596	0	(512,374)	0	0	0	1,509,222	(1,509,222)
STORM DEFICIENCY RECOVERY	(91,367,828)	0	877	(97,425,822)	0	1,474,037	0	0	0	(95,950,907)	4,583,079
INTEREST TAX DEFICIENCIES	0	0	(11,033)	0	0	3,037	0	0	0	(7,996)	7,996
INTEREST SYNCHRONIZATION	0	0	0	0	0	11,837,979	(8,116,219)	0	0	3,721,760	(3,721,760)
NORTH ESCAMBIA TIMBER SALES	0	0	0	0	0	0	0	0	0	0	0
TOTAL FPSC ADJUSTMENTS	\$ (7,632,989,996)	(5,691,729,452)	(298,387,652)	(276,685,558)	(1,034,374,050)	290,437,607	(374,920,523)	0	21,934,894	(7,363,724,734)	\$ (269,265,262)
FPSC ADJUSTED	\$ 9,322,325,283	16,650,954	1,349,872,505	2,187,286,244	715,789,075	282,644,236	734,533,241	(146,400,624)	(938,768)	5,139,436,862	\$ 4,182,888,421
<b>PRO FORMA ADJUSTMENTS</b>											
WEATHER NORMALIZATION ADJUSTMENT (3)	\$ (247,485,767)	0	(178,190)	0	0	(62,680,105)	0	0	0	(62,858,295)	\$ (184,627,472)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 9,074,839,516	16,650,954	1,349,694,315	2,187,286,244	715,789,075	219,964,131	734,533,241	(146,400,624)	(938,768)	5,076,578,567	\$ 3,998,260,949
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 140,021,182										

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  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS  
JANUARY, 2023

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	\$ 19,286,183,295			\$ 18,626,644,639	\$ (916,930,278)	\$ (93,490,058)	\$ 17,616,224,303	31.22%	3.72%
SHORT TERM DEBT	922,494,931	890,930,502	(44,078,905)	(0)	846,851,598	1.50%	2.52%	0.04%	2.52%	0.04%	2.52%	0.04%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	29,607,027,289	28,594,594,545	(1,415,146,027)	8,583,593	27,188,032,111	48.19%	9.80%	4.72%	10.80%	5.20%	11.80%	5.69%
CUSTOMER DEPOSITS	458,145,488	458,137,463	(22,666,412)	0	435,471,051	0.77%	2.10%	0.02%	2.10%	0.02%	2.10%	0.02%
DEFERRED INCOME TAX	(1) 7,016,056,884	6,774,555,151	(332,445,388)	(55,111,024)	6,386,998,738	11.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	3,277,512,026	3,165,367,458	(156,606,974)	(0)	3,008,760,484	5.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS	(2) 1,135,952,251	1,096,276,816	(48,896,109)	(107,980,135)	939,400,572	1.66%	7.41%	0.12%	8.02%	0.13%	8.62%	0.14%
TOTAL	\$ 61,703,372,165	\$ 59,606,506,574	\$ (2,936,770,093)	\$ (247,997,624)	\$ 56,421,738,857	100.00%		6.06%		6.55%		7.05%

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	\$ 18,836,944,669			\$ 18,276,860,023	\$ (1,043,540,660)	\$ (68,414,096)	\$ 17,164,905,267	28.87%	3.71%
SHORT TERM DEBT	1,982,737,526	1,923,799,201	(110,254,477)	(0)	1,813,544,724	3.05%	4.88%	0.15%	4.88%	0.15%	4.88%	0.15%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	32,267,030,417	31,308,540,366	(1,794,809,526)	8,583,593	29,522,314,433	49.66%	9.80%	4.87%	10.80%	5.36%	11.80%	5.86%
CUSTOMER DEPOSITS	487,950,940	487,912,359	(27,962,649)	-	459,949,710	0.77%	2.22%	0.02%	2.22%	0.02%	2.22%	0.02%
DEFERRED INCOME TAX	7,518,781,747	7,293,481,287	(414,836,813)	(55,111,024)	6,823,533,449	11.48%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	3,085,689,296	2,993,964,922	(171,586,534)	(0)	2,822,378,388	4.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS	(2) 1,032,744,194	1,000,571,463	(51,274,336)	(105,900,064)	843,397,062	1.42%	7.56%	0.11%	8.19%	0.12%	8.83%	0.13%
TOTAL	\$ 65,211,878,789	\$ 63,285,129,620	\$ (3,614,264,997)	\$ (220,841,591)	\$ 59,450,023,032	100.00%		6.21%		6.72%		7.22%

NOTE:

(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$2,729 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, 2023

SCHEDULE 5: PAGE 1 OF 2

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 4,543,834,962
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	32,022,964
INCOME TAXES	939,703,791
TOTAL	<u>\$ 5,515,561,717</u>
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 822,748,398</u>
TIMES INTEREST EARNED WITH AFUDC	<u>6.70</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 4,543,834,962
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(107,998,218)
INCOME TAXES	939,703,791
TOTAL	<u>\$ 5,375,540,535</u>
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 822,748,398</u>
TIMES INTEREST EARNED WITHOUT AFUDC	<u>6.53</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 32,022,964
X (1 - INCOME_TAX_RATE)	0.7466
SUBTOTAL	<u>\$ 23,906,744</u>
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	107,998,218
TOTAL	<u>\$ 131,904,962</u>
NET INCOME AVAILABLE FOR COMMON	<u>\$ 3,753,109,528</u>
AFUDC AS PERCENT OF NET INCOME	<u>3.51%</u>

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 3,753,109,528
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(2,000,000,000)
AFUDC (DEBT & OTHER)	(140,021,182)
DEPRECIATION AND AMORTIZATION EXPENSE	2,463,971,802
DEFERRED INCOME TAXES	1,085,217,305
INVESTMENT TAX CREDITS	(146,400,624)
CLAUSE OVER/UNDER RECOVERY	(1,356,296,812)
OTHER	16,080,892
INTERNALLY GENERATED FUNDS	<u>\$ 3,675,660,910</u>
CONSTRUCTION EXPENDITURES	<u>\$ 7,840,778,819</u>
PERCENT INTERNALLY GENERATED FUNDS	<u>46.88%</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	\$ 17,616,224,303
JURIS ADJUSTED SHORT TERM DEBT	846,851,598
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	27,188,032,111
TOTAL	<u>\$ 45,651,108,011</u>
LTD TO TOTAL INVESTOR FUNDS	<u>38.59%</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	7.04%	6.71%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :		
LONG TERM DEBT	1.16%	1.16%
SHORT TERM DEBT	0.04%	0.04%
PREFERRED STOCK	0.00%	0.00%
CUSTOMER DEPOSITS	0.02%	0.02%
TAX CREDITS - WEIGHTED COST	0.13%	0.13%
SUBTOTAL	<u>1.35%</u>	<u>1.35%</u>
TOTAL	<u>5.69%</u>	<u>5.36%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>48.19%</u>	<u>48.19%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>11.80%</u>	<u>11.12%</u>