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July 9, 2025

VIA ELECTRONIC FILING
Adam Teitzman, Commission Clerk
Division of Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 20250011-EI
Petition by Florida Power & Light Company for Base Rate Increase

Dear Mr. Teitzman:

Attached for filing on behalf of Florida Power & Light Company ("FPL") in the above-referenced docket are the rebuttal testimony and exhibits of FPL witness Jessica Buttress.

Please let me know if you have any questions regarding this submission.

Sincerely,

s/ Maria Jose Moncada
Maria Jose Moncada
Assistant General Counsel
Florida Power & Light Company

(Document 3 of 16)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this _9th_ day of July 2025:

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BEFORE THE

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 20250011-EI

FLORIDA POWER & LIGHT COMPANY

REBUTTAL TESTIMONY OF JESSICA BUTTRESS

Filed: July 9, 2025

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I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Jessica Buttress. My business address is Florida Power & Light Company ("FPL" or "the Company"), 700 Universe Boulevard, Juno Beach, Florida 33408.

Q. Have you previously submitted direct testimony in this proceeding?

A. Yes.

Q. Are you sponsoring any rebuttal exhibits in this case?

A. Yes. I am sponsoring the following exhibits:

- Exhibit JB-7 – Job Requisitions as of July 1, 2025
- Exhibit JB-8 – FPL's Corrected Supplemental Response to OPC's First Set of Interrogatories No. 24 and FPL's Corrected Response to OPC's Eleventh Set of Interrogatories No. 328
- Exhibit JB-9 – FPL's Response to OPC's First Request for Production of Documents No. 22 and FPL's Original and Corrected Response to OPC's Eleventh Set of Interrogatories No. 313
- Exhibit JB-10 – FPL's Response to OPC's First Set of Interrogatories No. 19 and FPL's Response to OPC's First Request for Production of Documents No. 37

Q. What is the purpose of your rebuttal testimony?

A. The purpose of my rebuttal testimony is to respond to certain portions of the direct testimony of Office of Public Counsel ("OPC") witness Helmuth W. Schultz, III regarding his recommended adjustments to the payroll and benefits expense forecasted to be included in FPL's proposed base rates for the 2026 and 2027 Projected Test Years. Please note that I am responding to specific issues. Consequently, any argument raised in the testimony presented by intervening parties to which I do not respond, should not be accepted as my support or approval of the positions offered.

Q. Please summarize the payroll and benefits adjustments proposed by OPC witness Schultz.

A. In his testimony, OPC witness Schultz proposes three adjustments to FPL's payroll expense for the 2026 and 2027 Projected Test Years: first, he reduces the headcount by 292 and 313 employees for 2026 and 2027, respectively, based on the March 2025 three-month average headcount; second, he reduces the base portion of the payroll being expensed based on the amount of base payroll that FPL capitalized in 2024; and third, he proposes to eliminate 100% of all incentive compensation paid to all FPL employees. With respect to FPL's benefits expense, OPC witness Schultz proposes an adjustment by taking a simple percentage of benefits expense to payroll expense to reflect his proposed base payroll adjustments. Finally, OPC witness Schultz recommends that FPL's supplemental executive retirement plan ("SERP") expense be 100% disallowed.

Q. Please summarize your rebuttal to OPC witness Schultz's proposed adjustments to FPL's projected compensation and benefits expenses.

A. FPL's projected compensation and benefits expense is reasonable and prudent. My rebuttal testimony supports an appropriate headcount and payroll expense forecasted for 2026 and 2027 given the projected new customer and load growth. I describe FPL's performance management process and performance-based variable compensation. Additionally, my testimony shows that FPL has complied with the 2010 Rate Case Order and excluded the applicable portions of officer and non-officer incentive compensation for the 2026 and 2027 Projected Test Years. It is noteworthy that no intervenor has questioned the reasonableness of total compensation levels paid to FPL employees, including performance-based incentive compensation. I validate that FPL's total compensation program, with its emphasis on performance-based pay, benefits customers while remaining below the current market median.

II. HEADCOUNT

Q. Can you describe how OPC witness Schultz arrived at his proposed adjustment to reduce the headcount by 292 and 313 employees for 2026 and 2027, respectively?

A. Yes. On page 52 of his testimony, OPC witness Schultz states that his adjustment is "based on the March 2025 three-month average of 9,066, and to that [he] added 24 positions in 2026 and another 24 in 2027 that were identified in the response to OPC's Sixth Set of Interrogatories, No. 155." As shown on page 1 of Schedule C-4 to his Exhibit HWS-2, this results in a reduction of FPL's forecasted headcount for 2026 from 9,382 to 9,090 and for 2027 from 9,427 to 9,114. OPC witness Schultz's proposed adjustment to headcount results in a reduction in FPL's payroll expense of $21.1 million[1] in 2026 and $23.1 million in 2027.

Q. Do you have concerns with his methodology?

A. Yes. OPC witness Schultz arbitrarily based his headcount adjustment on the average headcount for the first three months of calendar year 2025 even though the planned

1 OPC witness Schultz states on page 52 of his testimony that he is recommending the O&M expenses for 2026 be reduced by a net $23.111 million; however, Schedule C-4, page 1 of 2, to HWS Exhibit-2 reflects a net adjustment of $21.111 million for 2026.

number of employees of 9,277 for 2025 is the projected average number of employees for the entire calendar year. It would be misleading to characterize three months of data as a representative sample for an entire year in any company or industry. Notably, OPC's adjusted headcount for 2025 is 211 less employees than the average number of employees planned for the entire calendar year 2025 and, moreover, it is 46 less employees than the *actual* average number of employees in 2024.

Further, OPC witness Schultz overlooks that FPL has already reduced its planned average headcount by 443 employees for calendar year 2025 as compared to the planned average headcount for 2024. OPC witness Schultz has not completed an evaluation of FPL's staffing requirements and only relied on a historical average for a limited three-month period without considering planned projects, use of overtime and contractor labor, and seasonality impacts.

Additionally, in making his recommendation to limit the headcount additions to 24 positions in 2026 and another 24 in 2027 based on FPL's response to OPC Interrogatory No. 155, OPC witness Schultz notably does not convey that the positions identified in that response were only for FPL's Power Generation Division business unit. Under OPC witness Schultz's approach, there would be no additional headcount for any other business units in 2026 and 2027. This approach is not only unrealistic, but it also ignores that FPL's forecasted increase of a combined 150 employees for 2026 and 2027 is primarily due to both (i) the need to invest in new generation assets and (ii) the significant population growth in Florida and the need for all FPL business units to support customer growth.

Finally, I note that as of July 1, 2025, FPL has 326 open job requisitions with 78 candidates in the background review and offer stages, as shown in Exhibit JB-7. As explained further below, these 326 positions are being actively recruited based on specific needs for additional headcount identified within the individual business units, rather than being subject to an arbitrary adjustment based on only three months of headcount data.

Q. In support of his proposed adjustment, OPC witness Schultz cites to the number of FPL employees for 2021 through 2024 as provided in FPL's response to OPC Interrogatory No. 124. Do you have any concerns with simply relying on the historical employee complement?

A. Yes. OPC witness Schultz does not describe that the number of employees identified in FPL's response to OPC Interrogatory No. 124 is the average number of employees for 2021-2024. Meaning, there may have been more or less employees at any given point in time during each of these calendar years. This is due to the fact that employees come and go throughout the year based on (i) their own personal circumstances, opportunities, and career decisions, and (ii) the changing needs of each business unit year over year. This does not, however, mean that FPL's planned positions are not needed and appropriate.

FPL's employee complement is driven by a bottom-up approach that is subject to review and approval by management. A business unit must demonstrate a need to open a position, whether that is the result of backfilling a position for an employee that left the business unit or due to change in circumstances or workload that requires the addition of or reduction in headcount. Stated differently, the planned positions are driven by the needs and workload of the individual business units. If a business unit identifies a need for additional headcount, that request is vetted for approval by varying levels of management depending on the requested position. If the requested position is approved by the applicable management team, the business unit works with Human Resources to identify the market compensation for that type of position and to initiate recruiting efforts for qualified candidates interested in the position. Positions are actively marketed to fill the business need as soon as reasonably practicable. However, as explained in my direct testimony, there are multiple workforce and industry challenges in identifying and hiring qualified candidates that may be interested in an open position and suitable to fit the business need.

Importantly, OPC witness Schultz's adjustment incorrectly assumes, without any analysis or support, that if there is an open position there is no need for that position. As explained above, the business unit must adequately demonstrate the need for a position. In the event there is an open position in a business unit, whether that be due to an employee leaving for another opportunity or the need for an additional headcount, the work for that position must still be completed in order for FPL to efficiently provide service to its customers. As a result, unless and until an approved open position is filled, FPL must incur additional costs for overtime and engaging outside contractors to do the work for the open position, while at the same time incurring recruiting costs to fill the open position.

Q. **In further support of his proposed adjustment to headcount, on page 47 of his direct testimony, OPC witness Schultz notes FPL's demonstrated efficiency and that an FPL witness stated in a deposition that headcount would be flat. Do you have a response?**

A. Yes. First, FPL's headcount forecasted for the 2026 and 2027 Projected Test Years already reflect these efficiencies as explained in my direct testimony. Indeed, FPL is forecasting an increase of only 150 employees through 2027, which is a cumulative increase of only 1.62% (or 0.81% per year) over the 2025 planned headcount and only 1.65% (or 0.83% per year) over the 2025 headcount proposed by OPC witness Schultz. In light of the forecasted customer growth through 2027, as explained in the direct testimonies of FPL witnesses Bores and Cohen, the modest increase in headcount for the 2026 and 2027 Projected Test Years is reasonable and consistent with FPL's commitment to continue to drive efficiencies while still providing safe and reliable service to customers.

Second, the fact that FPL witness DeBoer stated in a deposition that the headcount for the Nuclear business unit is expected to be flat makes sense given that FPL is not adding incremental nuclear generation, but that should not be construed as evidence of or a proxy for the headcount and needs of all other FPL business units. As I explained above, the planned positions are based on a bottom-up approach that is driven by each individual business unit's workforce needs.

Q. What would be the impact if OPC witness Schultz's proposed headcount adjustments were adopted for calendar years 2025 through 2027?

A. As explained above, the planned average headcount for each calendar year is driven by the workforce needs of each individual business unit and the modest increase forecasted for 2026 and 2027 is reasonable given the projected new customer and load growth. The work of these business units needs to be completed regardless of whether a position is filled or open. If the headcounts for 2025 through 2027 were capped at the levels suggested by OPC witness Schultz, FPL would be required to complete the work through overtime and outside contractors, which would be more costly than an employee completing the same work at straight-time pay (*i.e.*, avoids internal employee overtime and contractor overheads and profits). For these and all the reasons explained above, OPC witness Schultz's proposed adjustment to forecasted headcount should be rejected, as well as his corresponding adjustment to FPL's payroll expense.

III. BASE PAYROLL EXPENSE

Q. Please summarize the base payroll expense adjustment proposed by OPC witness Schultz.

A. On page 51 of his direct testimony and page 1 of Schedule C-4 to his Exhibit HWS-2, OPC witness Schultz applied an O&M percentage of 56.57% to FPL's projected total payroll expense (straight time and overtime wages) for 2026 and 2027 to reduce the Company's projected payroll expense by $108.173 million and $120.387 million, respectively. OPC witness Schultz claims that this adjustment is necessary because, according to him, FPL is forecasting a significant reduction to the percentage of payroll being capitalized despite a significant increase in the forecasted capital project spending.

Q. How does OPC witness Schultz arrive at his proposed 56.57% O&M percentage for payroll expense?

A. As he states on page 51 of his direct testimony, the proposed adjustment factor is based on the 2024 actual percentage of total payroll that was charged to O&M expense. I note that by cherry picking the lowest point cited in the four-year history shown on page 1, lines 1 through 4 of Schedule C-4 to Exhibit HWS-2, OPC witness Schultz calculated an approximate 10% adjustment in the percentage of total payroll that is capitalized versus expensed as O&M.

Q. Is it appropriate to simply rely on the historical capitalized payroll for one year to develop an O&M adjustment factor for total payroll expense?

A. No. The amount of payroll being booked to capital versus O&M varies from year to year based on the type and scope of the projects worked on each year. In fact, this can be seen on page 1 of Schedule C-4 of OPC witness Schultz's Exhibit HWS-2, which shows fluctuations in the percentage of payroll being expensed and capitalized. The amount of internal payroll capitalized in a calendar year follows the work actually completed on capital projects during that same year consistent with FPL's established capitalization policy. Stated differently, it is the project and amount of work done on that project that drives the percentage of payroll that is ultimately capitalized. Furthermore, unplanned storm restoration costs impact the historical capitalization rate, which is not present in the forecasted periods. In a year with significant storm restoration work, the percentage of total payroll that is capitalized can increase by more than 2.5% as a result of the incremental capital work required to restore the system back to its pre-storm condition. Notably, during calendar year 2024, which is the single year relied upon by OPC witness Schultz for his proposed adjustment for capitalized payroll expense, FPL's system was impacted by three major hurricane events. As a result, I do not think it is appropriate to simply single out one year of capitalized payroll and assume, without support, that same level of payroll will be capitalized in the future.

Q. How was the forecast of capitalized payroll developed for the 2026 and 2027 Projected Test Years?

A. Unlike OPC witness Schultz's top-down approach based on one historical period, the forecast for capitalized payroll is developed based on the capital work projected by each business unit for the 2026 and 2027 Projected Test Years. The business units that work on capital projects are responsible for preparing their own estimates of the internal and external work that will be involved for a capital project during the calendar year, which is done as part of the business unit's individual budgeting process. The collective estimates from each of the business units is used to develop the forecast for O&M payroll and capitalized payroll. It is not based on a historical rate, but rather on planned work to be completed during the applicable budget year. For these reasons, as well as those further explained above, I recommend that the Commission reject OPC witness Schultz's proposed top-down and unsupported adjustment to FPL's projected total gross base payroll expense.

IV. INCENTIVE COMPENSATION

Q. Please summarize OPC witness Schultz's proposed adjustment to the incentive compensation FPL has proposed for recovery in base rates for the 2026 and 2027 Projected Test Years.

A. On pages 66 and 67 of his direct testimony, OPC witness Schultz proposes to eliminate 100% of incentive compensation paid to all FPL employees because, according to him, the FPL goals are not sufficiently challenging to require improvements in operations, FPL did not explain how the incentive pools are developed, and the Company failed to provide the plans and goals. In the event the Commission declines to adopt his recommended 100% disallowance of incentive compensation, OPC witness Schultz proposes an alternative adjustment on pages 67-68 of his direct testimony to exclude 100% of long-term costs and stock-based costs and at least 50% of non-officer cash incentives because, according to him, shareholders are the primary beneficiary of any improvements in operations.

Q. Before addressing OPC witness Schultz's proposed adjustment, can you please describe the types of incentive compensation offered to eligible FPL employees?

A. Yes. There are two classifications of incentive-eligible employees: officers and non-officers. Officer incentive compensation refers to all incentive compensation for Company officers regardless of the form (*i.e.*, cash, stock, short-term, or long-term) because all forms of officer incentive compensation were excluded from the revenue request. The types of incentive compensation available to eligible non-officer salaried employees include (i) short-term cash incentive compensation (*i.e.*, annual incentive),

(ii) long-term cash incentive compensation (*i.e.*, performance dollar award), and (iii) stock-based incentive compensation.

Q. OPC witness Schultz discusses various FPL discovery responses related to incentive compensation and asserts that it is not clear what the total amounts are for each type of incentive compensation and what amounts are being excluded from FPL's proposed payroll expense. Can you please address his concerns?

A. Yes. FPL responded to several discovery requests from OPC related to incentive compensation and had to correct a few of the original responses, which understandably led to some confusion. These corrections were primarily attributable to the fact that the reports used to prepare the responses to these incentive compensation discovery requests were not pulled from the same systems used for and tied to FPL's forecast. Unfortunately, these reporting issues were identified late in the discovery process and not made available until shortly after the date intervenors submitted their direct testimony. As a result, it is understandable that OPC witness Schultz was not able to tie out the incentive compensation numbers in the original discovery responses to FPL's forecast in MFR C-2 because his testimony was filed before FPL sorted through these reporting issues and filed the corrected responses.

Importantly however, the incentive compensation amounts shown in MFR C-2 for the 2026 and 2027 Projected Test Years filed on February 28, 2025, are correct, include all the necessary adjustments discussed in my direct testimony, and tie out to FPL's forecasts.

Q. Can you please identify the corrected discovery responses for incentive compensation that tie out to the forecast used in this case?

A. Yes. On June 10, 2025, FPL served a corrected response to OPC Interrogatory No. 328 that provides a breakdown of the non-jurisdictionalized totals for each incentive type, amounts excluded, and amounts included in base rates for 2021-2027. On June 19, 2025, FPL filed a corrected supplemental response to OPC Interrogatory No. 24 that provides the breakdown of FPL's total jurisdictionalized incentive compensation as reflected in MFR C-2, including what was excluded and included in FPL's requested payroll expense. Copies of these corrected discovery responses are provided in Exhibit JB-8 attached to my rebuttal testimony. Admittedly, FPL was not able to prepare these corrected responses prior to the due date for intervenors' testimony and regrets the challenges this caused for OPC witness Schultz. However, the amounts included and excluded in base rates for 2026 and 2027 are consistent with those shown in FPL's corrected supplemental response to OPC Interrogatory No. 24 and MFR C-2.

Q. On page 57 of his direct testimony, OPC witness Schultz claims that FPL failed to provide its incentive compensation plans. Do you have a response?

A. Yes. First, FPL does not have a single officer (executive) incentive plan and a single non-officer (non-executive) incentive compensation plan as implied by OPC witness Schultz's testimony. Instead, eligible employees of different business units and departments provide different services to the Company and its customers and, therefore, incentive compensation is not a "one-size-fits-all" proposition. As such, FPL has multiple incentive compensation plans that are tailored to the types of activities and services provided by the different employee types. Most non-officer salaried employees participate in FPL's employee annual incentive program, which is detailed in the Company's compensation manuals produced in response to OPC's Request for Production of Documents No. 40, and a limited number of employees participate in function-specific incentive compensation programs. For example, FPL's Energy Marketing and Trading ("EMT") Incentive Compensation Program is one type of incentive program that is available to certain non-officer salaried EMT employees based on attainment of asset optimization objectives as well as a balanced scorecard of customer-focused operational objectives.[2]

Second, I disagree that FPL did not provide its incentive compensation plans. FPL provided copies of its non-officer incentive plans and programs in response to OPC's Request for Production of Documents No. 22. Additionally, FPL provided a summary of costs of each of these incentive plans and programs as requested and in response to OPC Interrogatory No. 313. The non-confidential versions of FPL's responses to OPC's Request for Production of Document No. 22 and FPL's original and corrected responses to OPC's Interrogatory No. 313 are provided as Exhibit JB-9.[3] I note that on page 57 of his direct testimony, OPC witness Schultz states that the incentive compensation plan for FPL's officers was not provided. However, FPL's officers participate in a parent company annual incentive plan and, as explained in FPL's

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[2] On page 55 of his direct testimony, OPC witness Schultz raises a concern whether the Energy Marketing and Trading Incentive Compensation Program is the non-officer incentive compensation program or whether the plan costs are a portion of the non-officer performance incentive costs. As explained above, it is a portion of the non-officer incentive compensation available only to EMT employees that meet the objectives and performance required to be eligible for incentive compensation under that specific plan.

[3] For purposes of Exhibit JB-9, FPL is only including the written responses identifying the incentive plans that were produced.

response to OPC's Request for Production of Documents No. 22 included in Exhibit JB-9, the NextEra Energy officer annual incentive plan has no expense included in rates and, therefore, was not provided.

Q. On page 55 of his direct testimony, OPC witness Schultz raises concerns about the "FPL and FPLES Commercial Sales Commission Plan" and how the amount of incentive compensation is paid out. Can you please describe this incentive compensation plan?

A. Yes. This is a plan that provides sales commissions for eligible employees that execute streetlighting and optional power service sales. The commissions, which are paid when earned, are deferred to the balance sheet and then amortized, as O&M expense, over the life of the project. I note that on page 55 of his testimony, OPC witness Schultz questions why the 2025 cumulative deferred balance does not tie out to the 2024 deferred balance net of any amounts paid/amortized for 2025. This is due to a one-time true-up of $94,715 for commissions earned but not accrued in 2024, which was subsequently added to the general ledger in 2025.

Q. On page 59 of his direct testimony, OPC witness Schultz claims that FPL has not shown how it has complied with the incentive compensation exclusions required by Commission Order No. PSC-2010-0153-FOF-EI ("2010 Order"). Are you familiar with this order?

A. Yes. The 2010 Order was issued in FPL's base rate increase requested in Docket No. 20080677-EI. In the 2010 Order, all officer incentive compensation was excluded from base rates. For non-officer stock-based incentive compensation, 50% of restricted stock and target performance share awards were excluded, as well as 100% of any expense above target for performance shares. FPL has consistently applied these same exclusions, including all rate cases since the 2010 Order, and reported the exclusions of these portions of officer and non-officer incentive compensation from net operating income on its monthly earning surveillance reports to the Commission since 2010.

Q. Did FPL apply those exclusions from the 2010 Order to its incentive compensation for the 2026 and 2027 Projected Test Years?

A. Yes. As explained in my direct testimony, FPL has excluded 100% of officer incentive compensation, 50% of non-officer target stock-based incentive compensation, and 100% of any expense above target for non-officer stock-based incentive compensation from its payroll expense for the 2026 and 2027 Projected Test Years. These exclusions to incentive compensation were accurately reflected on FPL's MFR C-2 for the 2026 and 2027 Projected Test Years that were filed on February 28, 2025. These exclusions were further detailed and broken down in FPL's corrected supplemental response to OPC Interrogatory No. 24 and corrected response to OPC Interrogatory No. 328 discussed above and provided as Exhibit JB-8.

Q. Did Commission Staff review FPL's incentive compensation adjustment during their audit of FPL's 2024 Historical Test Year?

A. Yes. Commission Staff requested support for all of the adjustments for the 2024 Historical Test Year, which included FPL's incentive compensation adjustment pursuant to the 2010 Order. Based on the final audit report attached as Exhibit KG-1 to Staff witness Guan's testimony, no exceptions were noted regarding FPL's incentive compensation adjustment for the 2024 Historical Test Year.

Q. On page 59 of his direct testimony, OPC witness Schultz appears to suggest that, based on a comparison to the amount of incentive compensation excluded in the 2010 Order, it is unclear whether FPL's incentive compensation adjustment for the 2026 and 2027 Projected Test Years complied with the 2010 Order. Do you have a response?

A. Yes, I disagree. OPC witness Schultz compares the amount of incentive compensation excluded in the 2010 Order ($48.5 million) to the amounts excluded for the 2026 and 2027 Projected Test Years ($58.0 million and $61.4 million) and implies that FPL has not complied with the 2010 Order given that, according to him, incentive compensation costs have increased since 2010. However, as just explained, FPL has consistently applied the exclusions from the 2010 Order, including all rate cases since the 2010 Order, and has demonstrated that it has applied those same incentive compensation exclusions for the 2026 and 2027 Projected Test Years.

Further, OPC witness Schultz's comparison to the amount excluded by the 2010 Order incorrectly assumes that the incentive compensation plans have remained unchanged since 2010 and that the employee complement eligible for incentive compensation is static. This is not correct. For example, FPL changed the eligibility criteria for non-officer stock-based incentive compensation after the 2010 Order, which reduced both the number of recipients eligible and the total costs for non-officer stock-based incentive compensation. In addition, the officer headcount was 42 for the 2010 test year, whereas the corresponding officer headcount for the 2026 test year is 32, which is a 24% reduction in the number of officers eligible to participate in the plan.

Additionally, it appears that OPC witness Schultz was unaware that the 2010 Order cited an adjustment figure of $48.5 million that was calculated from gross compensation figures before allocation of costs to affiliates. Adjusting the $48.5 million figure cited in the 2010 Order to reflect allocation of costs to affiliates resulted in a 2010 exclusion of approximately $35.5 million, which is significantly less than the $58.0 million and $61.4 million excluded for the 2026 and 2027 Projected Test Years, respectively.

Q. On pages 59 and 64-65 of his testimony, OPC witness Schultz claims that FPL was unable to explain how the cash incentive compensation pool of dollars is determined. Do you have a response?

A. Yes. There seems to be confusion about the use of the word "pool," which I would like to clarify. FPL uses the word "pool" to mean the total dollars accrued and available for distribution to eligible employees under a cash incentive compensation plan.

FPL forecasts annual cash incentive compensation cost at the Company level and does not establish or predetermine incentive compensation pools for each business unit. Rather, FPL accrues total Company incentive compensation dollars, both officer and non-officer, during the annual performance period, based on the forecasted budget approved by FPL's management each year. At the end of the year, the individual business units essentially compete for a "slice" of this total accrued annual incentive compensation based on their performance throughout the year, contribution to the achievement of the Company's corporate annual goals, and achievement of the business unit's annual budget, efficiency, and operating performance goals.

The performance of the Company and each business unit for a calendar year is reviewed by FPL senior management at the beginning of the subsequent year to determine the incentive compensation dollars allotted to each business unit. Some years a business unit may get a larger "slice" of the total Company incentive compensation accrued for that year and other years they may get a smaller "slice" of the total based on their relative performance compared to other business units. A business unit's "slice" of the total equals that business unit's "pool" of dollars available for distribution to its employees.

Likewise, eligible employees within each business unit are competing for a "slice" of the total annual incentive compensation earned by the business unit (*i.e.*, the business unit "pool"), which is determined by the business unit management based on (i) the incentive compensation plan and (ii) the eligible employee's performance during the year and achievement of their pre-determined goals for that year. This long-standing pay-for-performance approach is an effective management tool that financially motivates and incentivizes the business units and the eligible employees to provide high quality work that contributes to FPL's success in achieving its goals of providing safe and reliable service to the customers and communities we serve.

Q. You mentioned that FPL accrues total Company incentive compensation dollars based on the forecasted budget approved by FPL's management each year. Are you suggesting that once the incentive compensation accrual has been determined, that total amount is guaranteed to be paid out?

A. No. The accrual is for the amount of incentive compensation that is potentially available to be awarded to business units and eligible employees in the subsequent year based on their goals and performance in the current year. However, our Executive Management has the discretion to approve a total amount to be awarded that is different than the accrual based on whether the corporate goals were achieved or exceeded. For example, if the Company performed poorly during a calendar year and did not meet the pre-determined corporate goals, the Executive Management team may approve a total compensation amount that is less than the amount accrued. Likewise, if the Company had an exceptional year and materially exceeded its goals and/or had significant improvement in the service provided to customers, the Executive Management team may approve a total compensation amount that is higher than the amount accrued.

Q. OPC witness Schultz argues that FPL's goals are not sufficient enough to create an incentive for improvement. Do you agree?

A. No. On pages 63 and 64 of his direct testimony, OPC witness Schultz discusses the corporate goals and achievements provided by FPL for years 2020 through 2024 and identifies a small number of corporate goals and achievements that were not an improvement over the prior year. On page 65 of his direct testimony, OPC witness Schultz asserts that if the goals are not ratcheted up after being achieved, the incentive compensation is more of a guaranteed payout than truly at-risk variable pay. Thus, it appears OPC witness Schultz contends that incentive compensation should only be awarded if there was a material improvement in performance from the prior year on every goal. OPC witness Schultz appears to misunderstand FPL's performance management philosophy.

Q. Do you agree with OPC witness Schultz's theory of only awarding incentive compensation for improvements over the prior year?

A. No. As explained by multiple FPL witnesses, FPL has continued to provide safe and reliable service driven by a high-performing workforce. The purpose of the variable pay and the associated corporate, business unit, and individual goals is to motivate the eligible employees and financially incentivize a commitment to excellence, which is one of FPL's core values. These goals are set each year and can change from year-to-year based on the needs of the business and our customers. These customer-focused performance indicators include controlling costs and operating metrics such as plant availability, service reliability, safety, and quality of customer service. The annual goal-setting and ongoing review process is summarized in my direct testimony and further described in FPL responses to OPC Interrogatory No. 19 and OPC Request for Production of Documents No. 37, which are attached as Exhibit JB-10.[4]

As explained above, the individual business units and employees are competing for the same total incentive compensation dollars. The resulting spirit of competition is an effective management tool used to motivate employees and drive company and

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[4] On page 67 of his direct testimony, OPC witness Schultz states that the goals for 2025 were not provided. However FPL provided the confidential annual business unit goals from 2021 through 2025 in response to FEL Request for Production of Documents Nos. 39 and 60 and provided annual corporate goals from 2021 through 2024 in response to OPC First Set of Interrogatories No. 22.

business unit performance. The business units and employees that achieve their pre-determined goals are eligible for a portion of incentive compensation allocated to their business unit, and those that fall short are at risk of receiving less or no incentive compensation. Further, the business units and employees that set and achieve stretch goals or goals that result in meaningful improvements are recognized and may receive more incentive compensation. However, the fact that a business unit or employee did not achieve a materially higher goal than the prior year does not mean that the business unit or employee failed to provide excellent work that contributed to FPL's success in achieving its goals of providing safe and reliable service to customers.

To put this into context, under the compensation theory suggested by OPC witness Schultz, a top performing employee that provided exceptional and efficient service and work but did not have a material improvement in a performance metric would not receive any of the variable pay component of their total compensation and, therefore, would be paid less than the total market compensation for a comparable position. This is not a workable result.

FPL's cash incentive program is designed to pay for results, but also allow recognition for excellent work that contributes to the overall mission of providing safe and reliable service to customers. If FPL is not given the management discretion required to appropriately incentivize salaried employees, it would remove an important and successful performance driving tool and dramatically impact FPL's ability to attract and retain qualified talent.

Q. On page 60 of his direct testimony, OPC witness Schultz rejects your argument that incentive compensation is required to attract and retain employees. Do you have a response?

A. Yes. OPC witness Schultz appears to misunderstand FPL's total compensation philosophy. FPL's total compensation for salaried employees includes both base pay and variable pay components. As explained in my direct testimony, FPL benchmarks total compensation, both base and variable pay, for each position in order to attract and retain the qualified talent necessary to provide safe and reliable service to customers. If FPL did not offer compensation to existing employees and candidates for open positions at levels near the market value of the total compensation (both base and variable pay) for a similar position, there is a very real and significant risk that existing employees would leave for other companies offering higher total compensation and FPL would be unable to successfully fill open positions.

To be competitive in the employment market, one option would be to simply offer only a base salary that is comparable to the total compensation received for similar positions in the market, which would help address the issue of attracting and retaining talent. However, if FPL simply paid a base salary comparable to the total compensation paid in the market (*i.e.*, no at-risk variable pay component), there is a risk that salaried employees would not be sufficiently incentivized and could simply show up and do the bare minimum required to complete their job. Thus, to help incentivize and motivate its employees, FPL's total compensation includes an at-risk variable pay component that is tied to the achievement of pre-determined individual, business unit, and corporate objectives that benefit our customers, including budget goals and operating metrics, such as plant availability, service reliability, safety, and quality of customer service. FPL's salaried employees that achieve these pre-determined goals and contribute to FPL's ability to deliver superior value for its customers have the opportunity to receive incentive compensation commensurate with their performance and earn total compensation that is comparable to similar positions in the market. Thus, contrary to OPC witness Schultz's contention otherwise, FPL's variable pay component of its benchmarked total compensation is necessary to attract, retain, and motivate qualified employees.

Q. Do you have any other observations about OPC witness Schultz's comment that that incentive compensation is not required to attract and retain employees?

A. Yes. I note that on pages 60-62 of his direct testimony, OPC witness Schultz claims that in all his years of reviewing rate requests that included the argument by every company that incentive compensation is required to attract and retain employees, he has never seen a supporting study. FPL's benchmarking studies include market evaluations for both base salary and variable pay, and these studies confirm that incentive compensation is a key component of the total compensation offered in the market by companies that FPL is competing with for qualified candidates. It is simple common sense that an employer will not be able to attract and retain employees if they are not paid a market-competitive total compensation package. Further, the suggestion by OPC witness Schultz that every company has raised this same concern in all the rate requests he has reviewed over the years supports FPL's market prevalence argument and suggests that his position is uniformly contrary to the industry that is actually involved in hiring and retaining utility employees.

Q. On page 62 of his direct testimony, OPC witness Schultz takes issue with the Company's use of benchmarking surveys to support its conclusion that the incentive compensation paid to employees falls within a reasonable range of the market. Do you have a response?

A. Yes. FPL is competing with multiple industries and companies across the nation, and even internationally, for the same skilled and qualified employees as explained in my direct testimony. Although OPC witness Schultz asserts that benchmarking studies "are a waste of [his] time to review because over time the conclusions were the same," this does not change the fact that these market surveys are critical to ensuring that FPL can offer total compensation that is competitive with the market and, further, that it is not offering compensation that is significantly above what is paid in the market, which could increase costs to customers. These data compilations are compiled by nationally recognized, third-party survey vendors and are the type used and relied upon routinely by human resources professionals. These surveys are an important tool for the Company to attract and retain the qualified employees that are necessary to provide safe and reliable service to customers, as well as a tool to protect customers from higher costs associated with out of market compensation.

Q. OPC witness Schultz claims on page 62 of his direct testimony that there is no value in using market surveys for incentive compensation because the plans are different among companies. Do you have a response?

A. Yes. First, I note that, on page 62 of his testimony, OPC witness Schultz agrees these "surveys do support the fact that other companies within and without the utility industry pay some form of incentive pay." Thus, as confirmed by OPC witness Schultz, paying incentive compensation as part of the total compensation offered to employees is an industry standard.

Second, I acknowledge that incentive plan designs are not uniform across the industry or among the companies that are competing with FPL for talent, because plan design is typically tailored to the company's business needs and compensation philosophy. It is for this reason that the primary benchmarking performed between companies related to performance-based variable pay is on the dollar value of the awards, rather than on plan design. As shown in Exhibit JB-3 to my direct testimony, FPL performs this benchmarking annually and its performance-based variable pay has consistently been below market for the period 2022 through 2024.

Q. In several pages of his direct testimony, OPC witness Schultz asserts that FPL's incentive compensation pay is nothing more than supplemental pay. In support he claims on page 60 of his direct testimony that 96.7% or more of all eligible employees received incentive compensation from 2021 through 2024. Do you agree with his characterization?

A. No. OPC witness Schultz relies on FPL's response to OPC Interrogatory No. 231 that provides the number of eligible employees that did not receive incentive compensation in 2021 through 2024, and then he extrapolates this to mean that incentive pay is essentially a supplemental payment received by virtually all eligible employees. I agree that the data provided in FPL's discovery response indicates that approximately 96.7% of all employees eligible received incentive compensation during the period 2021 through 2024. However, I note that this same response also indicates that there were eligible employees that did not receive incentive compensation, which is consistent with the pay-for-performance philosophy of FPL's incentive compensation plan.

Importantly, the data provided in FPL's response to OPC Interrogatory No. 231 only means that these employees received an incentive compensation award; it does not mean, as implied by OPC witness Schultz, that each employee received the maximum amount of incentive compensation that could be paid under the applicable plan. As I previously explained, business units and employees are competing for the same total incentive compensation dollars and each salaried employee's incentive compensation is linked to attainment of the annual corporate, business unit, and individual goals. Therefore, an employee who falls short of meeting all of their goals and does not exceed expectations or perform as well as others in their business unit might receive an annual incentive award payout below their opportunity -- which would still count them among the 96.7% of eligible employees who receive an award -- with the remainder of the dollars associated with their full opportunity going to other higher-performing employees in their business unit.

Q. On pages 65-66 of his direct testimony, OPC witness Schultz questions whether FPL's payroll expense includes incentive compensation associated with affiliate charges. Can you please address this concern?

A. Yes. FPL and its affiliates use an overhead "loader" mechanism to ensure employees' total costs are properly charged to the entity receiving the service. The loader is expressed as a percentage added to each dollar of base salary to ensure that the cost of employee benefits, statutory benefits, and cash incentive compensation (received and part of the total compensation paid to eligible salaried employees) is charged to the company that receives the work. This "fully loaded" rate covers an employee's total cost but, unlike the costs for an outside vendor, does not include any profit. Therefore, when an incentive-eligible salaried FPL employee performs work for an affiliate, their fully loaded rate is charged to that affiliate and includes cash incentive compensation because it is a part of the employee's total compensation cost. Notably, this concept of applying a loader to fully recover the employee's costs applies both when an FPL employee does work for and charges their time to an affiliate or when an affiliate employee does work for and charges their time to FPL.[5] Thus, when an incentive-

[5] The direct testimony of FPL witness Ferguson further explains how affiliate costs are charged and allocated.

eligible salaried affiliate employee performs work for FPL, their fully loaded rate is charged to FPL and includes cash incentive compensation.

Q. OPC witness Schultz notes that FPL's response to OPC Interrogatory No. 302 indicates that affiliate compensation is not reflected on FPL books, but FPL's response to OPC Interrogatory No. 92 includes $6.59 million of direct charges from affiliated entities labeled as incentive compensation with no adjustment. Do you have an explanation?

A. Yes. To be clear, as stated in FPL's response to OPC Interrogatory No. 302, affiliate incentive compensation is not reflected as incentive compensation on FPL's books. Rather, as I explained above, any incentive compensation received by an affiliate employee is included in the overhead loader attached to the payroll charged to FPL for the service provided by the affiliate employee. The $6.59 million labeled incentive compensation on Attachment 5 to FPL's response to OPC First Set of Interrogatories No. 92 is the cash incentive compensation portion of the overhead loaders charged to FPL from affiliates. The labeling on this Attachment is not indicative of the way FPL records the expense. Rather, when FPL needs labor that cannot be provided in-house, it must go to either the market and pay an outside vendor rate that includes profit, or to an affiliate and pay only the cost without any profit. Receiving services from an affiliate rather than from the market benefits FPL customers because it is provided at cost.

Q. On pages 66-67 of his direct testimony, OPC witness Schultz cites to the 2009 Progress Energy Florida rate case order in Docket No. 20090079-EI ("PEF 2009 Order") and recommends that all of FPL's incentive compensation be disallowed in this case. Do you have a response?

A. Yes. First, OPC witness Schultz's recommendation should be rejected for the many reasons I previously explained in rebuttal to his various positions on the incentive compensation included in FPL's payroll expense for the 2026 and 2027 Projected Test Years. OPC witness Schultz's recommendation to disallow all incentive compensation ignores the fact that performance-based compensation is a typical and necessary component of a utility's total compensation program. Market data from Aon, an international human resources consulting firm, shows that 100% of energy services companies and 94% of general industry companies include short-term incentive compensation as part of their total compensation package. FPL simply cannot compete in the current highly competitive labor market without inclusion of a comparable, market-based cash incentive compensation program.

Second, OPC witness Schultz's recommendation relies on a single order in 2009 that was limited to the facts and circumstances of that proceeding. As OPC witness Schultz acknowledges on page 62 of his direct testimony, the incentive compensation plans are not the same among companies and, moreover, he has not provided a comparison of the incentive compensation plan at issue in the PEF 2009 Order with the FPL incentive compensation program.

Third, OPC witness Schultz's reliance on the PEF 2009 Order ignores that the FPL 2010 Order permitted incentive compensation to be recovered in base rates subject to certain limited exclusions as previously discussed. FPL has consistently applied these exclusions to incentive compensation since 2010. Likewise, OPC witness Schultz ignores all of the Commission orders since 2010 that have permitted incentive compensation to be recovered in base rates subject to limited exclusions.[6] For example, in its Order No. PSC-12-0179-FOF-EI issued on April 3, 2012 in the Gulf Power Company's ("Gulf") rate case at Docket No. 20110138-EI, the Commission rejected OPC's recommendation to disallow all incentive compensation, calling it "unreasonable" and citing the negative impact such disallowance would have on Gulf employees' compensation compared to market median.[7] The Commission therefore allowed recovery of 100% of Gulf's employee cash incentive compensation.

Q. Would FPL need to consider restructuring its total compensation package if 100% of incentive compensation was excluded from FPL's payroll expense as suggested by OPC witness Schultz?

A. Yes. As I discussed above, the total compensation paid to employees is regularly benchmarked to ensure that FPL's compensation packages are market competitive. FPL believes its current market-competitive total compensation program, with its emphasis on performance-based pay, is optimal and significantly benefits customers. Notably, OPC witness Schultz does not claim that any portion of the work performed

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[6] For example, see Commission Order No. PSC-2025-0038-FOF-EI in Docket No. 20240026-EI; Commission Order No. PSC-2023-0388-FOF-GU in Docket No. 20230023-GU; Commission Order No. PSC-2023-0177-FOF-GU in Docket No. 20220069; and Commission Order No. PSC-2023-0103-FOF-GU in Docket No. 20220067-GU.

[7] Order No. PSC-12-0179-FOF-EI, Docket No. 110138-EI, p. 97, which is available at: http://www.psc.state.fl.us/library/filings/2012/02020-2012/02020-2012.pdf.

by these employees was imprudent, unreasonable, or unrelated to providing safe and reliable regulated service to our customers. If incentive compensation were disallowed as suggested by OPC witness Schultz, FPL would need to consider reallocating its pay mix to assure cost recovery for a reasonable, competitive level of total compensation. This could potentially lead to a reduction in performance-based variable cash incentive compensation and an increase in base salaries and/or other fixed-cost programs roughly equal to the competitive-market total compensation in order to continue to be able to retain and attract the qualified talent necessary to provide safe and reliable service to our customers. Further, it would eliminate the current incentives I have previously described for employees to strive for excellent performance.

Q. On pages 67 and 68 of his direct testimony, OPC witness Schultz states that if the Commission declines his proposal to disallow 100% of incentive compensation, then the Commission should exclude 100% of long-term costs and stock-based costs and at least 50% of the non-officer cash annual incentive compensation plan because, according to him, shareholders are the primary beneficiary of the savings produced as a result of employees' performance over and above that which is expected. Do you agree with his alternative proposal?

A. No. In reality, OPC witness Schultz is asking this Commission to amend the 2010 Order to only allow 50% of non-officer cash-based awards to be recovered in base rates. For the reasons I have previously explained in rebutting his proposal to eliminate 100% of all incentive compensation for all employees, OPC witness Schultz's proposal to only allow 50% of incentive compensation for non-officers should likewise be rejected.

Further, OPC witness Schultz's claim that incentive compensation primarily benefits shareholders is erroneous. FPL's incentive compensation plans and programs are based on customer-related goals and serve as an important managerial tool to motivate and incentivize employees to continuously meet FPL's core value of commitment to excellence and to contribute to FPL's success in achieving its goals of providing safe and reliable service to the customers and communities we serve.

Q. Is OPC witness Schultz's recommendation regarding full or partial disallowance of non-officer incentive compensation based on empirical data or market analysis?

A. No. Notably, OPC witness Schultz does not claim that any portion of the work performed by these employees was imprudent or unrelated to providing safe and reliable regulated service to our customers. OPC witness Schultz also has not criticized either FPL employees' total compensation levels or incentive compensation award values. Nor has he made any allegations or presented any evidence that the total compensation paid to FPL employees, including performance-based incentive compensation, is not reasonable or effective. OPC witness Schultz has not undertaken any analysis or comparison of FPL's compensation levels compared to market pay levels to refute the evidence presented in my direct testimony that FPL employees' base salaries and performance-based variable pay are below market median. The focus of the discussion should be on how much is paid for prudent and necessary work relative to the market for comparable positions, and there has been no evidence to suggest that FPL employees' compensation is excessive or unreasonable.

Q. Do you believe that FPL's incentive compensation included in its payroll expense for the 2026 and 2027 Projected Test Years is just and reasonable?

A. Yes. The Company strives to manage its compensation programs holistically in order to keep its total program expenses at a reasonable level. FPL continuously monitors and benchmarks the compensation and benefits components of the total rewards package and, notably, remains at or below the median of the market as described in my direct testimony. Not only is FPL's total compensation for the 2026 and 2027 Projected Test Years less than the market median, but FPL's incentive compensation is also below the current market median, as reflected in Exhibit JB-3 to my direct testimony.

Given FPL's approach to benchmarking total compensation, pay-for-performance philosophy linked to attainment of pre-determined goals that benefit customers, and exclusion of all expenses that the Commission has not previously approved for recovery, I believe that FPL's forecasts of incentive compensation for the purpose of the 2026 and 2027 Projected Test Years are reasonable.

V. BENEFITS

Q. On page 69 of his direct testimony, OPC witness Schultz proposes an adjustment to FPL's benefits expense to flow through his recommended payroll adjustments. Do you agree with his flowthrough adjustment?

A. No. OPC witness Schultz's adjustment to FPL's benefits expense for the 2026 and 2027 Projected Test Years is based entirely on his proposals to reduce the forecasted headcount, to increase the percentage of base payroll that is being capitalized, and to eliminate incentive compensation. I previously explained why each of these proposed adjustments are not appropriate and should be rejected. For these same reasons, the Commission should reject OPC witness Schultz's related flowthrough adjustment to FPL's benefits expense.

Q. Do you have any other comments about his adjustment to FPL's benefits expense?

A. Yes. Although we disagree with any adjustment for benefits, OPC witness Schultz's calculated adjustment of 5.68% on page 2, line 17 of Schedule C-6 to Exhibit HWS-2, appears to be incorrect. Any recommended benefits adjustment should only be applicable to base salary and not incentive compensation (*i.e.*, benefit loader rate is applied only to base salary). OPC witness Schultz's calculation of his proposed benefits expense adjustment includes both base salary and incentive compensation, and therefore, is overstated. In any event, no adjustment to FPL's benefits expense for the 2026 and 2027 Projected Test Years is appropriate for the reasons I previously explained.

VI. SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

Q. On pages 76 - 77 of his direct testimony, OPC witness Schultz claims that SERP is not a legitimate expense for inclusion in base rates and should be 100% excluded. Do you agree?

A. No. SERP is a necessary and reasonable expense that serves two purposes. SERP is a non-tax qualified retirement plan for executives that makes up for benefits they cannot receive under tax-qualified plans due to Internal Revenue Service rules. It also helps ensure that their total retirement benefits are competitive with the market. FPL needs to attract and retain high caliber talent at all levels of the organization, including the officer level, in order to deliver on commitments to customers. FPL's on-going inclusion of SERP in a market-competitive executive total compensation and benefits package is appropriate and necessary to attract and retain the caliber of managerial talent necessary to drive FPL's commitment to excellence and successfully achieve its goals of providing safe and reliable service to the customers and communities we serve.

Q. Does this conclude your rebuttal testimony?

A. Yes.

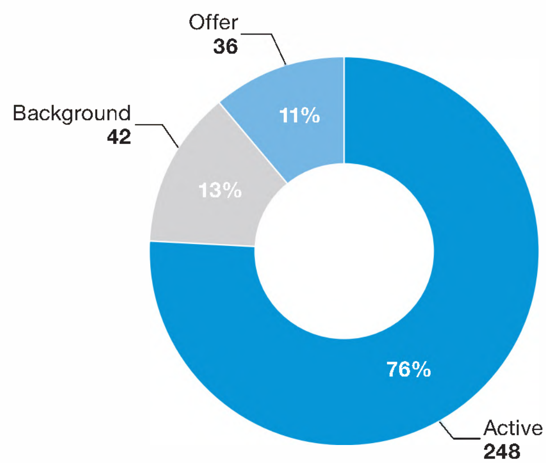
Job Requisitions

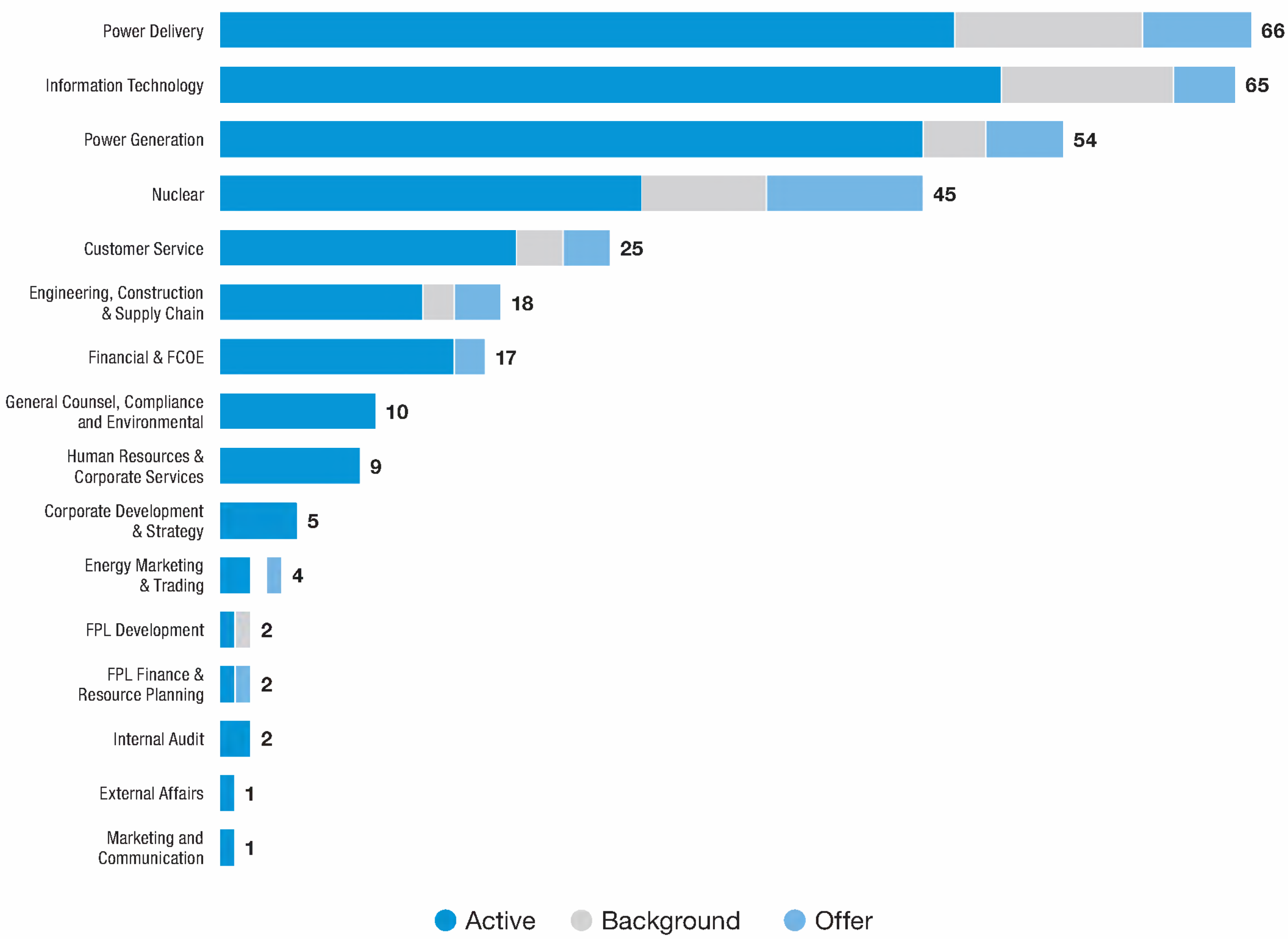
As of July, 1, 2025

Requisitions | Open

Total

326





QUESTION:
Stock Based Compensation.

a. Please list, by amount and account, all stock-based compensation expense that FPL has included in cost of service for the years 2020 through 2024, projected year 2025, projected test years ending December 31, 2026 and December 31, 2027, and projected for 2028 and 2029, including but not limited to executive stock options, performance share awards and any other stock-based compensation awards that will result in such costs being charged to FPL during the projected test years.

b. Also, please identify all documents that contain a description of each distinct stock-based compensation program that will result in charges to FPL during the projected test years.

SUPPLEMENTAL FOLLOW-UP QUESTION: (*Received via email from OPC on May 7, 2025*)

At yesterday's deposition of Ms. Fuentes, we had a few questions regarding Schedule C-2 to explain adjustments that we believe should have been explained in response to OPC's Interrogatories Nos. 24 and 122 but were not. So, we are asking for a supplemental response specifically addressing the following questions regarding Schedule C-2, Column 7, line 7 for both TY 2026 and 2027 that were not previously provided.

1. Could you please identify each specific type of incentive and executive compensation and each amount per incentive or exec comp type, whether adjusted or not, that is reflected in each year 2026 and 2027 O&M before this adjustment?

2. Could you please identify the respective adjustments per type of incentive and executive compensation to exclude certain types of incentives and executive compensation that the sum or sums equal the adjustment in column 7 on line 7 (2026 its 58,049 and 2027 its 61,365) and identify the various types and amounts of incentive compensation remaining and included in the company's request?

RESPONSE:
Please see Attachment 1 for corrected response to Supplemental Request Interrogatory No. 24.

Florida Power & Light Company
Docket No. 20250011-EI
OPC's First Set of Interrogatories
Interrogatory No. 24 Corrected Supplemental
Attachment No. 1 of 1
Tab 1 of 1

Response for Supplemental Discovery Question

(1) 2026	(2) Total Per Book O&M	(3) Affiliate Charges	(4) Adjusted Per Book O&M	(5) Separation Factor	(6) Jurisdictional O&M Before FPSC Adj [A]	(7) FPSC Adj - Capacity[B]	(8) FPSC Adj - Conservation[C]	(9) FPSC Adj - ECRC[D]	(10) FPSC Adj - Fuel[E]	(11) FPSC Adj - Storm Protection[F]	(12) FPSC Adj Exec Comp[G]	(13) Adjusted Jurisdictional O&M[H]
Officer Incentive Compensation	$ 95,450,535	$ (36,917,021)	$ 58,533,514	0.969171	$ 56,729,004	$ -	$ -	$ -	$ -	$ -	$ (56,729,004)	$ -
Non-Officer Cash Annual Incentive Compensation	63,058,915	(9,918,604)	$ 53,140,310	0.962985	$ 51,173,329	$ (390,846)	$ (1,732,930)	$ (377,571)	$ (111,259)	$ (674,555)	-	$ 47,886,169
Non-Officer Cash Long-Term Incentive Compensation	14,150,395	(549,035)	$ 13,601,360	0.969171	$ 13,182,048	$ -	$ -	$ -	$ -	$ -	-	$ 13,182,048
Non-Officer Stock-Based Incentive Compensation	4,153,209	(1,352,106)	$ 2,801,103	0.969171	$ 2,714,749	$ -	$ -	$ -	$ -	$ -	(1,320,179)	$ 1,394,570
Total	**$ 176,813,054**	**$ (48,736,766)**	**$ 128,076,287**		**$ 123,799,131**	**$ (390,846)**	**$ (1,732,930)**	**$ (377,571)**	**$ (111,259)**	**$ (674,555)**	**$ (58,049,183)**	**$ 62,462,787**

2027	Total Per Book O&M	Affiliate Charges	Adjusted Per Book O&M	Separation Factor	Jurisdictional O&M Before FPSC Adj [A]	FPSC Adj - Capacity[B]	FPSC Adj - Conservation[C]	FPSC Adj - ECRC[D]	FPSC Adj - Fuel[E]	FPSC Adj - Storm Protection[F]	FPSC Adj Exec Comp[G]	Adjusted Jurisdictional O&M[H]
Officer Incentive Compensation	104,191,871	(42,286,467)	$ 61,905,404	0.969694	$ 60,029,303	$ -	$ -	$ -	$ -	$ -	$ (60,029,303)	$ -
Non-Officer Cash Annual Incentive Compensation	68,004,412	(11,036,171)	$ 56,968,241	0.962949	$ 54,857,515	$ (414,548)	$ (1,851,634)	$ (407,173)	$ (118,002)	$ (715,355)	-	$ 51,350,803
Non-Officer Cash Long-Term Incentive Compensation	14,608,644	(566,815)	$ 14,041,829	0.969694	$ 13,616,278	$ -	$ -	$ -	$ -	$ -	-	$ 13,616,278
Non-Officer Stock-Based Incentive Compensation	4,317,598	(1,474,051)	$ 2,843,547	0.969694	$ 2,757,371	$ -	$ -	$ -	$ -	$ -	(1,336,172)	$ 1,421,199
Total	**$ 191,122,525**	**$ (55,363,505)**	**$ 135,759,021**		**$ 131,260,467**	**$ (414,548)**	**$ (1,851,634)**	**$ (407,173)**	**$ (118,002)**	**$ (715,355)**	**$ (61,365,476)**	**$ 66,388,280**

Notes:
(A) Represents amounts included in Column 1, line 7, on MFR C-2.
(B) Represents amounts included in Column 3 on MFR C-2.
(C) Represents amounts included in Column 4 on MFR C-2.
(D) Represents amounts included in Column 6 on MFR C-2.
(E) Represents amounts included in Column 11 on MFR C-2.
(F) Represents amounts included in Column 17 on MFR C-2.
(G) Represents amounts reflected in Column 7, line 7, on MFR C-2.
(H) Represents amounts reflected in Column 19, line 7, on MFR C-2.

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QUESTION:
Incentive Compensation. Provide for each year 2020-2024 and 2025 to date and the projected costs for each year 2025-2027 incentive compensation separated between O&M, capital, other and clause recoverable.

RESPONSE:
Please see corrected Attachment No. 1 for actual incentive compensation for the period 2021 through March 2025, and forecasted incentive compensation for the period 2025 through 2027. The amount provided for each period is broken down by the type of incentive compensation plan and separated between O&M, capital, and other. In addition, FPL has provided the portion of incentive compensation charged to FPL's affiliates, recoverable through FPL's cost recovery clauses, and excluded for ratemaking purposes as explained by the direct testimony of FPL witness Buttress.

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2021 Actuals

Incentive Compensation[1]

O&M	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted O&M
Officer Incentive Compensation	$ 76,266,266	$ (26,592,651)	$ 49,673,616	$ -	$ -	$ -	$ -	$ -	$ (49,673,616)	$ -
Non-Officer Cash Annual Incentive Compensation	70,181,948	(14,021,119)	56,160,829	(382,192)	(1,151,696)	(175,182)	(68,663)	(12,590)	-	54,370,507
Non-Officer Cash Long-Term Incentive Compensation	13,859,123	(686,027)	13,173,096	-	-	-	-	-	-	13,173,096
Non-Officer Stock-Based Incentive Compensation	2,739,114	(601,395)	2,137,719	-	-	-	-	-	(1,062,853)	1,074,867
Total	**$ 163,046,451**	**$ (41,901,192)**	**$ 121,145,260**	**$ (382,192)**	**$ (1,151,696)**	**$ (175,182)**	**$ (68,663)**	**$ (12,590)**	**$ (50,736,468)**	**$ 68,618,470**

Capital Expenditures[2]	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted Capital Expend
Officer Incentive Compensation	$ 1,212,640	$ -	$ 1,212,640	$ -	$ -	$ -	$ -	$ -	$ (1,212,640)	$ -
Non-Officer Cash Annual Incentive Compensation	27,468,565	-	27,468,565	(6,800)	(104,300)	(27,737)	-	(38,247)	-	27,291,482
Non-Officer Cash Long-Term Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Non-Officer Stock-Based Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Total	**$ 28,681,205**	**$ -**	**$ 28,681,205**	**$ (6,800)**	**$ (104,300)**	**$ (27,737)**	**$ -**	**$ (38,247)**	**$ (1,212,640)**	**$ 27,291,482**

Total Amount Included for Base Rates	**$ 191,727,656**	**$ (41,901,192)**	**$ 149,826,464**	**$ (388,991)**	**$ (1,255,995)**	**$ (202,918)**	**$ (68,663)**	**$ (50,837)**	**$ (51,949,108)**	**$ 95,909,952**

Below-the-Line Expense	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted Other
Officer Incentive Compensation	$ 1,338,481	$ -	$ 1,338,481	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,338,481
Non-Officer Cash Annual Incentive Compensation	453,241	-	453,241	-	-	-	-	-	-	453,241
Non-Officer Cash Long-Term Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Non-Officer Stock-Based Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Total	**$ 1,791,722**	**$ -**	**$ 1,791,722**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,791,722**

Total	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted Total
Officer Incentive Compensation	$ 78,817,387	$ (26,592,651)	$ 52,224,736	$ -	$ -	$ -	$ -	$ -	$ (50,886,256)	$ 1,338,481
Non-Officer Cash Annual Incentive Compensation	98,103,754	(14,021,119)	84,082,635	(388,991)	(1,255,995)	(202,918)	(68,663)	(50,837)	-	82,115,230
Non-Officer Cash Long-Term Incentive Compensation	13,859,123	(686,027)	13,173,096	-	-	-	-	-	-	13,173,096
Non-Officer Stock-Based Incentive Compensation	2,739,114	(601,395)	2,137,719	-	-	-	-	-	(1,062,853)	1,074,867
Total	**$ 193,519,378**	**$ (41,901,192)**	**$ 151,618,186**	**$ (388,991)**	**$ (1,255,995)**	**$ (202,918)**	**$ (68,663)**	**$ (50,837)**	**$ (51,949,108)**	**$ 97,701,674**

Note:
(1) Amounts have not been jurisdictionalized.
(2) Amounts in this section represent capital expenditure activity for the period.
(3) Removed for ratemaking purposes pursuant to FPSC Order No. PSC-10-0153-FOF-EI, Docket No. 080677-EI.

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2022 Actuals
Incentive Compensation[(1)]

O&M	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[(3)]	Adjusted O&M
Officer Incentive Compensation	$ 91,038,561	$ (30,550,503)	$ 60,488,058	$ -	$ -	$ -	$ -	$ -	$ (60,488,058)	$ -
Non-Officer Cash Annual Incentive Compensation	70,098,649	(12,236,676)	57,861,972	(344,720)	(1,223,571)	(333,804)	(71,393)	(24,898)	-	55,863,586
Non-Officer Cash Long-Term Incentive Compensation	14,492,634	(544,923)	13,947,711	-	-	-	-	-	-	13,947,711
Non-Officer Stock-Based Incentive Compensation	3,739,702	(479,740)	3,259,963	-	-	-	-	-	(1,336,075)	1,923,887
Total	**$ 179,369,546**	**$ (43,811,842)**	**$ 135,557,704**	**$ (344,720)**	**$ (1,223,571)**	**$ (333,804)**	**$ (71,393)**	**$ (24,898)**	**$ (61,824,133)**	**$ 71,735,185**

Capital Expenditures[(2)]	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[(3)]	Adjusted Capital Expend
Officer Incentive Compensation	$ 2,109,639	$ -	$ 2,109,639	$ -	$ -	$ -	$ -	$ -	$ (2,109,639)	$ -
Non-Officer Cash Annual Incentive Compensation	32,029,673	-	32,029,673	(15,048)	(184,118)	(97,425)	-	(83,446)	-	31,649,635
Non-Officer Cash Long-Term Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Non-Officer Stock-Based Incentive Compensation	-	-	-	-	-	-	-	-		-
Total	**$ 34,139,312**	**$ -**	**$ 34,139,312**	**$ (15,048)**	**$ (184,118)**	**$ (97,425)**	**$ -**	**$ (83,446)**	**$ (2,109,639)**	**$ 31,649,635**

Total Amount Included for Base Rates	**$ 213,508,858**	**$ (43,811,842)**	**$ 169,697,016**	**$ (359,769)**	**$ (1,407,689)**	**$ (431,230)**	**$ (71,393)**	**$ (108,343)**	**$ (63,933,772)**	**$ 103,384,820**

Below-the-Line Expense	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[(3)]	Adjusted Other
Officer Incentive Compensation	$ 1,260,836	$ -	$ 1,260,836	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,260,836
Non-Officer Cash Annual Incentive Compensation	358,466	-	358,466	-	-	-	-	-	-	358,466
Non-Officer Cash Long-Term Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Non-Officer Stock-Based Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Total	**$ 1,619,302**	**$ -**	**$ 1,619,302**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,619,302**

Total	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[(3)]	Adjusted Total
Officer Incentive Compensation	$ 94,409,036	$ (30,550,503)	$ 63,858,533	$ -	$ -	$ -	$ -	$ -	$ (62,597,697)	$ 1,260,836
Non-Officer Cash Annual Incentive Compensation	102,486,788	(12,236,676)	90,250,111	(359,769)	(1,407,689)	(431,230)	(71,393)	(108,343)	-	87,871,688
Non-Officer Cash Long-Term Incentive Compensation	14,492,634	(544,923)	13,947,711	-	-	-	-	-	-	13,947,711
Non-Officer Stock-Based Incentive Compensation	3,739,702	(479,740)	3,259,963	-	-	-	-	-	(1,336,075)	1,923,887
Total	**$ 215,128,160**	**$ (43,811,842)**	**$ 171,316,318**	**$ (359,769)**	**$ (1,407,689)**	**$ (431,230)**	**$ (71,393)**	**$ (108,343)**	**$ (63,933,772)**	**$ 105,004,122**

Note:
(1) Amounts have not been jurisdictionalized.
(2) Amounts in this section represent capital expenditure activity for the period.
(3) Removed for ratemaking purposes pursuant to FPSC Order No. PSC-10-0153-FOF-EI, Docket No. 080677-EI.

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2023 Actuals

Incentive Compensation[1]

O&M	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[5]	Adjusted O&M
Officer Incentive Compensation	$ 70,229,845	$ (23,912,219)	$ 46,317,625	$ -	$ -	$ -	$ -	$ -	$ (46,317,625)	$ -
Non-Officer Cash Annual Incentive Compensation	61,520,583	(11,887,438)	49,633,145	(345,663)	(1,438,608)	(309,687)	(76,829)	(104,294)	-	47,358,064
Non-Officer Cash Long-Term Incentive Compensation	14,381,703	(570,954)	13,810,749	-	-	-	-	-	-	13,810,749
Non-Officer Stock-Based Incentive Compensation	4,165,588	(593,413)	3,572,175	-	-	-	-	-	(1,517,840)	2,054,335
Total	**$ 150,297,719**	**$ (36,964,025)**	**$ 113,333,694**	**$ (345,663)**	**$ (1,438,608)**	**$ (309,687)**	**$ (76,829)**	**$ (104,294)**	**$ (47,835,465)**	**$ 63,223,148**

Capital Expenditures[2]	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[5]	Adjusted Capital Expend
Officer Incentive Compensation	$ 3,229,322	$ -	$ 3,229,322	$ -	$ -	$ -	$ -	$ -	$ (3,229,322)	$ -
Non-Officer Cash Annual Incentive Compensation	47,026,828	-	47,026,828	(7,658)	(278,907)	(250,375)	-	(123,604)	-	46,366,284
Non-Officer Cash Long-Term Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Non-Officer Stock-Based Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Total	**$ 50,256,150**	**$ -**	**$ 50,256,150**	**$ (7,658)**	**$ (278,907)**	**$ (250,375)**	**$ -**	**$ (123,604)**	**$ (3,229,322)**	**$ 46,366,284**

Other	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[5]	Adjusted Other
Officer Incentive Compensation[3]	$ 768,016	$ -	$ 768,016	$ -	$ -	$ -	$ -	$ -	$ -	$ 768,016
Non-Officer Cash Annual Incentive Compensation[4]	1,070,553	-	1,070,553	-	-	-	-	-	-	1,070,553
Non-Officer Cash Long-Term Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Non-Officer Stock-Based Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Total	**$ 1,838,570**	**$ -**	**$ 1,838,570**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,838,570**

Total	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[5]	Adjusted Total
Officer Incentive Compensation	$ 74,227,183	$ (23,912,219)	$ 50,314,964	$ -	$ -	$ -	$ -	$ -	$ (49,546,947)	$ 768,016
Non-Officer Cash Annual Incentive Compensation	109,617,965	(11,887,438)	97,730,526	(353,321)	(1,717,515)	(560,062)	(76,829)	(227,898)	-	94,794,901
Non-Officer Cash Long-Term Incentive Compensation	14,381,703	(570,954)	13,810,749	-	-	-	-	-	-	13,810,749
Non-Officer Stock-Based Incentive Compensation	4,165,588	(593,413)	3,572,175	-	-	-	-	-	(1,517,840)	2,054,335
Total	**$ 202,392,439**	**$ (36,964,025)**	**$ 165,428,414**	**$ (353,321)**	**$ (1,717,515)**	**$ (560,062)**	**$ (76,829)**	**$ (227,898)**	**$ (51,064,787)**	**$ 111,428,002**

Note:
(1) Amounts have not been jurisdictionalized.
(2) Amounts in this section represent capital expenditure activity for the period.
(3) Represents amounts charged to below-the-line expense.
(4) Represents $614 thousand charged to below-the-line expense and $456 thousand associated with major storm restoration events charged to either the storm reserve, O&M, or capital.
(5) Removed for ratemaking purposes pursuant to FPSC Order No. PSC-10-0153-FOF-EI, Docket No. 080677-EI.

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2024 Actuals

Incentive Compensation[1]

O&M	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[5]	Adjusted O&M
Officer Incentive Compensation	$ 70,093,444	$ (23,605,799)	$ 46,487,645	$ -	$ -	$ -	$ -	$ -	$ (46,487,645)	$ -
Non-Officer Cash Annual Incentive Compensation	56,270,493	(11,794,653)	44,475,840	(388,965)	(1,468,545)	(267,356)	(109,436)	(332,954)	-	41,908,583
Non-Officer Cash Long-Term Incentive Compensation	12,526,694	(548,669)	11,978,025	-	-	-	-	-	-	11,978,025
Non-Officer Stock-Based Incentive Compensation	3,673,364	(522,664)	3,150,699	-	-	-	-	-	(1,323,725)	1,826,974
Total	**$ 142,563,995**	**$ (36,471,785)**	**$ 106,092,210**	**$ (388,965)**	**$ (1,468,545)**	**$ (267,356)**	**$ (109,436)**	**$ (332,954)**	**$ (47,811,371)**	**$ 55,713,582**

Capital Expenditures[2]	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[5]	Adjusted Capital Expend
Officer Incentive Compensation	$ 1,536,684	$ -	$ 1,536,684	$ -	$ -	$ -	$ -	$ -	$ (1,536,684)	$ -
Non-Officer Cash Annual Incentive Compensation	57,341,973	-	57,341,973	(2,237)	(14,224)	(312,659)	-	(113,494)	-	56,899,360
Non-Officer Cash Long-Term Incentive Compensation	3,131,674	-	3,131,674	-	-	-	-	-	-	3,131,674
Non-Officer Stock-Based Incentive Compensation	811,384	-	811,384	-	-	-	-	-	(373,706)	437,677
Total	**$ 62,821,714**	**$ -**	**$ 62,821,714**	**$ (2,237)**	**$ (14,224)**	**$ (312,659)**	**$ -**	**$ (113,494)**	**$ (1,910,390)**	**$ 60,468,710**

Other	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[5]	Adjusted Other
Officer Incentive Compensation[3]	$ 1,421,388	$ -	$ 1,421,388	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,421,388
Non-Officer Cash Annual Incentive Compensation[4]	2,216,361	-	2,216,361	-	-	-	-	-	-	2,216,361
Non-Officer Cash Long-Term Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Non-Officer Stock-Based Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Total	**$ 3,637,750**	**$ -**	**$ 3,637,750**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 3,637,750**

Total	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[5]	Adjusted Total
Officer Incentive Compensation	$ 73,051,516	$ (23,605,799)	$ 49,445,718	$ -	$ -	$ -	$ -	$ -	$ (48,024,329)	$ 1,421,388
Non-Officer Cash Annual Incentive Compensation	115,828,827	(11,794,653)	104,034,174	(391,202)	(1,482,769)	(580,015)	(109,436)	(446,448)	-	101,024,304
Non-Officer Cash Long-Term Incentive Compensation	15,658,368	(548,669)	15,109,699	-	-	-	-	-	-	15,109,699
Non-Officer Stock-Based Incentive Compensation	4,484,747	(522,664)	3,962,083	-	-	-	-	-	(1,697,431)	2,264,651
Total	**$ 209,023,458**	**$ (36,471,785)**	**$ 172,551,673**	**$ (391,202)**	**$ (1,482,769)**	**$ (580,015)**	**$ (109,436)**	**$ (446,448)**	**$ (49,721,761)**	**$ 119,820,042**

Note:
(1) Amounts have not been jurisdictionalized.
(2) Amounts in this section represent capital expenditure activity for the period.
(3) Represents amounts charged to below-the-line expense.
(4) Represents $635 thousand charged to below-the-line expense and $1.6 million associated with major storm restoration events charged to either the storm reserve, O&M, or capital.
(5) Removed for ratemaking purposes pursuant to FPSC Order No. PSC-10-0153-FOF-EI, Docket No. 080677-EI.

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2025 Actuals - January through March 2025
Incentive Compensation[1]

O&M	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[5]	Adjusted O&M
Officer Incentive Compensation	$ 19,995,473	$ (7,221,992)	$ 12,773,481	$ -	$ -	$ -	$ -	$ -	$ (12,773,481)	$ -
Non-Officer Cash Annual Incentive Compensation	14,126,070	(3,189,516)	10,936,554	(97,549)	(388,024)	(76,833)	(45,345)	(95,070)	-	10,233,734
Non-Officer Cash Long-Term Incentive Compensation	2,693,380	(115,512)	2,577,868	-	-	-	-	-	-	2,577,868
Non-Officer Stock-Based Incentive Compensation	473,945	(123,756)	350,189	-	-	-	-	-	(170,768)	179,421
Total	**$ 37,288,869**	**$ (10,650,776)**	**$ 26,638,092**	**$ (97,549)**	**$ (388,024)**	**$ (76,833)**	**$ (45,345)**	**$ (95,070)**	**$ (12,944,249)**	**$ 12,991,023**

Capital Expenditures[2]	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[5]	Adjusted Capital Expend
Officer Incentive Compensation	$ 909,231	$ -	$ 909,231	$ -	$ -	$ -	$ -	$ -	$ (909,231)	$ -
Non-Officer Cash Annual Incentive Compensation	15,370,679	-	15,370,679	(627)	(1,261)	(80,756)	-	(18,840)	-	15,269,194
Non-Officer Cash Long-Term Incentive Compensation	488,780	-	488,780	-	-	-	-	-	-	488,780
Non-Officer Stock-Based Incentive Compensation	71,605	-	71,605	-	-	-	-	-	(31,895)	39,710
Total	**$ 16,840,295**	**$ -**	**$ 16,840,295**	**$ (627)**	**$ (1,261)**	**$ (80,756)**	**$ -**	**$ (18,840)**	**$ (941,126)**	**$ 15,797,684**

Other	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[5]	Adjusted Other
Officer Incentive Compensation[3]	$ 424,042	$ -	$ 424,042	$ -	$ -	$ -	$ -	$ -	$ -	$ 424,042
Non-Officer Cash Annual Incentive Compensation[4]	227,489	-	227,489	-	-	-	-	-	-	227,489
Non-Officer Cash Long-Term Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Non-Officer Stock-Based Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Total	**$ 651,531**	**$ -**	**$ 651,531**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 651,531**

Total	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[5]	Adjusted Total
Officer Incentive Compensation	$ 21,328,746	$ (7,221,992)	$ 14,106,755	$ -	$ -	$ -	$ -	$ -	$ (13,682,713)	$ 424,042
Non-Officer Cash Annual Incentive Compensation	29,724,238	(3,189,516)	26,534,722	(98,176)	(389,285)	(157,589)	(45,345)	(113,910)	-	25,730,417
Non-Officer Cash Long-Term Incentive Compensation	3,182,160	(115,512)	3,066,648	-	-	-	-	-	-	3,066,648
Non-Officer Stock-Based Incentive Compensation	545,550	(123,756)	421,795	-	-	-	-	-	(202,663)	219,132
Total	**$ 54,780,695**	**$ (10,650,776)**	**$ 44,129,919**	**$ (98,176)**	**$ (389,285)**	**$ (157,589)**	**$ (45,345)**	**$ (113,910)**	**$ (13,885,375)**	**$ 29,440,238**

Note:
(1) Amounts have not been jurisdictionalized.
(2) Amounts in this section represent capital expenditure activity for the period.
(3) Represents amounts charged to below-the-line expense.
(4) Represents $189 thousand charged to below-the-line expense and $38 thousand associated with major storm restoration events charged to either the storm reserve, O&M, or capital.
(5) Removed for ratemaking purposes pursuant to FPSC Order No. PSC-10-0153-FOF-EI, Docket No. 080677-EI.

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2025 Prior Year
Incentive Compensation[1]

O&M	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted O&M
Officer Incentive Compensation	$ 87,399,145	$ (32,488,309)	$ 54,910,836	$ -	$ -	$ -	$ -	$ -	$ (54,910,836)	$ -
Non-Officer Cash Annual Incentive Compensation	59,162,023	(9,800,721)	49,361,302	(380,177)	(1,605,249)	(375,348)	(108,224)	(644,886)	-	46,247,418
Non-Officer Cash Long-Term Incentive Compensation	13,504,149	(490,201)	13,013,949	-	-	-	-	-	-	13,013,949
Non-Officer Stock-Based Incentive Compensation	3,899,325	(1,259,581)	2,639,744	-	-	-	-	-	(1,286,860)	1,352,884
Total	**$ 163,964,642**	**$ (44,038,812)**	**$ 119,925,831**	**$ (380,177)**	**$ (1,605,249)**	**$ (375,348)**	**$ (108,224)**	**$ (644,886)**	**$ (56,197,696)**	**$ 60,614,251**

Capital Expenditures[2]	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted Capital Expend
Officer Incentive Compensation	$ 4,059,959	$ -	$ 4,059,959	$ -	$ -	$ -	$ -	$ -	$ (4,059,959)	$ -
Non-Officer Cash Annual Incentive Compensation	58,563,239	-	58,563,239	-	(150,704)	(32,192)	-	(13,268)	-	58,367,075
Non-Officer Cash Long-Term Incentive Compensation	3,376,037	-	3,376,037	-	-	-	-	-	-	3,376,037
Non-Officer Stock-Based Incentive Compensation	973,741	(4,229)	969,512	-	-	-	-	-	(476,503)	493,009
Total	**$ 66,972,976**	**$ (4,229)**	**$ 66,968,747**	**$ -**	**$ (150,704)**	**$ (32,192)**	**$ -**	**$ (13,268)**	**$ (4,536,462)**	**$ 62,236,121**

Total Amount Included for Base Rates	**$ 230,937,619**	**$ (44,043,041)**	**$ 186,894,578**	**$ (380,177)**	**$ (1,755,954)**	**$ (407,539)**	**$ (108,224)**	**$ (658,154)**	**$ (60,734,158)**	**$ 122,850,372**

Below-the-Line Expense	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted Below-the-Line
Officer Incentive Compensation	$ 1,520,782	$ -	$ 1,520,782	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,520,782
Non-Officer Cash Annual Incentive Compensation	692,717	-	692,717	-	-	-	-	-	-	692,717
Non-Officer Cash Long-Term Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Non-Officer Stock-Based Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Total	**$ 2,213,499**	**$ -**	**$ 2,213,499**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,213,499**

Total	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted Total
Officer Incentive Compensation	$ 92,979,886	$ (32,488,309)	$ 60,491,577	$ -	$ -	$ -	$ -	$ -	$ (58,970,795)	$ 1,520,782
Non-Officer Cash Annual Incentive Compensation	118,417,979	(9,800,721)	108,617,258	(380,177)	(1,755,954)	(407,539)	(108,224)	(658,154)	-	105,307,210
Non-Officer Cash Long-Term Incentive Compensation	16,880,187	(490,201)	16,389,986	-	-	-	-	-	-	16,389,986
Non-Officer Stock-Based Incentive Compensation	4,873,066	(1,263,810)	3,609,256	-	-	-	-	-	(1,763,363)	1,845,893
Total	**$ 233,151,118**	**$ (44,043,041)**	**$ 189,108,077**	**$ (380,177)**	**$ (1,755,954)**	**$ (407,539)**	**$ (108,224)**	**$ (658,154)**	**$ (60,734,158)**	**$ 125,063,871**

Note:
(1) Amounts have not been jurisdictionalized.
(2) Amounts in this section represent capital expenditure activity for the period.
(3) Removed for ratemaking purposes pursuant to FPSC Order No. PSC-10-0153-FOF-EI, Docket No. 080677-EI.

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2026 Test Year
Incentive Compensation[1]

O&M	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted O&M
Officer Incentive Compensation	$ 95,450,535	$ (36,917,021)	$ 58,533,514	$ -	$ -	$ -	$ -	$ -	$ (58,533,514)	$ -
Non-Officer Cash Annual Incentive Compensation	63,058,915	(9,918,604)	53,140,310	(407,157)	(1,732,930)	(394,015)	(115,902)	(680,578)	-	49,809,728
Non-Officer Cash Long-Term Incentive Compensation	14,150,395	(549,035)	13,601,360	-	-	-	-	-	-	13,601,360
Non-Officer Stock-Based Incentive Compensation	4,153,209	(1,352,106)	2,801,103	-	-	-	-	-	(1,362,173)	1,438,930
Total	**$ 176,813,054**	**$ (48,736,766)**	**$ 128,076,287**	**$ (407,157)**	**$ (1,732,930)**	**$ (394,015)**	**$ (115,902)**	**$ (680,578)**	**$ (59,895,687)**	**$ 64,850,018**

Capital Expenditures[2]	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted Capital Expend
Officer Incentive Compensation	$ 4,304,608	$ -	$ 4,304,608	$ -	$ -	$ -	$ -	$ -	$ (4,304,608)	$ -
Non-Officer Cash Annual Incentive Compensation	60,079,524	-	60,079,524	-	(17,923)	-	-	(14,209)	-	60,047,392
Non-Officer Cash Long-Term Incentive Compensation	3,537,599	-	3,537,599	-	-	-	-	-	-	3,537,599
Non-Officer Stock-Based Incentive Compensation	1,038,306	(5,293)	1,033,013	-	-	-	-	-	(506,912)	526,101
Total	**$ 68,960,037**	**$ (5,293)**	**$ 68,954,744**	**$ -**	**$ (17,923)**	**$ -**	**$ -**	**$ (14,209)**	**$ (4,811,520)**	**$ 64,111,092**

Total Amount Included for Base Rates	**$ 245,773,090**	**$ (48,742,059)**	**$ 197,031,032**	**$ (407,157)**	**$ (1,750,853)**	**$ (394,015)**	**$ (115,902)**	**$ (694,787)**	**$ (64,707,207)**	**$ 128,961,110**

Below-the-Line Expense	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted Below-the-Line
Officer Incentive Compensation	$ 1,657,653	$ -	$ 1,657,653	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,657,653
Non-Officer Cash Annual Incentive Compensation	735,925	-	735,925	-	-	-	-	-	-	735,925
Non-Officer Cash Long-Term Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Non-Officer Stock-Based Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Total	**$ 2,393,578**	**$ -**	**$ 2,393,578**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,393,578**

Total	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted Total
Officer Incentive Compensation	$ 101,412,796	$ (36,917,021)	$ 64,495,775	$ -	$ -	$ -	$ -	$ -	$ (62,838,122)	$ 1,657,653
Non-Officer Cash Annual Incentive Compensation	123,874,364	(9,918,604)	113,955,759	(407,157)	(1,750,853)	(394,015)	(115,902)	(694,787)	-	110,593,044
Non-Officer Cash Long-Term Incentive Compensation	17,687,994	(549,035)	17,138,959	-	-	-	-	-	-	17,138,959
Non-Officer Stock-Based Incentive Compensation	5,191,515	(1,357,398)	3,834,117	-	-	-	-	-	(1,869,085)	1,965,032
Total	**$ 248,166,668**	**$ (48,742,059)**	**$ 199,424,609**	**$ (407,157)**	**$ (1,750,853)**	**$ (394,015)**	**$ (115,902)**	**$ (694,787)**	**$ (64,707,207)**	**$ 131,354,687**

Note:
(1) Amounts have not been jurisdictionalized.
(2) Amounts in this section represent capital expenditure activity for the period.
(3) Removed for ratemaking purposes pursuant to FPSC Order No. PSC-10-0153-FOF-EI, Docket No. 080677-EI.

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2027 Test Year

Incentive Compensation[1]

O&M	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted O&M
Officer Incentive Compensation	$ 104,191,871	$ (42,286,467)	$ 61,905,404	$ -	$ -	$ -	$ -	$ -	$ (61,905,404)	$ -
Non-Officer Cash Annual Incentive Compensation	68,004,412	(11,036,171)	56,968,241	(431,777)	(1,851,634)	(424,906)	(122,906)	(721,742)	-	53,415,275
Non-Officer Cash Long-Term Incentive Compensation	14,608,644	(566,815)	14,041,829	-	-	-	-	-	-	14,041,829
Non-Officer Stock-Based Incentive Compensation	4,317,598	(1,474,051)	2,843,547	-	-	-	-	-	(1,377,932)	1,465,615
Total	**$ 191,122,525**	**$ (55,363,505)**	**$ 135,759,021**	**$ (431,777)**	**$ (1,851,634)**	**$ (424,906)**	**$ (122,906)**	**$ (721,742)**	**$ (63,283,336)**	**$ 68,922,719**

Capital Expenditures[2]	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted Capital Expend
Officer Incentive Compensation	$ 4,544,195	$ -	$ 4,544,195	$ -	$ -	$ -	$ -	$ -	$ (4,544,195)	$ -
Non-Officer Cash Annual Incentive Compensation	60,876,105	-	60,876,105	-	(19,009)	-	-	(15,068)	-	60,842,028
Non-Officer Cash Long-Term Incentive Compensation	3,652,161	-	3,652,161	-	-	-	-	-	-	3,652,161
Non-Officer Stock-Based Incentive Compensation	1,079,398	(5,605)	1,073,793	-	-	-	-	-	(525,936)	547,857
Total	**$ 70,151,860**	**$ (5,605)**	**$ 70,146,254**	**$ -**	**$ (19,009)**	**$ -**	**$ -**	**$ (15,068)**	**$ (5,070,131)**	**$ 65,042,046**

Total Amount Included for Base Rates	**$ 261,274,385**	**$ (55,369,110)**	**$ 205,905,275**	**$ (431,777)**	**$ (1,870,642)**	**$ (424,906)**	**$ (122,906)**	**$ (736,810)**	**$ (68,353,467)**	**$ 133,964,766**

Below-the-Line Expense	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted Below-the-Line
Officer Incentive Compensation	$ 1,806,841	$ -	$ 1,806,841	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,806,841
Non-Officer Cash Annual Incentive Compensation	785,679	-	785,679	-	-	-	-	-	-	785,679
Non-Officer Cash Long-Term Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Non-Officer Stock-Based Incentive Compensation	-	-	-	-	-	-	-	-	-	-
Total	**$ 2,592,520**	**$ -**	**$ 2,592,520**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,592,520**

Total	Total Per Book	Affiliate Charges	Adjusted Per Book	FPSC Adj - Capacity	FPSC Adj - Conservation	FPSC Adj - ECRC	FPSC Adj - Fuel	FPSC Adj - Storm Protection	FPSC Adj - Incentive Comp[3]	Adjusted Total
Officer Incentive Compensation	$ 110,542,908	$ (42,286,467)	$ 68,256,441	$ -	$ -	$ -	$ -	$ -	$ (66,449,599)	$ 1,806,841
Non-Officer Cash Annual Incentive Compensation	129,666,196	(11,036,171)	118,630,025	(431,777)	(1,870,642)	(424,906)	(122,906)	(736,810)	-	115,042,983
Non-Officer Cash Long-Term Incentive Compensation	18,260,805	(566,815)	17,693,990	-	-	-	-	-	-	17,693,990
Non-Officer Stock-Based Incentive Compensation	5,396,997	(1,479,657)	3,917,340	-	-	-	-	-	(1,903,868)	2,013,472
Total	**$ 263,866,905**	**$ (55,369,110)**	**$ 208,497,795**	**$ (431,777)**	**$ (1,870,642)**	**$ (424,906)**	**$ (122,906)**	**$ (736,810)**	**$ (68,353,467)**	**$ 136,557,286**

Note:
(1) Amounts have not been jurisdictionalized.
(2) Amounts in this section represent capital expenditure activity for the period.
(3) Removed for ratemaking purposes pursuant to FPSC Order No. PSC-10-0153-FOF-EI, Docket No. 080677-EI.

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QUESTION:
Incentive Compensation. Please provide a copy of each of FPL's and Next Energy's incentive compensation/bonus plans for 2022, 2023, 2024 and 2025 in searchable format.

RESPONSE:
NextEra incentive compensation is not recovered in FPL rates and does not affect cost of service to FPL's customers and, therefore, the NextEra incentive compensation plans are not included in this response. For purposes of this response, FPL's incentive plans have been divided into three categories.

Group A:
1. NextEra Energy, Inc. Amended and Restated Long Term Incentive Plan as provided in OPC's 1st Request for Production of Documents No. 39.
2. FPL Compensation Manual – Leader as provided in OPC's 1st Request for Production of Documents No. 40 and Attachments
    2a. FPL Compensation Manual – Leader 02.2019
    2b. FPL Compensation Manual – Leader 09.2023

Group B: Confidential
The following Attachments are confidential:
3. FPL Performance Dollar Long Term Incentive Program
4. NextEra Energy, Inc. Employee Invention Reward Program
5. FPL ESCO Sales Commission Plan, April 2010
6. FPL ESCO Incentive Plan, April 2010
7. FPL Customer Service ESCO Incentive Plan, January 1, 2012; Amended: August 2012
8. FPL Customer Service Field Operations Incentive Plan, June 2019
9. FPL Sales Incentive and Commission Plan for Lighting and Options Services, July 2020
10. FPL Lighting and Optional Services Commission Sales and Incentive Plan, June2017
11. FPL and FPLES Inside and Residential Sales Commission and Incentive Plan, April 2024
12. FPL and FPLES Commercial Sales Commission Plan FINAL, January 2023
13. Lead Forward Program, October 2019
14. Energy Marketing and Trading Performance Incentive Compensation Program, June 2017

QUESTION:
Incentive Compensation. Refer to the response to OPC's First Request for Production, No. 22. Provide a summary by plan for the year 2024 and projected for each year 2025- 2027 the total cost, the amount excluded from base rates, and the amount included in base rates

RESPONSE:
In reference to FPL's response to OPC's First Request for Production, No. 22, please note the following:

1. NextEra Energy, Inc. Amended and Restated Long Term Incentive Plan: Refer to FPL's response to OPC's First Set of Interrogatories No. 24 for the amounts included in base rates and refer to MFR B-2 and C-3 for amounts excluded from base rates.

2. FPL Compensation Manual: Refer to FPL's response to OPC's Eleventh Set of Interrogatories No. 328.

3. FPL Performance Dollar Long Term Incentive Program: Refer to the table below for 2024 actuals and projected for 2025 through 2027.

FPL Performance Dollar Long Term Incentive Program				
	2024	**2025**	**2026**	**2027**
O&M included in base rates	$12,568,012	$13,504,149	$14,150,395	$14,608,644
Capitalized portion excluded from base rates	$3,090,356	$3,376,037	$3,537,599	$3,652,161
Total Cost	$15,658,368	$16,880,187	$17,687,994	$18,260,805

4. NextEra Energy, Inc. Employee Invention Reward Program: A total of $34,200 was paid in 2024, and $10,000 was paid in first quarter of 2025. The Company does not forecast at the level of detail to include any costs for this plan for the years 2025 through 2027 and, therefore, no amounts have been included in FPL's base rate forecast for the 2026 and 2027 Projected Test Years.

5. FPL ESCO Sales Commission Plan, April 2010: A total of $67,305 was paid in 2024. There are no costs projected for this Plan for 2025 through 2027 and, therefore, no amounts have been included in FPL's base rate forecast for the 2026 and 2027 Projected Test Years.

6. FPL ESCO Incentive Plan, April 2010: There is no actual or projected expense for 2024 through 2027 and, therefore, no amounts have been included in FPL's base rate forecast for the 2026 and 2027 Projected Test Years.

7. FPL Customer Service ESCO Incentive Plan, January 1, 2012; Amended August 2012: There is no actual or projected expense for 2024 through 2027 and, therefore, no amounts have been included in FPL's base rate forecast for the 2026 and 2027 Projected Test Years.

8. FPL Customer Service Field Operations Incentive Plan, June 2019: There is no actual or projected expense for 2024 through 2027 and, therefore, no amounts have been included in FPL's base rate forecast for the 2026 and 2027 Projected Test Years.

9. FPL Sales Incentive and Commission Plan for Lighting and Optional Services, July 2020: There is no actual or projected expense for 2024 through 2027 and, therefore, no amounts have been included in FPL's base rate forecast for the 2026 and 2027 Projected Test Years.

10. FPL Lighting and Optional Services Commission Sales and Incentive Plan, June 2017: There is no actual or projected expense for 2024 through 2027 and, therefore, no amounts have been included in FPL's base rate forecast for the 2026 and 2027 Projected Test Years.

11. FPL and FPLES Inside and Residential Sales Commission and Incentive Plan, April 2024: no costs are recorded on FPL's books for this plan and, therefore, no amounts have been included in FPL's base rate forecast for the 2026 and 2027 Projected Test Years.

12. FPL and FPLES Commercial Sales Commission Plan FINAL, January 2023: Refer to table below for gross amounts earned and paid to participants for 2024 and expected to be earned and paid for 2025 through 2027. The 2024 amounts are related to lighting services only and 2025 through 2027 include both lighting and optional services.

	2024	2025	2026	2027
Gross amounts paid to participants	$3,317,919	$5,336,173	$5,086,852	$4,938,002

Beginning in 2024, gross amounts earned under this plan are deferred to the balance sheet and amortized over the life of the contracts. Refer to table below for the base O&M component of the gross amounts listed above, which is the amortization expense included in base rates for the applicable years.

	2024	2025	2026	2027
Amount included in base rates	$199,578	$654,586	$1,154,553	$1,644,907
Amount deferred excluded from base rates (Cumulative)	$3,154,958	$7,931,259	$11,987,839	$15,440,524

13. Lead Forward Program, October 2019: Refer to the table below for 2024 actuals and projected for 2025 through 2027 with all costs being recovered through base rates.

	2024	2025	2026	2027
Lead Forward Program	$300	$1,000	$1,000	$1,000

14. Energy Marketing and Trading Performance Incentive Compensation Program, June 2017: Refer to FPL's response to OPC's Eleventh Set of Interrogatories, No. 328 which is inclusive of this plan for 2024 and projected for 2025 through 2027.

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QUESTION:
Incentive Compensation. Refer to the response to OPC's First Request for Production, No. 22. Provide a summary by plan for the year 2024 and projected for each year 2025- 2027 the total cost, the amount excluded from base rates, and the amount included in base rates.

RESPONSE:
While preparing responses to discovery, FPL determined that a portion of O&M that is allocated to affiliates for the Performance Dollar Long Term Incentive Program was inadvertently included as O&M included in base rates. As a result, FPL is correcting the response to OPC's Eleventh Set of Interrogatories No. 313, Part 3 to the following:

3. FPL Performance Dollar Long Term Incentive Program: Refer to the table below for 2024 actuals and projected for 2025 through 2027.

FPL Performance Dollar Long Term Incentive Program				
	2024	**2025**	**2026**	**2027**
O&M included in base rates	$11,978,025	$13,013,949	$13,601,360	$14,041,829
Capitalized portion excluded from base rates	$3,131,674	$3,376,037	$3,537,599	$3,652,161
Total Cost	$15,109,699	$16,389,986	$17,138,959	$17,693,990

QUESTION:
Incentive Compensation. Please provide a detailed list of responsibilities and duties that eligible incentive compensation employees of FPL must have or perform in addition to those necessary to meet the standards for base salary compensation in order to receive incentive compensation. Please identify all documents that describe these additional responsibilities and duties.

RESPONSE:
As referenced in the direct testimony of Jessica Buttress, the Company's compensation program reflects a pay for performance philosophy, linking performance-based variable compensation to the attainment of corporate, business unit, and individual goals. Corporate goals are customer-focused and include generation availability, service reliability, customer satisfaction, regulatory and environmental compliance, and control of costs. Business unit goals, in turn, support corporate goals, *e.g.*, business units have budget goals that support the corporate budget goal. Individual goals are employee-specific responsibilities and duties that vary by employee and change annually depending on what is required to support business unit and corporate goals.

At the eligible individual employee level, the responsibilities and duties required for an annual performance-based variable compensation award are managed through the Company's Performance Management program. The Performance Management program is a systematic process that involves multiple reviews and check-ins with the individual employee throughout the year to ensure employees are working on the "right" things that will help accomplish the business unit and corporate customer-focused goals, and to make adjustments to the employee performance and/or goals as necessary and appropriate. Since recognition and awards are based on individual and work group performance, the program is designed to benefit the employee, the organization, and ultimately the customer.

Leaders guide employees in setting and updating objectives that are aligned with the Company's strategic direction and goals using SMART (Specific, Measurable, Aligned, Realistic but challenging, and Time-bound) performance objectives. Ultimately, the Performance Management program encourages clear alignment between the Company's strategic direction and individual employee performance. Successful performance of the employee-specific individual goals is necessary to be eligible for a performance-based variable compensation award.

In the planning stage of the Performance Management program, which begins at the beginning of the calendar year or when a new hire starts, each leader and eligible employee will:

- Jointly review achievement of performance objectives for past period;
- Identify critical SMART performance objectives for the coming period;
- Actively plan for how the employee will achieve those objectives; and
- Clarify the employee's role in achieving the desired business goals.

Following the planning stage, there is an ongoing, cyclical process that includes:

- Ongoing coaching and feedback; and
- Review of performance compared to objectives three times per year.

At the end of the performance year, employees are rated on their success against their SMART performance objectives. If the Company, business unit, and employee have satisfactorily achieved their objectives, the employee may receive a performance-based variable compensation award. This award may be in the form of an immediate payment or may be a combination of an immediate payment and a three-year deferred payment.

Supporting documents are provided in FPL's response to OPC's First Set of Production of Documents, No. 37.

Florida Power & Light Company
Docket No. 20250011-EI
OPC's First Request for Production
Request No. 37
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QUESTION:
Incentive Compensation. Please provide all documents identified in response to OPC's First Set of Interrogatories, No. 19.

RESPONSE:
Please see responsive documents provided.

Performance Rewards Leader Toolkit

IMPORTANT NOTE TO LEADERS: The performance rewards toolkit is intended to assist you in making performance rewards decisions and conducting one-on-one conversations with employees. Please remember to tailor your compensation conversations to each employee. You should refrain from reading this document verbatim, and from communicating specific compensation information to broad audiences. This document expresses the company's compensation guidelines; you may need to include specific business unit information.

Recognize your employees

NextEra Energy, Inc. has a pay for performance philosophy to encourage and reward continuous improvement and a high level of performance. The performance rewards program serves to provide tangibility to this philosophy by giving leaders the opportunity to recognize eligible employees with merit adjustments and cash incentive compensation. All rewards are at the sole and absolute discretion of the company.

Merit	Cash Incentive
Merit awards apply as an increase to an employee's base pay. The company's overall approach is to guide leaders to reward employees based on performance.	Cash incentive awards apply to eligible employees as a one-time cash reward beyond base pay for individual contributions to business unit and company results, and for achieving or exceeding individual SMART goals.

Consider various factors

When making merit and cash incentive award decisions, consider multiple factors including eligibility, performance and pay. Take care to place emphasis on performance and make decisions that distinguish your top performers from your solid performers.

Eligibility	Non-bargaining employees* hired on or before Sept. 30 of the performance year are considered eligible for merit awards. For cash incentive awards, non-exempt eligibility varies by company. To receive an award, eligible employees must also be employed and in good standing on the date of payout (paycheck date). Eligibility to participate does not guarantee receipt of an award. Awards are granted at the discretion of the company based on company performance, business unit performance, employee performance and available dollars. For employees hired in the performance year, on or before Sept. 30, awards should be prorated based on date of hire.
Performance	Consider whether each employee's performance goals were met or exceeded, whether goals were stretch goals or easily reached, and how his or her results contributed to the business unit or company's success.
Pay	Internal equity: Consider all the employees in the work unit and each of their salaries, the core requirements of each employee's job, and the skills and experience each employee brings to the job. External competitiveness: Consider each employee's pay relative to the market ratio for the job being performed. Someone newly promoted generally earns less than the MRP; experienced, top performers generally earn more than MRP. + or - 5 percent of MRP is considered "at market rates." For employees over 120 percent, a zero increase may be appropriate. Total awards: Consider whether each employee should receive merit and/or cash incentive awards. For those employees eligible for cash incentive awards, also consider cash incentive target range.

*excludes project-bound and temporary employees

Leverage award dollars

Available funding for each award type comes from separate budgets that are company specific. These budgets cannot be cross-spent. Leverage your budget dollars to differentiate based on performance.

Performance Rating	Consideration
Role model Excellent	Employees who consistently perform at outstanding levels or whose performance greatly enhances business results should receive larger awards than employees who are solid performers.
Highly valued	Represent the majority of the workforce; be sure to be equitable and fair.
Unsatisfactory Needs improvement	Zero dollars should be strongly considered.

Use cash incentive target ranges

Cash incentive target ranges represent a percentage of base salary recommended as a guideline for a potential cash incentive payout opportunity, assuming achievement of company, business unit and individual performance. The ranges are NOT a minimum or maximum threshold, a guarantee of payment or an actual payout.

Company and business unit performance	Individual performance	Potential award scenarios relative to incentive target range
Exceeds performance metrics (performs better than expected)	Performs better than expected	Receive an award in the upper-end of the target range, or above the target range
	Performs within expectations	Receive an award in the mid- to upper-end of the target range
Achieves performance metrics (performs within expectations)	Performs better than expected	Receive an award in the mid- to upper-end of the target range
	Performs within expectations	Receive an award in the mid- to lower-end of the target range
Does not achieve performance metrics (performs less than expected)	Performs better than expected	Receive an award in the mid- to lower-end of the target range
	Performs within expectations	Receive an award at the lower-end of the target range
		Receive an award below the target range
		Not receive an award in order to allocate limited budget dollars to top performers

Find employee-specific information

HR4U:

» Performance Rewards planning worksheets will reflect each employee's role and cash incentive target range (non-bargaining exempt).

Personal outreach:

» Direct employee-specific questions to your HR representative.

» Contact employee services at 844-694-HR4U(4748).

Performance Rewards Leader Conversation Guide

Communicate your pay decision

March 5 - March 11th	March 12th	March 13th
Inform your employees about their merit and/or cash incentive awards.	**Employees will be able to see their applicable awards in HR4U.**	**Merit and cash incentive awards will be distributed.**

Walk each employee through the compensation statement in a one-on-one setting, and include these elements in your conversation:

Performance
Discuss awards relative to company, business unit and individual performance. For exempt employees, discuss cash incentive relative to cash incentive target range.

Compensation transparency
Help your employees build a deeper understanding of our compensation structure and how it relates to them by sharing the details of your employees' individual positions, role categories and cash incentive target ranges.

» **Role-based job structure**
Reiterate what our role-based job structure is, and ensure your employee knows his or her role.

» **Cash incentive target ranges**
Share cash incentive target ranges in connection to role for non-bargaining exempt employees. Explain that target ranges do not represent a minimum threshold or maximum award amount. Actual award amounts may vary above or below the target range depending on company, business unit and individual performance.

Follow these guidelines for help communicating to these individuals:

A marginal performer, who may be receiving a low or no award:

» Be prepared to deliver the tough message and to support the business unit's compensation decision;

» Frame the conversation in the positive context of continuous improvement;

» Use the sandwich technique: positive feedback, constructive feedback and end on a positive note;

» Refer back to the year-end performance review and reference key takeaways;

» Shift focus to the new year and express your support and willingness to help the employee succeed; and

» Provide specific examples of things the employee can do to improve his or her performance.

A solid performer, whose salary is at the low end of the range compared to market, and who may be receiving a larger base pay award:

» Point out that part of the increase is due to his or her solid performance; and

» Explain that you are giving him or her a higher percentage increase in order to bring his or her salary closer to market.

A solid performer who is at the top of the pay range compared to market (greater than or equal to 120 percent):

» Remind the employee that he or she is a valued performer who is being paid above the company's philosophy on the competitive market rate for the job; and

» Point out that the employee's salary is close to/at the recommended upper limit for his or her job.

Frequently Asked Questions

General

How does the company ensure jobs are competitive to the market?
Our philosophy is to provide market-based compensation programs that assist the company in attracting, retaining, and engaging employees. We define the external market as markets from which we attract our employees, and to which we lose them. This philosophy ensures that our compensation programs are competitive when compared to other progressive corporations and similar jobs.

Our approach is to address compensation within each of the business units by assessing the jobs performed. This is an extensive and comprehensive process that includes a job-by-job analysis between HR and the business units to assess the functions performed.

Steps include:

» Ensuring job descriptions accurately reflect the job;

» Determining if the job is properly classified for benchmarking; and

» Ensuring that the most reliable sources of benchmarking data are used to establish competitive wages for that job.

Where can I find market value information for my employees' jobs?
You can find the market value (MRP) in two places: in your My Team section in HR4U and in the performance rewards system where you enter rewards. MRPs are a management tool for pay decisions, but MRPs should not be shared with employees.

Merit

If an employee is a solid performer, should he or she expect a salary increase?
Perhaps. The company's overall approach is to guide leaders to reward employees based on performance (pay-for-performance approach). Individual salary decisions are based on several factors, including performance, internal equity, and external competitiveness.

Cash incentive

What is the purpose of the cash incentive program?
The cash incentive program is a discretionary program used to reward employees for their performance and contribution to the company and business unit objectives. Cash incentive awards should be differentiated based on performance.

Are all employees eligible for the cash incentive program?
Non-bargaining, exempt employees are eligible for the cash incentive program. Non bargaining, non-exempt participation varies by company. The program does include Point Beach professional union employees but excludes project-bound and temporary employees. Employees must also be active and in good standing at time of payout to receive the award. Eligibility to participate does not guarantee an award; the program is discretionary, and award levels are based on performance.

If an employee began working with the company during the performance year and performed well, is he or she eligible for a cash incentive, and should the cash incentive be prorated, based on the partial-year performance?
You are encouraged to reward exceptional performance. However, when compared to others in the work group, an incentive equivalent to a full year's performance may not be appropriate.

Employees hired on or before Sep. 30 are eligible to participate in the cash incentive program; however, they should receive a prorated award. Employees hired after Sep. 30 are not eligible to participate.

If an employee leaves the company before awards are distributed, can that person receive a payout?
No. Award payouts are made only to individuals employed on the day paychecks are issued with the award; typically, this occurs in March.

How are awards allocated?
It is important to remember that it is not the intention of the cash incentive program to ensure that every eligible employee receives an award. Take care to distinguish your top performers from your solid performers. Employees consistently performing at outstanding levels or whose performance greatly enhances business results should receive larger awards than employees who are solid performers.

Additional factors include:

» An employee's eligibility to receive an award; and

» The extent to which the employee's effort positively impacted business unit and corporate results.

How is the cash incentive budget for each business unit determined?
The cash incentive budget is aggregately determined as a percentage of eligible employees' base pay and is subsequently modified up or down based on company and business unit performance. Headcount and position mix can also influence cash incentive budgets.

Cash incentive target range

Will employees be able to access their cash incentive target range?
Exempt, non-bargaining employees will be able to view their cash incentive target range on their compensation statement. This information will be shared by their leader during performance rewards discussions. Employees and leaders will be able to view the compensation statement on the employee's HR4U employee profile once the discussion period ends.

Can we give our employees a cash incentive award that is greater or less than these ranges?
Yes. Target ranges do not represent a minimum threshold or maximum award amount. Actual award amounts may vary above or below the target range depending on company performance, business unit performance and individual performance.

It is important to note that allocation of cash incentive awards remains discretionary. Factors such as available funding or budget constraints may impact allocation of awards. For example, if you have a department that is heavily weighted with employees receiving a performance rating of excellent, they will not all be able to receive awards at the top of their cash incentive target ranges.

How were these ranges calculated?
The cash incentive target ranges were developed based on available market data for similar roles in the competitive market place. Additionally, analysis was performed based on a three-year historical analysis of cash incentive payouts using only eligible employee payouts. Two analyses were performed utilizing the three-year time period. The first analysis was based on actual payout, which incorporated company and business unit performance. The second analysis normalized payouts based on assumptions that all companies and units performed similarly.
These market-based ranges captured approximately 85 percent of the eligible population. The remaining outliers were primarily attributed to additional recognition relative to performance.

Will these ranges change from one year to the next?
These ranges are not intended to change from one year to the next; however, ranges will be reviewed periodically and may be influenced by market and/or business drivers and may consequently be revised.

Will the amount of cash incentive I have to distribute to my employees change because of these ranges?
There is no change to the cash incentive budget funding methodology. The calculation to determine cash incentive budgets will continue to be based on budget in conjunction with a combined achievement of performance metrics tied to company performance, business unit performance and leadership discretion.

Appendix

Role-based job structure

The role-based job structure is a method of grouping jobs of comparable scope, responsibility, and experience level into roles. Roles are defined in a hierarchical structure that allows employees to compare their job to other jobs across the entire company.

Roles, as described in the compensation manual, are based on increasing levels of:

» Responsibility;
» Supervision and oversight; and
» Budget authority.

Cash incentive target ranges

Cash incentive target ranges apply to exempt non bargaining employees only and are aligned with the role-based job structure. Specific individual exceptions may apply for positions that have higher "at risk" pay, defined as leveraged jobs; and may not apply for sales jobs.

Cash incentive target ranges increase with the increasing responsibility tied to the hierarchy of the role-based job structure. It is important to note that cash incentive target ranges are NOT:

» A minimum or maximum threshold;
» A guarantee of payment; or
» An actual payout.

Actual payout varies based on company, business unit and individual performance, and is a discretionary program. More information on cash incentive payout and performance rewards can be found in HR4U.

Exempt role title	Cash incentive target ranges
Senior director	20 – 35%
Director/Senior manager	15 – 30%
Managing professional	10 – 20%
Lead professional	7 – 15%
Senior professional	5 – 12%
Professional	3 – 10%
Associate professional	3 – 10%

Exempt role descriptions

Role title: Senior director*
Cash incentive target range: 20 – 35 percent
Role description:

» Directly manages multiple discrete organizations. Each has a direct significant budget responsibility and significant impact to the company;
» Has oversight of several directors, managers/supervisors and individual contributor-level exempt employees, or combination of exempt and non-exempt level employees;
» Responsible for development and execution of company strategy, with approval from executive leadership, that may have significant impact to the company;
» Responsible for oversight of and control in making key decisions that have a high level of risk or exposure;
» Makes recommendations and decisions that impact long-term goals of the company; and
» Required to interact with and influence many different levels of management inside and outside the company.

*Creation of a senior director job requires the approval of the appropriate human resources vice president, the business unit vice president and the top-level company president in the reporting chain OR the appropriate executive vice president in the event the business unit does not roll up through a company president. These approvers may occasionally approve exceptions to the responsibilities listed above.

Role title: Director/Senior manager*
Cash incentive target range: 15 – 30 percent
Role description:

» Manages a discrete organization or multiple related functions within an organization. Each has a direct significant budget responsibility and significant impact on the organization;
» Has direct oversight of several managers/supervisors and individual contributor-level exempt employees, or combination of exempt and non-exempt level employees;
» Responsible for development and execution of functional, departmental, or company strategy, with approval from executive leadership, that may have significant impact to the company;
» Makes recommendations and decisions that may impact short and long term goals of the organization or company; and
» Required to interact with and influence many different levels of management inside and outside the company.

*Creation of a senior manager/director job requires the approval of human resources and the highest-level business unit vice president. These approvers may occasionally approve exceptions to the responsibilities listed above.

Role title: Managing professional*
Cash incentive target range: 10 – 20 percent
Role description:

» Directly manages a team within an organization or a critical process. Responsible for budget oversight/spend that would affect the immediate organization;

» Has direct oversight of supervisory and/or individual contributor-level exempt employees, or combination of exempt and non-exempt level employees;

» Plays critical role in implementation of strategic plans;

» Responsible for major decision making on matters that affect immediate organization; decisions are guided by policies, procedures and business plan;

» Makes recommendations that impact short-term to long-term goals of organization;

» Requires very limited guidance or oversight from higher level management; and

» Requires expert-level knowledge relative to discipline.

*Creation of a managing professional job requires the approval of human resources and the senior manager/director or higher-level manager that has ultimate authority for the discipline.

Role title: Lead professional*
Cash incentive target range: 7 – 15 percent
Role description:

» Performs leadership role within a defined group or subject matter expert (SME) individual contributor that may coordinate cross-functional teams in a leadership capacity;

» May have budget responsibility for a team or project;

» May have direct or indirect reports. Responsible for mentoring and coaching employees within group; may serve as first or second line of supervision;

» Works independently with limited guidance or supervision; wide latitude for independent judgment;

» Decisions affect the day-to-day activities of the defined group or processes; decisions are guided by policies, procedures and business plan;

» Makes recommendations that significantly impact the goals of the immediate organization; and

» Requires significant relevant experience in field of work.

*Creation of a lead professional job requires the approval of human resources and the senior manager/director or higher-level manager that has ultimate authority for the discipline.

Role title: Senior professional*
Cash incentive target range: 5 – 12 percent
Role description:

Highest-level career path job

» Highly skilled with extensive proficiency in field of work;

» Scope and type of work performed is complex in nature;

» Works independently with limited guidance or supervision; wide latitude for independent judgment;

» Decisions affect the day-to-day activities of the defined group or processes; makes recommendations that significantly impact the goals of the immediate organization;

» Generally responsible for indirectly leading teams or projects for defined work group or processes;

» May serve as a mentor, coach, or leader to others; and

» Requires significant relevant experience in field of work; career may stabilize at this level for several years or until retirement.

*Creation of a senior professional job requires the approval of human resources and the senior manager/director or higher-level manager that has ultimate authority for the discipline.

Role title: Professional*
Cash incentive target range: 3 – 10 percent
Role description:

Mid-level career path job

» Moderately skilled with demonstrated proficiency in field of work;

» Level of independence, judgment and supervision is dependent on scope and type of work; typically works independently under general supervision on assignments that are moderate to complex in nature;

» May lead a portion of a project for defined work group or process;

» Makes recommendations that affect defined group or processes; may be responsible for limited budget oversight for defined group; and

» Requires demonstrated relevant experience spanning multiple years.

*Creation of a professional job requires the approval of human resources and the senior manager/director or higher-level manager that has ultimate authority for the discipline.

Role title: Associate professional*
Cash incentive target range: 3 – 10 percent
Role description:

Entry-level career path

» Basic to moderate skills in field of work; developing competencies and skills;

» Entry-level individual contributor that solves straightforward problems that effect defined group or processes;

» Decisions and recommendations affect the day-to-day activities of the defined group or processes;

» Requires direct supervision and direction; and

» Has general knowledge in field of study; relevant experience may be limited; typically requires college degree or equivalent work experience.

*Creation of an associate professional job requires the approval of human resources and the senior manager/director or higher-level manager that has ultimate authority for the discipline.

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Guide to Goal Planning

Planning and goal setting are vital parts of the performance management and development process. It sets the base for employee performance throughout the year.

The company views performance goals and development goals as different from each other. See below for a description of both types of goals.

Performance Goals Are Job-Oriented (Results-Based Statements)

This type of goal is based on the employee's:

Ongoing duties

Special project tasks

Assignments

Strategic priorities.

Developmental Goals are Learning-Oriented

This type of goal relates to the employee skills, knowledge and experiences that they need to stay effective in their current job. Development goals also support the development needed for the employee to take on new responsibilities and grow in their career.

Goal Planning Process

The goal planning process is a partnership between the employee and their leader.

Use the following guidelines to ensure that performance and development goal-setting efforts will create value for the employee and the company.

Agree on Up to Six Performance Goals

Make sure there is alignment between the employee's performance goals and those of the department, business unit and the company. Employees can reference the goal library to look at sample goals.

Leaders can "cascade" the same goal across their organization.

Employees should have at least one "stretch" goal or an existing goal with a stretch target.

Stretch goals are those that challenge an employee to go beyond their comfort level.

To get the scope of the goal correct, make sure the focus is on the end result, not just the tasks.

You can add multiple sub-goals (or tasks) for each goal.

Establish Up to Three Development Goals (Minimum One)

When goals are being created make sure to select the competencies that need to be developed. Use the 70-20-10 rule to determine development goals and related actions.

70 Percent Experience

As a rule, 70 percent of development goal actions should focus on realistic, on-the-job (and stretch) experiences. Learning and developing skills can take place through day-to-day tasks, challenges and practice.

20 Percent Exposure

20 percent of the actions should be about learning and developing with and through others from informal coaching, exploiting personal networks and other collaborative and cooperative actions.

10 Percent Education

Try to focus no more than 10 percent of development goal actions on learning and developing through structured courses and programs.

Make Both Performance and Development Goals SMART

Specific

Get specific with the who, what, where, when and why of the achievement.

Measurable

Use clear measures of success, key metrics and milestones.

Attainable

Make goals achievable. This will provide not only realistic expectations, but also a "stretch" opportunity for the employee to develop and grow.

Relevant

Goals should be results-focused, in-line with business priorities, and produce tangible outcomes.

Time-Bound

Having a specific due date gives focus and sense of urgency to the goal planning work.

Have Regular Feedback Discussions

Set up a schedule for talks with your employees. Check-in conversations may happen once or twice per calendar year, but feedback should be given more often.

Make sure you discuss any needed goal updates. The best goal plans are fluid and can change based on needs.

While some actions may take longer than others, once the desired skill or behavior is achieved, move on to the next goal.

Need Help?

The HR4U Contact Center is here to help!

Call **844-694-HR4U (4748)** or submit a **request**

Standard hours :
Mon - Wed: 8 a.m. - 7 p.m. ET | Thurs 10 a.m - 5 p.m. ET | Fri 8 a.m - 5 p.m. ET