



Maria Jose Moncada
Associate General Counsel
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408
(561) 304-5795
(561) 691-7135 (facsimile)
maria.moncada@fpl.com

April 3, 2026

-VIA ELECTRONIC FILING-

Adam Teitzman
Division of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 20260001-EI

Dear Mr. Teitzman:

Attached for electronic filing in the above docket are the prepared testimony and exhibit of Florida Power & Light Company ("FPL") witness Michael V. Cashman. This testimony is submitted in support of FPL's Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery Final True-Ups and Asset Optimization Program Results for the Period Ending December 2025.

Please feel free to contact me with any questions regarding this filing.

Sincerely,

s/ Maria Jose Moncada

Maria Jose Moncada

Attachments

cc: Counsel for Parties of Record (w/ attachments)

Florida Power & Light Company

700 Universe Boulevard, Juno Beach, FL 33408

23618782

CERTIFICATE OF SERVICE

Docket No. 20260001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished

by electronic service on this 3rd day of April 2026 to the following:

Major Thompson
Zachary Bloom
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
mthompso@psc.state.fl.us
zbloom@psc.state.fl.us

J. Jeffry Wahlen
Malcolm N. Means
Matt Jones
Ausley McMullen
Post Office Box 391
Tallahassee, Florida 32302
jwahlen@ausley.com
mmeans@ausley.com
mjones@ausley.com
Attorneys for Tampa Electric Company

Paula K. Brown
Manager, Regulatory Coordination
Tampa Electric Company
Post Office Box 111
Tampa, Florida 33601
regdept@tecoenergy.com

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe Street, Suite 601
Tallahassee, Florida 32301
bkeating@gunster.com
**Attorneys for Florida Public Utilities
Company**

Walt Trierweiler
Charles J. Rehwinkel
Patricia A. Christensen
Octavio Simoes-Ponce
Austin Watrous
Office of Public Counsel
The Florida Legislature
111 W. Madison Street, Room 812
Tallahassee, Florida 32399
trierweiler.walt@leg.state.fl.us
rehwinkel.charles@leg.state.fl.us
christensen.patty@leg.state.fl.us
ponce.octavio@leg.state.fl.us
watrous.austin@leg.state.fl.us
**Attorneys for the Citizens of the
State of Florida**

Dianne M. Triplett
299 First Avenue North
St. Petersburg, Florida 33701
dianne.triplett@duke-energy.com

Matthew R. Bernier
Robert L. Pickels
Stephanie A. Cuello
106 East College Avenue, Suite 800
Tallahassee, Florida 32301
matt.bernier@duke-energy.com
robert.pickels@duke-energy.com
stephanie.cuello@duke-energy.com
FLRegulatoryLegal@duke-energy.com
Attorneys for Duke Energy Florida

Jon C. Moyle, Jr.
Moyle Law Firm, P.A.
118 North Gadsden Street
Tallahassee, Florida 32301
jmoyle@moylelaw.com
**Attorneys for Florida Industrial Power
Users Group**

Michelle Napier, Regulatory Affairs
Jowi Baugh, Regulatory Affairs
Jessica Husted, Regulatory Affairs
**Florida Public Utilities
Company/Chesapeake**
1635 Meathe Drive
West Palm Beach, Florida 33411
michelle_napier@chpk.com
jbaugh@chpk.com
jhusted@chpk.com

Peter J. Mattheis
Michael K. Lavanga
Joseph R. Briscar
Stone Mattheis Xenopoulos & Brew, PC
1025 Thomas Jefferson Street, NW
Suite E-3400, Washington, DC 20007
pjm@smxblaw.com
mkl@smxblaw.com
jrb@smxblaw.com
Attorneys for Nucor Steel Florida, Inc.

James W. Brew
Laura Wynn Baker
Sarah B. Newman
Stone Mattheis Xenopoulos & Brew, P.C.
1025 Thomas Jefferson Street NW
Suite E-3400, Washington, DC 20007
jbrew@smxblaw.com
lwb@smxblaw.com
sbn@smxblaw.com
**Attorneys for White Springs Agricultural
Chemicals Inc. d/b/a PCS Phosphate –
White Springs**

William C. Garner
Law Office of William C. Garner, PLLC
3425 Bannerman Road
Unit 105, No. 414
Tallahassee, FL 32312
bgarner@wcglawoffice.com
Southern Alliance for Clean Energy

By: s/ Maria Jose Moncada
Maria Jose Moncada
Florida Bar No. 0773301

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **TESTIMONY OF MICHAEL V. CASHMAN**

4 **DOCKET NO. 20260001-EI**

5 **APRIL 3, 2026**

6
7 **Q. Please state your name, business address, employer and position.**

8 A. My name is Michael V. Cashman. My business address is 700 Universe Boulevard, Juno
9 Beach, Florida, 33408. I am employed by Florida Power & Light Company (“FPL”) as
10 Managing Director, Operations & Trading in the Energy Marketing and Trading (“EMT”)
11 Division.

12 **Q. Please summarize your educational background and professional experience.**

13 A. I earned a bachelor’s degree in Mechanical Engineering and a master’s degree in Business
14 Administration from the University of Michigan. I joined the NextEra Energy family of
15 companies in 1998, progressing professionally within the Market Analysis organization
16 from Market Intelligence Analyst to Senior Director before being tapped to lead NextEra
17 Energy Marketing’s Asset Trading and Optimization organization. In 2022,
18 responsibilities for Independent System Operator asset operations were consolidated with
19 asset trading and optimization under me acting as the Executive Director of Asset
20 Operations and Trading. In this role, my team was responsible for managing the
21 operations and optimization of 36 GW of generation located in eight U.S. and Canadian
22 Regional Transmission Organizations as well as the management of annual commodity
23 price exposure for approximately 250 Bcf of natural gas and 10 million barrels of oil

1 and natural gas liquids production. I joined FPL’s EMT organization in July of 2024 as
2 the Executive Director of Wholesale Operations and Trading where I oversee power
3 trading, coal and fuel oil operations as well as FPL’s natural gas scheduling team. In
4 March of 2026, I was promoted to my current role where my responsibilities were
5 expanded to include long-term resource planning and strategic initiatives.

6 **Q. What is the purpose of your testimony?**

7 A. The purpose of my testimony is to present the 2025 results of FPL’s activities under
8 the Asset Optimization Program (or “the Program”), an incentive mechanism that was
9 originally approved by Order No. PSC-13-0023-S-EI, dated January 14, 2013, in
10 Docket No. 120015-EI, approved for continuation, with certain modifications, by Order
11 No. PSC-16-0560-AS-EI, dated December 15, 2016, in Docket No. 160021-EI, and
12 approved as an ongoing program, with further modifications, by Order No. PSC-2021-
13 0446-S-EI, dated December 2, 2021, in Docket No. 20210015-EI.

14 **Q. Have you prepared or caused to be prepared under your supervision, direction
15 and control any exhibits in this proceeding?**

16 A. Yes, I am sponsoring the following exhibit:

- 17 • Exhibit MVC-1, consisting of 4 pages:
 - 18 ▪ Page 1 – Total Gains Schedule
 - 19 ▪ Page 2 – Wholesale Power Detail
 - 20 ▪ Page 3 – Asset Optimization Detail
 - 21 ▪ Page 4 – Incremental Optimization Costs

1 **Q. Please provide an overview of the Asset Optimization Program.**

2 A. The Asset Optimization Program is designed to create additional value for FPL’s
3 customers while also providing an incentive to FPL if certain customer-value
4 thresholds are achieved. The Program includes gains from wholesale power sales and
5 savings from wholesale power purchases, as well as gains from other forms of asset
6 optimization. Under the original 2012 approval, other forms of asset optimization
7 include, but are not limited to, natural gas storage optimization, natural gas sales,
8 capacity releases of natural gas transportation, capacity releases of electric transmission
9 and potentially capturing additional value from a third party in the form of an Asset
10 Management Agreement.

11 **Q. Please describe the modifications that were made to the Asset Optimization**
12 **Program in FPL’s 2021 rate case and approved by Order No. PSC-2021-0446-S-**
13 **EI.**

14 A. Five modifications were made to the Program through Order No. PSC-2021-0446-S-
15 EI. The following modifications are described in Paragraph 21 of the 2021 Stipulation
16 and Settlement Agreement:

17 (i) FPL may optimize all fuel sources – beyond just natural gas supply and capacity
18 – when it is reasonable and in the best interests of customers to do so based on
19 the system requirements, market demand, and market price of the fuel or
20 capacity at the time;

21 (ii) FPL may monetize its renewable energy credits (“RECs”);

22 (iii) The number of annual savings thresholds is reduced from four to three for
23 reporting purposes. Threshold 1: FPL customers receive 100% of the asset

1 optimization gains up to a threshold of \$42.5 million. Threshold 2: FPL will
2 retain 60% and customers will receive 40% of incremental gains between \$42.5
3 million and \$100 million. Threshold 3: FPL will retain 50% and customers will
4 receive 50% of incremental gains in excess of \$100 million.

5 (iv) The per-MWh variable power plant O&M rate shall be \$0.48/MWh; and

6 (v) Optimization activities, variable power plant O&M rates, and savings
7 thresholds shall be considered “adjustable parameters” such that FPL may
8 request that the Commission review and adjust these parameters every four
9 years in the Fuel Cost Recovery Docket.

10 **Q. Please summarize the activities and results of the Asset Optimization Program for**
11 **2025.**

12 A. FPL’s activities under the Asset Optimization Program in 2025 delivered \$171,166,776
13 in total gains. During 2025, FPL’s optimization activities consisted of wholesale power
14 purchases and sales, natural gas sales in the market and production areas, gas storage
15 utilization, the capacity release of firm natural gas transportation, and the sale of RECs.
16 Additionally, FPL entered into several Asset Management Agreements related to a
17 portion of upstream gas transportation during 2025. The total gains exceeded the
18 sharing thresholds of \$42.5 million and \$100 million. Therefore, the incremental gains
19 above \$42.5 million and up to \$100 million will be shared between customers and FPL
20 40% and 60%, respectively, with all gains above \$100 million shared equally. Exhibit
21 MVC-1, Page 1, shows monthly gain totals, threshold levels, and the final gains
22 allocation for 2025.

1 **Q. Please provide the details of FPL’s wholesale power activities under the Asset**
2 **Optimization Program for 2025.**

3 A. The details of FPL’s 2025 wholesale power sales and purchases are shown separately
4 on Page 2 of Exhibit MVC-1. FPL had gains of \$74,333,666 on wholesale sales,
5 inclusive of transmission revenues, and savings of \$2,316,321 on wholesale purchases
6 for the year.

7 **Q. Please provide the details of FPL’s other asset optimization activities under the**
8 **Program for 2025.**

9 A. The details of FPL’s 2025 asset optimization activities unrelated to wholesale power
10 are shown on Page 3 of Exhibit MVC-1. FPL had a total of \$94,516,790 of gains that
11 were the result of eight different forms of asset optimization.

12 **Q. Did FPL incur incremental O&M expenses related to the operation of the Asset**
13 **Optimization Program in 2025?**

14 A. Yes. FPL incurred both personnel expenses and variable power plant O&M expenses
15 related to the Asset Optimization Program. FPL incurred personnel expenses of
16 \$1,523,230 related to the costs associated with personnel required to support FPL’s
17 activities under the Program.

18
19 With respect to the variable power plant O&M expenses, FPL’s actual net economy
20 power sales and purchases were 2,910,202 MWh (3,110,822 MWh of economy sales
21 and 200,620 MWh of economy purchases), resulting in net variable power plant O&M
22 costs of \$1,380,768 for 2025.

1 **Q. Overall, were FPL’s activities under the Asset Optimization Program successful**
2 **in 2025?**

3 A. Yes. FPL’s activities under the Program were highly successful in 2025. On the
4 wholesale power side, suitable market conditions helped drive strong wholesale power
5 sales consistently throughout the year, with the winter season delivering the highest
6 benefits. FPL was also able to purchase power from the market to avoid running more
7 expensive generation, predominantly during maintenance season and during the height
8 of the summer. Overall, FPL was able to consistently capitalize on power market
9 opportunities throughout the year to deliver \$76.6 million in wholesale power asset
10 optimization benefits. Market opportunities for asset optimization activities related to
11 natural gas were also fairly consistent throughout the year, and coupled with the sale
12 of RECs, delivered \$94.5 million in benefits. In total, all optimization activities
13 delivered significant benefits of \$171.1 million, which contrast very favorably to the
14 total optimization expenses (personnel and variable power plant O&M) of \$2.9 million.

15 **Q. Does this conclude your testimony?**

16 A. Yes.

TOTAL GAINS SCHEDULE
Actual for the Period of: January 2025 through December 2025

TABLE 1

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Month	Wholesale Sales Gains (\$)	Wholesale Purchases Savings (\$)	Asset Optimization Gains (\$)	Total Monthly Gains (\$)	Threshold 1 Gains ≤ \$42.5M (\$)	Threshold 2 \$42.5M > Gains ≤ \$100M (\$)	Threshold 3 Gains > \$100M (\$)
				(2)+(3)+(4)			
January	20,480,835	1,290,959	12,237,373	34,009,166	34,009,166	0	0
February	5,903,705	573,220	6,318,583	12,795,507	8,490,834	4,304,674	0
March	5,507,935	(2,110,394)	6,863,212	10,260,753	0	10,260,753	0
April	6,694,548	(321)	7,409,643	14,103,869	0	14,103,869	0
May	4,616,495	244,824	6,658,472	11,519,790	0	11,519,790	0
June	4,716,247	436,444	6,113,424	11,266,115	0	11,266,115	0
July	7,669,595	1,285,201	5,908,535	14,863,331	0	1,044,799	13,818,533
August	2,443,529	491,764	6,424,132	9,359,425	0	0	9,359,425
September	3,472,680	(1,020)	7,475,366	10,947,026	0	0	10,947,026
October	2,699,659	57,912	6,353,069	9,110,640	0	0	9,110,640
November	5,670,785	34,131	8,176,630	13,881,545	0	0	13,881,545
December	4,457,655	13,602	14,578,351	19,049,608	0	0	19,049,608
Total	74,333,666	2,316,321	94,516,790	171,166,776	42,500,000	52,500,000	76,166,777

TABLE 2

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Month	Threshold 1 Gains ≤ \$42.5M 100% Customer Benefit (\$)	Threshold 2 \$42.5M > Gains ≤ \$100M 40% Customer Benefit (\$)	Threshold 2 \$42.5M > Gains ≤ \$100M 60% FPL Benefit (\$)	Threshold 3 Gains > \$100M 50% Customer Benefit (\$)	Threshold 3 Gains > \$100M 50% FPL Benefit (\$)	Total Customer Benefits (\$)	Total FPL Benefits (\$)
January	34,009,166	0	0	0	0	34,009,166	0
February	8,490,834	1,721,869	2,582,804	0	0	10,212,703	2,582,804
March	0	4,104,301	6,156,452	0	0	4,104,301	6,156,452
April	0	5,641,548	8,462,322	0	0	5,641,548	8,462,322
May	0	4,607,916	6,911,874	0	0	4,607,916	6,911,874
June	0	4,506,446	6,759,669	0	0	4,506,446	6,759,669
July	0	417,919	626,879	6,909,266	6,909,266	7,327,186	7,536,145
August	0	0	0	4,679,712	4,679,712	4,679,712	4,679,712
September	0	0	0	5,473,513	5,473,513	5,473,513	5,473,513
October	0	0	0	4,555,320	4,555,320	4,555,320	4,555,320
November	0	0	0	6,940,773	6,940,773	6,940,773	6,940,773
December	0	0	0	9,524,804	9,524,804	9,524,804	9,524,804
Total	42,500,000	21,000,000	31,500,000	38,083,388	38,083,388	101,583,388	69,583,388

WHOLESALE POWER DETAIL
Actual for the Period of: January 2025 through December 2025

Wholesale Sales - Table 1								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Month	Total Wholesale Sales (MWh)	OS Gross Gains (\$)	Third-Party Transmission Costs (\$)	Variable Power Plant O&M Costs (\$)	Power Option Premiums (\$)	Transmission Revenues (\$)	Transmission Revenues from Capacity Sales (\$)	Total Net Wholesale Sales Gains (\$)
	Schedule A6	Schedule A6	Schedule A6	Schedule A6	*CCRC	*CCRC	*CCRC:(6)+(7)	(3)+(4)+(5)+(8)
January	435,854	17,144,424	540,460	209,210	1,895,910	2,190,170	4,086,080	20,480,835
February	229,991	4,223,517	293,400	110,396	1,158,450	925,533	2,083,983	5,903,705
March	328,827	4,373,298	174,208	141,709	339,000	1,111,554	1,450,554	5,507,935
April	307,233	5,075,792	7,019	147,472	724,075	1,049,172	1,773,247	6,694,548
May	236,177	3,446,828	3,022	113,365	965,113	320,941	1,286,054	4,616,495
June	257,028	4,386,723	7,072	123,373	0	459,970	459,970	4,716,247
July	259,338	6,701,004	44,524	124,482	0	1,137,597	1,137,597	7,669,595
August	134,507	2,052,649	70	64,563	393,750	61,764	455,514	2,443,529
September	181,776	2,756,899	12,694	87,252	393,750	421,977	815,727	3,472,680
October	207,030	1,996,330	45,555	99,374	393,750	454,507	848,257	2,699,659
November	229,313	4,836,831	135,893	110,070	131,250	948,666	1,079,916	5,670,785
December	303,748	3,480,674	116,883	145,799	0	1,239,663	1,239,663	4,457,655
Total	3,110,822	60,474,969	1,380,798	1,477,067	6,395,048	10,321,515	16,716,563	74,333,666

Wholesale Purchases - Table 2					
(1)	(2)	(3)	(4)	(5)	(6)
Month	Total Wholesale Purchases (MWh)	OS Savings (\$)	Capacity Purchases (MWh)	Net Capacity Purchases Savings (\$)	Total Wholesale Purchases Savings (\$)
	Schedule A9	Schedule A9	Schedule A7/A12		(3) + (5)
January	46,409	1,290,959	0	0	1,290,959
February	26,250	573,220	0	0	573,220
March	36,309	(2,110,394)	0	0	(2,110,394)
April	445	(321)	0	0	(321)
May	17,981	244,824	0	0	244,824
June	15,019	436,444	0	0	436,444
July	32,058	1,285,201	0	0	1,285,201
August	16,717	491,764	0	0	491,764
September	0	(1,020)	0	0	(1,020)
October	7,380	57,912	0	0	57,912
November	1,652	34,131	0	0	34,131
December	400	13,602	0	0	13,602
Total	200,620	2,316,321	0	0	2,316,321

*Capacity Cost Recovery Clause - Option premium gains are included under Transmission Revenues from Capacity Sales line item.

ASSET OPTIMIZATION DETAIL
Actual for the Period of: January 2025 through December 2025

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Month	Electric Transmission Capacity Release Firm Transmission (\$)	Natural Gas Delivered City-Gate Sales (\$)	Natural Gas Production Area Sales (\$)	Natural Gas Capacity Release Firm Transport (\$)	Natural Gas Option Premiums (\$)	Natural Gas Storage Optimization (\$)	Natural Gas AMA Gains (\$)	OBA Service Gains (\$)	Solar REC Sales (\$)	Total Asset Optimization Gains (\$)
January										12,237,373
February										6,318,583
March										6,863,212
April										7,409,643
May										6,658,472
June										6,113,424
July										5,908,535
August										6,424,132
September										7,475,366
October										6,353,069
November										8,176,630
December										14,578,351
Total	0	6,532,641	3,111,051	4,387,701	31,697,250	8,403,098	18,033,942	48,000	22,303,106	94,516,790

INCREMENTAL OPTIMIZATION COSTS
Actual for the Period of: January 2025 through December 2025

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Month	Personnel Expenses (\$)	Other Expenses*	Wholesale Sales (MWh)	Wholesale Purchases (MWh)	Wholesale Sales VOM (\$)	Wholesale Purchases VOM (\$)	Net VOM (\$)	Total Incremental O&M Expenses (\$)
	Schedule A2						Schedule A2	(2) + (3) + (8)
January	108,747	0.00	435,854	46,409	209,210	(22,276)	186,934	295,680
February	118,652	0.00	229,991	26,250	110,396	(12,600)	97,796	216,448
March	119,805	0.00	328,827	36,309	141,709	(17,428)	124,281	244,086
April	195,480	0.00	307,233	445	147,472	(214)	147,258	342,738
May	138,910	0.00	236,177	17,981	113,365	(8,631)	104,734	243,645
June	13,532	0.00	257,028	15,019	123,373	(7,209)	116,164	129,697
July	128,055	0.00	259,338	32,058	124,482	(15,388)	109,094	237,150
August	92,168	0.00	134,507	16,717	64,563	(8,024)	56,539	148,707
September	117,824	0.00	181,776	0	87,252	0	87,252	205,077
October	125,451	0.00	207,030	7,380	99,374	(3,542)	95,832	221,283
November	162,730	0.00	229,313	1,652	110,070	(793)	109,277	272,007
December	201,875	0.00	303,748	400	145,799	(192)	145,607	347,482
Total	1,523,230	0	3,110,822	200,620	1,477,066	(96,298)	1,380,768	2,903,999

*Includes software and hardware expenses