State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: July 7, 2026

TO: Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

FROM: Lynn M. Deamer, Chief of Auditing, Office of Auditing and Performance Analysis LD

RE: Docket No.: 20260002- EG
Company Name: Florida Power & Light Company
Company Code: EI802
Audit Purpose: A3b: Energy Conservation Cost Recovery Clause (ECCR)
Audit Control No.: 2026-015-1-1

Attached is the final audit report for the Utility stated above, I am sending the Utility a copy of this memo and audit report. If the Utility desired to file a response to the audit report, it should send a response to the Office of the Commission Clerk. There are no confidential work papers associated with this audit.

Attachement: Audit Report

Cc: Office of Audit & Performance Analysis

State of Florida

Public Service Commission

Office of Auditing and Performance Analysis
Bureau of Auditing

Auditor's Report

Florida Power & Light Company
Energy Conservation Cost Recovery Clause

Twelve Months Ended December 31, 2025

Docket No. 20260002-EG
Audit Control No. 2026-015-1-1
July 7, 2026

Yen Ngo
Audit Manager

Lynn Deamer
Reviewer

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Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the objectives set forth by the Division of Economics in its audit service request dated January 5, 2026. We have applied these procedures to the attached summary exhibits and to several related schedules prepared by Florida Power & Light Company in support of its 2025 filings for the Energy Conservation Cost Recovery Clause in Docket No. 20260002-EG.

The report is intended only for internal Commission use.

Objectives and Procedures

General

Definition

Company refers to Florida Power & Light Company.
ECCR refers to Energy Conservation Cost Recovery Clause.

Revenue

Operating Revenues

Objectives: The objectives were to determine the actual Kilowatt Hours (kWh) sold for the period January 1, 2025, through December 31, 2025, and whether the Company applied the Commission-approved cost recovery factor to actual kWh sales for the ECCR

Procedures: We reconciled the 2025 filings to the Company's monthly ECCR Revenue Reports. We recalculated the revenues from the general ledger and reconciled to Schedule CT-3. We computed the factors by rate code and compared them to the applicable Commission Order. We judgmentally sampled and recalculated residential and commercial bills by rate class in Docket No. 20260001-EI, Audit Control Number 2026-012-1-1, to verify that the correct tariff rates were used. No exceptions were noted.

Expense

Operation and Maintenance Expense

Objectives: The objectives were to verify that Operation and Maintenance (O&M) Expenses listed on Schedule CT-3 of the Company's ECCR filing are supported by adequate documentation and that the expenses are appropriately recoverable through the ECCR.

Procedures: We reconciled O&M expenses in the filing to the general ledger. We performed a sample of O&M expenses for 2025. The source documentation for selected items were reviewed to ensure that they were in the correct period, for the correct amount, charged to the correct account, and appropriately recoverable through the ECCR clause. We reconciled incentives to the corresponding approved program standards. Advertising expenses were reviewed for compliance with Rule 25-17.015(5), Energy Conservation Cost Recovery, Florida Administrative Code. No exceptions were noted.

True-up

Objectives: The objective was to determine if the True-Up and Interest Provision, as filed on Schedule CT-3, was properly calculated.

Procedures: We traced the December 31, 2024, True-up Provision to the Commission Order No. PSC-2024-0484-FOF-EG. We recalculated the True-Up and Interest Provision amounts as of December 31, 2025, using the Commission approved beginning balances as of December 31, 2024, the Financial Commercial Paper rates, and the 2025 ECCR revenues and costs. No exceptions were noted.

Other Issues

Objectives: The objective was to verify the number of program participants reported in the Company's Florida Energy Efficiency and Conservation Act (FEECA) filing.

Procedures: We verified the number of participants reported in the Company's 2026 FEECA filing for Residential Home Energy Survey, Residential Load Management, Business Energy Evaluation, and Commercial/Industrial Demand Reduction. We traced the program participants to source documentation and determined the method by which participants joined the program. No exceptions were noted.

Analytical Review

Objectives: The objective was to perform an analytical review of the Company's ECCR Revenues and Expenses to determine if there were any material changes or inconsistencies from the prior year.

Procedures: We compared 2025 to 2022 through 2024 revenues and expenses. We obtained explanations from the Company for any significant variances, and the explanations were sufficient. No further work was performed

Audit Findings

None

Exhibits

Exhibit 1: True-Up

FLORIDA POWER & LIGHT COMPANY
ENERGY CONSERVATION COST RECOVERY (ECCR)
CONSERVATION TRUE-UP CALCULATION

SCHEDULE CT-3

January 2025 through December 2025

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	a-Jan - 2025	a-Feb - 2025	a-Mar - 2025	a-Apr - 2025	a-May - 2025	a-Jun - 2025	a-Jul - 2025	a-Aug - 2025	a-Sep - 2025	a-Oct - 2025	a-Nov - 2025	a-Dec - 2025	Total
1. Conservation Clause Revenues (Net of Revenue Taxes)	$11,978,935	$12,345,861	$11,208,582	$12,431,959	$14,033,157	$15,878,394	$16,045,780	$17,175,947	$15,913,780	$14,854,860	$12,457,085	$11,741,292	$166,065,632
2. Adjustment Not Applicable to Period - Prior True-Up	$407,611	$407,611	$407,611	$407,611	$407,611	$407,611	$407,611	$407,611	$407,611	$407,611	$407,611	$407,611	$4,891,332
3. Conservation Revenues Applicable to Period (Line 1+2)	$12,386,546	$12,753,472	$11,616,193	$12,839,570	$14,440,768	$16,286,005	$16,453,391	$17,583,558	$16,321,391	$15,262,471	$12,864,696	$12,148,903	$170,956,964
4. Conservation Expenses	$11,488,631	$10,728,598	$10,967,972	$13,610,371	$13,492,213	$14,443,175	$14,309,062	$14,527,837	$14,909,215	$16,675,969	$14,293,730	$19,250,537	$168,697,310
5. True-Up This Period (Line 3-4)	$897,915	$2,024,874	$648,221	($770,801)	$948,555	$1,842,829	$2,144,329	$3,055,721	$1,412,177	($1,413,499)	($1,429,034)	($7,101,634)	$2,259,654
6. Interest Provision for the Month	$32,529	$36,429	$39,791	$37,932	$37,055	$43,882	$46,591	$54,325	$59,341	$56,037	$48,915	$32,499	$522,326
7. True-Up & Interest Provision Beginning of Month	$4,891,332	$5,414,164	$7,067,857	$7,348,258	$6,207,778	$6,785,777	$8,261,878	$10,045,187	$12,747,622	$13,811,529	$12,046,456	$10,258,726	$4,891,332
7a. Deferred True-Up Beginning of Period	$3,826,632	$3,826,632	$3,826,632	$3,826,632	$3,826,632	$3,826,632	$3,826,632	$3,826,632	$3,826,632	$3,826,632	$3,826,632	$3,826,632	
8.True-Up Collected/(Refunded) (see Line 2)	($407,611)	($407,611)	($407,611)	($407,611)	($407,611)	($407,611)	($407,611)	($407,611)	($407,611)	($407,611)	($407,611)	($407,611)	($4,891,332)
9.End of Period Total True-Up (Lines 5+6+7+7a+8)	$9,240,796	$10,894,488	$11,174,889	$10,034,409	$10,612,408	$12,068,509	$13,871,818	$16,574,254	$17,638,180	$15,873,088	$14,085,358	$6,609,811	$2,781,980
10.Adjustment to Period True-Up Including Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11.End of Period Total True-Up (Lines 9 + 10)	$9,240,796	$10,894,488	$11,174,889	$10,034,409	$10,612,408	$12,068,509	$13,871,818	$16,574,254	$17,638,180	$15,873,088	$14,085,358	$6,609,811	$2,781,980

Note: ( ) Reflects Underrecovery
Totals may not add due to rounding.

Exhibit 2: Interest Provision

FLORIDA POWER & LIGHT COMPANY
ENERGY CONSERVATION COST RECOVERY (ECCR)
CONSERVATION TRUE-UP CALCULATION

SCHEDULE CT-3

January 2025 through December 2025

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Interest Provision	a-Jan - 2025	a-Feb - 2025	a-Mar - 2025	a-Apr - 2025	a-May - 2025	a-Jun - 2025	a-Jul - 2025	a-Aug - 2025	a-Sep - 2025	a-Oct - 2025	a-Nov - 2025	a-Dec - 2025	Total
1. Beginning True-Up Amount	$8,717,963	$9,240,796	$10,884,459	$11,174,889	$10,234,409	$10,812,408	$12,088,509	$13,871,818	$16,574,254	$17,838,160	$15,873,069	$14,285,358	
2. Ending True-Up Amount Before Interest	$9,203,267	$10,858,059	$11,135,099	$9,996,477	$10,575,353	$12,047,627	$13,825,227	$16,519,928	$17,578,819	$15,917,051	$14,036,443	$6,576,113	
3. Total of Beginning & Ending True-Up (Line 1 + 2)	$17,920,230	$20,098,855	$22,029,557	$21,171,366	$20,809,763	$22,860,035	$25,913,736	$30,391,746	$34,153,073	$35,455,211	$29,909,531	$20,861,473	
4. Average True-Up Amount (50% of Line 3)	$8,963,115	$10,049,428	$11,014,799	$10,585,683	$10,304,881	$11,330,017	$12,956,868	$15,195,873	$17,076,536	$16,727,605	$14,954,766	$10,330,735	
5. Interest Rate - First Day of Reporting Business Month	4.36000%	4.35000%	4.35000%	4.32000%	4.28000%	4.35000%	4.31000%	4.32000%	4.26000%	4.08000%	3.98000%	3.69000%	
6. Interest Rate - First Day of Subsequent Business Month	4.35000%	4.35000%	4.32000%	4.28000%	4.35000%	4.31000%	4.32000%	4.28000%	4.08000%	3.96000%	3.69000%	3.86000%	
7. Total (Line 5 + 6)	8.71000%	8.70000%	8.67000%	8.60000%	8.63000%	8.66000%	8.63000%	8.60000%	8.34000%	8.04000%	7.65000%	7.55000%	
8. Average Interest Rate (50% of Line 7)	4.35500%	4.35000%	4.33500%	4.30000%	4.31500%	4.33000%	4.31500%	4.30000%	4.17000%	4.02000%	3.82500%	3.77500%	
9. Monthly Average Interest Rate (Line 8 / 12)	0.36292%	0.36250%	0.36125%	0.35833%	0.35958%	0.36083%	0.35958%	0.35750%	0.34750%	0.33500%	0.32708%	0.31458%	
10. Interest Provision for the Month (Line 4 x 9)	$32,529	$36,429	$39,791	$37,932	$37,055	$40,882	$46,591	$54,325	$59,341	$56,037	$48,915	$32,499	$522,326

Note: Totals may not add due to rounding