

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: June 10, 2021
TO: Office of Commission Clerk
FROM: Marisa N. Glover, Office of Auditing and Performance Analysis *MN*
RE: Docket No.: 20210015-EI
Company Name: Florida Power & Light
Company Code: EI802
Audit Purpose: A1a: File & Suspend Rate Case
Audit Control No: 2021-096-1-1

Attached is the final audit report for the Utility stated above. I am sending the Utility a copy of this memo and the audit report. If the Utility desires to file a response to the audit report, it should send a response to the Office of Commission Clerk. There are confidential work papers associated with this audit.

MNG/cmm

Attachment: Audit Report

cc: Office of Auditing and Performance Analysis File.

State of Florida



Public Service Commission

Office of Auditing and Performance Analysis
Bureau of Auditing
Tallahassee District Office

Auditor's Report

Florida Power & Light Company
Rate Case Audit

Twelve Months Ended December 31, 2020

Docket No. 20210015-EI
Audit Control No. 2021-096-1-1
June 2, 2021

Handwritten signature of Debra M. Dobiac in black ink.

Debra M. Dobiac
Audit Manager

Handwritten signature of Thomas Wolff in blue ink.

Thomas Wolff
Audit Staff

Handwritten signature of Demetrius Jones in black ink.

Demetrius Jones
Audit Staff

Handwritten signature of Jonathan Miller in black ink.

Jonathan Miller
Audit Staff

Handwritten signature of Gabriela M. Leon in black ink.

Gabriela M. Leon
Audit Staff

Handwritten signature of Yen N. Ngo in black ink.

Yen N. Ngo
Audit Staff

Handwritten signature of Hyma Vedula in black ink.

Hyma Vedula
Audit Staff

Handwritten signature of Marisa N. Glover in black ink.

Marisa N. Glover
Reviewer

Table of Contents

Purpose.....	1
Objectives and Procedures.....	2
Audit Findings	
None.....	7
Exhibits	
1: Rate Base-FPL	8
2: Rate Base-GPC	9
3: Capital Structure	10
4: Net Operating Income-FPL.....	11
5: Net Operating Income-GPC.....	12

Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report set forth by the Division of Accounting and Finance in its audit service request dated April 2, 2021. We have applied these procedures to the attached schedules prepared by Florida Power & Light Company in support of its filing for rate relief in Docket No. 20210015-EI.

The report is intended only for internal Commission use.

Objectives and Procedures

General

Definitions

FPL/Utility refers to Florida Power & Light Company, which is a wholly owned subsidiary of NextEra Energy, Inc.

GPC refers to Gulf Power Company, which is a wholly owned subsidiary of NextEra Energy, Inc.

FERC refers to the Federal Energy Regulatory Commission.

USOA refers to the FERC Uniform System of Accounts as adopted by Commission Rule 25-6.014 – Records and Reports in General, Florida Administrative Code. (F.A.C.)

Background

The Utility's last petition for rate relief was granted in Docket No. 20160021-EI, in Order No. PSC-2016-0560-AS-EI. The Utility's Historical Rate Base was last established as of December 31, 2015. GPC's last petition for rate relief was granted in Docket No. 20160186-EI, in Order No. PSC-2017-0178-S-EI. GPC's Historical Rate Base was last established as of December 31, 2015.

Objectives: The objectives in this proceeding were to determine whether the Utility's and GPC's 2020 historic year end filing in Docket No. 20210015-EI is consistent and in compliance with Section 366.06 – Rates, Procedures for Fixing and Changing, Florida Statutes (F.S.), and Commission Rule 25-6.043 – Investor Owned Electric Utility Minimum Filing Requirements, F.A.C.

Procedures: We performed the following specific objectives and procedures to satisfy the overall objective identified above.

Rate Base

Utility Plant in Service

Objectives: The objectives were to verify the 13-month average plant balances for each plant account for the audit period. In addition, we were to verify the plant additions, retirements, and adjustments from the last rate case date through December 31, 2020.

Procedures: Audit staff obtained a schedule by plant and reserve accounts from January 1, 2016 through December 31, 2020. We traced this schedule to the trial balance and the MFRs. We judgmentally selected work orders added since the last rate case and traced additions, retirements, and adjustments, to supporting documentation. We recalculated a sample of 13-month average balances for UPIS included in the filing. No exceptions were noted.

Accumulated Depreciation

Objectives: The objectives were to determine whether accruals, retirements and adjustments to accumulated depreciation (AD) are properly recorded in compliance with the USOA, and that balances are properly stated based on Commission adjustments in the prior rate cases in Order Nos. PSC-2016-0560-AS-EI and PSC-2017-0178-S-EI, and to recalculate the 13-month average balance for AD as of December 31, 2020.

Procedures: We reconciled the Utility's and GPC's books to the MFR for the historical test year. We reconciled the annual accumulated depreciation and amortization accruals to the Utility's books. We reconciled depreciation rates to Order Nos. PSC-2016-0560-AS-EI and PSC-2017-0178-S-EI without exception. We also selected a sample of adjustments made by the Utility and traced to the source documents. We verified, based on a judgmental sample of selected AD accounts, that the AD is properly recorded for the period December 31, 2020, and the Utility and GPC properly restated and used the depreciation rates approved in the orders cited above. We traced the AD adjustments to source documents and noted that they were consistent with the order cited above. We recalculated a sample of 13-month average balances for selected AD accounts included in the filing. No exceptions were noted.

Construction Work in Progress

Objectives: The objectives were to determine the nature and purpose of utility projects recorded as construction work in progress (CWIP), and whether projects that are eligible to accrue allowance for funds used during construction (AFUDC) are excluded from rate base pursuant to Commission Rule 25-6.0141, F.A.C. – Allowance for Funds Used During Construction, CWIP balances are properly stated based on Commission adjustments in the prior rate case in Order Nos. Order Nos. PSC-2016-0560-AS-EI and PSC-2017-0178-S-EI, and to recalculate the 13-month average balance for CWIP as of December 31, 2020.

Procedures: We obtained a list of projects included in CWIP, which were eligible for AFUDC according to the rule. We recalculated AFUDC for the work orders tested. We also obtained a list of projects included in CWIP that were not eligible for AFUDC and verified that the projects were not eligible according to the rule. We verified that the Utility is not requesting AFUDC-eligible CWIP in rate base. No exceptions were noted.

Working Capital

Objectives: The objectives were to determine whether the working capital (WC) account balances are properly stated based on Commission adjustments in the prior rate case in Order Nos. PSC-2016-0560-AS-EI and PSC-2017-0178-S-EI, and the provisions of Rule 25-6.0143, F.A.C. – Use of Accumulated Provision Accounts, and, to recalculate the 13-month average balance for WC as of December 31, 2020.

Procedures: We reviewed the accounts included in working capital for items that may earn interest. We reviewed the interest income and interest expense accounts, and verified that either the interest accrued on these accounts was also included or the account was removed from working capital. We determined which of these accounts were included in working capital, and then selected accounts with material balances. Audit staff judgmentally sampled these accounts,

traced items to source documentation, verified to determine they were utility-related, and included appropriately in working capital. No exceptions were noted.

Net Operating Income

Operating Revenue

Objectives: The objectives were to verify that the revenues filed by the Utility for the historical test year agreed to the general ledger. We were also to determine that unbilled revenues were correctly calculated.

Procedures: We reconciled the monthly revenues in the MFRs to the Utility's books. We traced the unbilled revenue for the historical test year to the MFRs and the general ledger. We reviewed the unbilled calculation. No exceptions were noted.

Operation and Maintenance Expense

Objectives: The objectives were to determine whether 2020 operation and maintenance (O&M) expenses are properly recorded in compliance with the USOA, the O&M expenses are properly stated based on Commission adjustments in the prior rate case in Order Nos. PSC-2016-0560-AS-EI and PSC-2017-0178-S-EI and were for ongoing utility operations.

Procedures: Audit staff prepared an analytical review of the Utility's expenses. We compared the expenses from 2016 through 2020 noting any large increases in accounts. We selected a judgmental sample based on the analytical review and tested according to the criteria listed above.

Audit staff verified no advertising is being recovered through rate base. We judgmentally selected a sample of legal fees, other outside service expenses, sales expenses, customer service expenses, office supplies and expense, and miscellaneous general expenses. We verified the expense to invoices and in conjunction with the prepaid account and verified that the utility included refunds as a credit to the expense account. We traced the uncollectible provision and expense accounts to the Utility's ledger and the MFRs. We also reviewed the components of the provision balance and reconciled the provision to the expense account. No exceptions were noted.

Depreciation Expense

Objectives: The objectives were to determine whether 2020 depreciation expense is properly recorded in compliance with the USOA and based on Commission adjustments in the prior rate case in Order Nos. PSC-2016-0560-AS-EI and PSC-2017-0178-S-EI, and to determine that depreciation expense accruals are calculated using the depreciation rates established in the orders cited above.

Procedures: We obtained depreciation schedules from the Company, reconciled them to the general ledger and the MFRs. We compared the rates used to the above Orders. No exceptions were noted.

Taxes Other than Income

Objectives: The objective was to determine whether 2020 taxes other than income (TOTI) is properly recorded in compliance with the USOA and based on Commission adjustments in the prior rate case in Order Nos. PSC-2016-0560-AS-EI and PSC-2017-0178-S-EI.

Procedures: We verified, based on a judgmental sample of transactions for select TOTI accounts, that TOTI expenses are adequately supported by source documentation. We traced the TOTI adjustments to source documents and noted that they were consistent with the orders cited above. No exceptions were noted.

Income Taxes

Objectives: The objective was to reconcile the federal and state income taxes to the MFRs and the general ledger, and to determine whether deferred income tax expense and the deferred tax balances include proper bonus depreciation treatment of property additions.

Procedures: We traced the current and deferred federal and state income taxes from the filing to the Utility's books and to the Utility's Provision Report. The 2020 tax returns had not been filed at the time the report was written. We traced the tax depreciation balance from the filing to the Utility's Depreciation Summary Report, which is inclusive of bonus depreciation. We obtained a detailed report for the accumulated deferred income tax balances and determined that bonus depreciation was included. No exceptions were noted.

Capital Structure

Objectives: The objectives were to determine whether the non-utility assets supported by the Utility's capital structure were removed in the rate base/capital structure reconciliation, the cost rates used in the computation of the cost of capital are appropriate, the rate base adjustments were adjusted in the capital structure, and to reconcile the Utility book amounts to the MFRs and the general ledger.

Procedures: We obtained the rate base/capital structure reconciliation and determined that the non-utility adjustments removed in rate base were removed in the capital structure. We obtained a 13-month average trial balance from the Utility's general ledger and reconciled it to the cost of capital MFRs. Audit staff reconciled the cost of capital cost rates for the audit period to the debt documentation, Utility calculations, and prior Order Nos. PSC-2016-0560-AS-EI and PSC-2017-0178-S-EI. We obtained a reconciliation of the rate base adjustments in the capital structure and traced it to the MFRs and the general ledger. No exceptions were noted.

Other

Affiliate Transactions

Objectives: The objective was to review intercompany charges to and from divisions, affiliated companies, and non-regulated operations to determine if an appropriate amount of costs were allocated pursuant to Rule 25-6.1351, F.A.C. We were also to determine the original amounts allocated, whether the methodology was reasonable, and to check for accuracy and consistent application.

Procedures: Audit staff reviewed the Utility’s policies and procedures relating to the recording of affiliate transactions and the cost allocation manual for employees. During the review of rate base and net operating income, we examined items that were allocated and compared them to the Utility’s policies and procedures. We obtained supporting documentation from several of the affiliates and reviewed the allocation methodology. We reviewed the calculation of the Corporate Service Charges, formally known as the affiliate management fee, and the drivers used. We traced the budget activity to the actual ledger amounts. We reviewed charges to FPL to determine if they were charged at the lower of cost or market or based on prior Commission orders. We obtained a list of space rented to affiliates by building, square footage, and cost per square foot and compared the rent charged to the Market Rent Valuation. We reviewed the Diversification Report and judgmentally selected a sample of officers of both FPL and its affiliates and reviewed the allocation percent of these officers based on their duties and consistency with the prior rate case. No exceptions were noted.

Federal Energy Regulatory Commission Audit

Objectives: The objective was to determine whether there were any exceptions and disclosures noted in the last FERC audit applicable to this current rate proceeding.

Procedures: Audit staff reviewed the last FERC audit of FPL and/or its affiliates entitled “Open Access Transmission Tariff” dated August 13, 2014. We also reviewed the last FERC audit of GPC entitled “Open Access Transmission Tariff” dated September 26, 2017. The Utility and GPC agreed with the findings and recommendations in those audits and implemented corrective actions. No further audit work was done.

Internal and External Audits

Objectives: The objective was to follow-up on exceptions and disclosures noted in any internal or external audits to determine if they were applicable to this case.

Procedures: We reviewed the internal audits in Docket No. 20210001-EI. External audits were reviewed to determine if any adjustments materially affected the audit period. No further audit work was done.

Board of Director’s Minutes

Objectives: The objective was to review Board of Director’s Minutes for issues that could affect the Utility in the current rate case proceeding.

Procedures: We reviewed Florida Power & Light Company’s Board Minutes. No issues that could affect the Utility in the current rate case proceeding was noted. No further audit work was done.

Audit Findings

None

Exhibits

Exhibit 1: Rate Base-FPL

Schedule B-1

ADJUSTED RATE BASE

Page 2 of 3

FLORIDA PUBLIC SERVICE COMMISSION		EXPLANATION: Provide a schedule of the 12-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.									Type of Data Shown: _ Projected Test Year Ended <u> </u> / <u> </u> / <u> </u> _ Prior Year Ended <u> </u> / <u> </u> / <u> </u> X Historical Test Year Ended 12/31/20	
COMPANY: FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES (PRE-CONSOLIDATION FPL)											Witness: Ut Furnas	
DOCKET NO.: 20210015-E1		(\$000)										
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
Line No.	DESCRIPTION	PLANT IN SERVICE	ACCUMULATED PROVISION FOR DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE (2-3)	CWP	PLANT HOLD FOR FUTURE USE	NUCLEAR FUEL	NET UTILITY PLANT	WORKING CAPITAL ALLOWANCE	OTHER RATE BASE ITEMS	TOTAL RATE BASE	
1	UTILITY REBOOK	50,001,000	10,633,434	39,367,566	3,254,063	492,337	635,392	41,353,349	(278,341)	0	43,814,809	
2												
3	SEPARATION FACTOR	0.009764	0.825215	1,016,000	0.946260	0.962180	0.947774	1,003785	4,560000	0	0.062020	
4												
5	JURIS UTILITY	53,604,257	13,738,257	40,016,010	3,600,420	493,640	602,208	41,783,300	(2,832,247)	0	42,151,119	
6												
7	COMMISSION ADJUSTMENTS	(2,128,886)	(705,192)	(1,333,408)	(1,404,100)	0	0	(2,817,586)	3,830,814	0	1,073,028	
8												
9	COMPANY ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	
10												
11	TOTAL ADJUSTMENTS	(2,128,886)	(705,192)	(1,333,408)	(1,404,100)	0	0	(2,817,586)	3,830,814	0	1,073,028	
12												
13	JURIS ADJ UTILITY	51,475,470	12,993,060	38,482,410	2,212,220	493,640	602,200	41,065,740	1,238,267	0	43,224,140	
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21	NOTE: TOTALS MAY NOT ADD DUE TO ROUNDING.											
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Exhibit 2: Rate Base-GPC

Schedule D-1

ADJUSTED RATE BASE

Page 3 of 3

FLORIDA PUBLIC SERVICE COMMISSION		EXPLANATION: Provide a schedule of the 12-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule D-2.										Type of Data Shown _ Projected Test Year Ended <u>1/1</u> _ Prior Year Ended <u>1/1</u> X Historical Test Year Ended 12/31/20	
COMPANY: FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES (PRE-CONSOLIDATION GAUF)		(000)										Witness: L&P Florida	
DOCKET NO. 20210015-B1		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
Line No.	DESCRIPTION	PLANT IN SERVICE	ACCUMULATED PROVISION FOR DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE (2-3)	CRIP	PLANT HELD FOR FUTURE USE	NUCLEAR FUEL	NET UTILITY PLANT	WORKING CAPITAL ALLOWANCE	OTHER RATE BASE ITEMS	TOTAL RATE BASE		
1	UTILITY PER BOOK	6,906,633	1,094,809	4,124,784	637,716	14,028	0	6,016,638	483,844	0	5,510,100		
2													
3	SEPARATION FACTOR	0.000116	0.004037	0.0007017	0.007420	0.002081	0	0.000266	0.002001	0	0.005670		
4													
5	JURIS UTILITY	6,823,042	1,709,162	4,025,449	673,536	13,636	0	4,942,621	480,620	0	5,432,247		
6													
7	COMMISSION ADJUSTMENTS	(1,793,749)	(304,172)	(1,411,577)	(745,005)	(12,031)	0	(2,153,413)	(250,450)	0	(2,427,992)		
8													
9	COMPANY ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0		
10													
11	TOTAL ADJUSTMENTS	(1,793,749)	(304,172)	(1,411,577)	(745,005)	(12,031)	0	(2,153,413)	(250,450)	0	(2,427,992)		
12													
13	JURIS ADJ UTILITY	4,027,653	1,381,990	2,643,673	127,732	1,605	0	2,773,209	231,167	0	3,004,305		
14													
15													
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21	NOTE: TOTALS MAY NOT ADD DUE TO ROUNDING.												
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Exhibit 3: Capital Structure

Schedule D-1a		COST OF CAPITAL - 13-MONTH AVERAGE									Page 1 of 1	
FLORIDA PUBLIC SERVICE COMMISSION		EXPLANATION: Provide the Company's 13-Month Average Cost of Capital for the Test Year, the Prior Year, and the Historical Year.									Type of Data Shown: <input checked="" type="checkbox"/> Projected Test Year Ended: 12/31/22 <input type="checkbox"/> Prior Year Ended: ___/___/___ <input type="checkbox"/> Historical Test Year Ended: ___/___/___	
COMPANY: FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES											Witness: Robert E. Barrett, Scott R. Bore, Liz Fuentes	
DOCKET NO.: 20210015-El		(\$000)										
Line No.	(1) CLASS OF CAPITAL	(2) COMPANY TOTAL PER BOOKS	(3) SPECIFIC ADJUSTMENTS	(4) PRO RATA ADJUSTMENTS	(5) PRORATION ADJUSTMENTS (1)	(6) SYSTEM ADJUSTED	(7) JURISDICTIONAL FACTOR	(8) JURISDICTIONAL ADJUSTED	(9) RATIO	(10) COST RATE	(11) WEIGHTED COST RATE	
1	LONG TERM DEBT	18,299,561	(109,244)	(1,438,659)	3,169	16,754,846	0.964310	16,156,859	31.66%	3.73%	1.18%	
2	PREFERRED STOCK	0	0	0	0	0	0.000000	0	0.00%	0.00%	0.00%	
3	CUSTOMER DEPOSITS	457,701	(18)	(38,192)	80	421,573	1.000000	421,573	0.83%	2.03%	0.02%	
4	SHORT TERM DEBT	491,551	(20)	(38,888)	85	452,748	0.964310	436,590	0.86%	1.04%	0.01%	
5	DEFERRED INCOME TAX	6,101,689	(70,600)	(476,058)	(8,500)	5,546,531	0.964310	5,348,573	10.48%	0.00%	0.00%	
6	FAS 109 DEFERRED INCOME TAX	3,572,946	0	(282,522)	0	3,290,424	0.964310	3,172,987	6.22%	0.00%	0.00%	
7	INVESTMENT TAX CREDITS	1,252,812	(112,796)	(90,175)	218	1,050,058	0.964310	1,012,581	1.98%	8.41%	0.17%	
8	COMMON EQUITY	28,304,677	(746,060)	(2,179,590)	4,929	25,383,948	0.964310	24,477,985	47.07%	11.50%	5.52%	
9	TOTAL	58,480,937	(1,038,736)	(4,542,073)	0	52,900,128		51,027,148	100.00%		6.88%	
10												
11												
12												
13												
14	NOTE:											
15	(1) THIS ADJUSTMENT IS REQUIRED TO PRORATE AMOUNTS INCLUDED IN FERC ACCOUNT 292 IN ORDER TO COMPLY WITH TREASURY REGULATIONS											
16	§ 1.167(1)-1(h)(8) WHEN CALCULATING RATES USING A PROJECTED TEST YEAR. DETAILS OF THE ADJUSTMENT ARE PROVIDED IN FPL WITNESS											
17	FUENTES'S DIRECT TESTIMONY.											
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21	TOTALS MAY NOT ADD DUE TO ROUNDING.											
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Exhibit 4: Net Operating Income-FPL

Schedule C-1		ADJUSTED JURISDICTIONAL NET OPERATING INCOME								Page 2 of 3	
FLORIDA PUBLIC SERVICE COMMISSION		EXPLANATION: Provide the calculation of jurisdictional net operating income for the test year, the prior year and the most recent historical year.								Type of Data Shown: _ Projected Test Year Ended: <u> </u> _ Prior Year Ended: <u> </u> X Historical Test Year Ended: 12/31/20	
COMPANY: FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES (PRE-CONSOLIDATION FPL)										Witness: Liz Fuentes	
DOCKET NO.: 20210016-EI		(\$000)									
Line No.	DESCRIPTION	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		TOTAL COMPANY PER BOOKS	NON-ELECTRIC UTILITY	TOTAL ELECTRIC (2)-(3)	JURISDICTIONAL FACTOR	JURISDICTIONAL AMOUNT (4)X(5)	JURISDICTIONAL COMMISSION ADJUSTMENTS (SCHEDULE C-2)	JURISDICTIONAL ADJUSTED PER COMMISSION (8)+(7)	JURISDICTIONAL COMPANY ADJUSTMENTS	JURISDICTIONAL ADJUSTED AMOUNT (8) + (9)	
1	REVENUE FROM SALES	11,099,908	0	11,099,908	0.96718	10,735,558	(3,562,347)	7,173,211	0	7,173,211	
2											
3	OTHER OPERATING REVENUES	273,491	0	273,491	0.77462	211,907	(38,123)	176,785	0	176,785	
4											
5	TOTAL OPERATING REVENUES	11,373,399	0	11,373,399	0.96255	10,947,465	(3,598,469)	7,348,996	0	7,348,996	
6											
7	OTHER O&M	1,535,521	0	1,535,521	0.96881	1,489,166	(144,832)	1,344,334	0	1,344,334	
8											
9	FUEL & INTERCHANGE	2,559,816	0	2,559,816	0.95292	2,439,307	(2,420,770)	18,537	0	18,537	
10											
11	PURCHASED POWER	48,873	0	48,873	0.95364	46,703	(46,703)	0	0	0	
12											
13	DEFERRED COSTS	69,127	0	69,127	0.91589	63,312	(63,312)	0	0	0	
14											
15	DEPRECIATION & AMORTIZATION	2,024,429	0	2,024,429	0.86126	1,945,999	(82,765)	1,883,234	0	1,883,234	
16											
17	TAXES OTHER THAN INCOME TAXES	1,341,043	0	1,341,043	0.98402	1,319,616	(725,685)	593,751	0	593,751	
18											
19	INCOME TAXES	609,273	0	609,273	0.95942	584,547	(29,939)	554,608	0	554,608	
20											
21	(GAIN)LOSS ON DISPOSAL OF PLANT	(1,012)	0	(1,012)	0.99482	(1,006)	110	(697)	0	(697)	
22											
23	TOTAL OPERATING EXPENSES	8,187,170	0	8,187,170	0.98342	7,887,643	(3,494,076)	4,393,567	0	4,393,567	
24											
25	NET OPERATING INCOME	3,186,229	0	3,186,229	0.96033	3,059,822	(104,393)	2,955,429	0	2,955,429	
26											
27	TOTALS MAY NOT ADD DUE TO ROUNDING.										
28											
29											
30											

Exhibit 5: Net Operating Income-GPC

Schedule C-1

ADJUSTED JURISDICTIONAL NET OPERATING INCOME

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of jurisdictional net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:
 _ Projected Test Year Ended:
 _ Prior Year Ended:
 X Historical Test Year Ended: 12/31/20

COMPANY: FLORIDA POWER & LIGHT COMPANY
 AND SUBSIDIARIES (PRE-CONSOLIDATION GULF)

(\$000)

Witness: Liz Fuentes

DOCKET NO.: 20210015-EI

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Line No.	DESCRIPTION	TOTAL COMPANY PER BOOKS	NON-ELECTRIC UTILITY	TOTAL ELECTRIC (2)-(3)	JURISDICTIONAL FACTOR	JURISDICTIONAL AMOUNT (4)X(5)	JURISDICTIONAL COMMISSION ADJUSTMENTS (SCHEDULE C-2)	JURISDICTIONAL ADJUSTED PER COMMISSION (6)+(7)	JURISDICTIONAL COMPANY ADJUSTMENTS	JURISDICTIONAL ADJUSTED AMOUNT (8) + (9)
1	REVENUE FROM SALES	1,365,621	0	1,365,621	0.99417	1,357,659	(772,047)	585,612	0	585,612
2										
3	OTHER OPERATING REVENUES	30,228	0	30,226	0.78036	23,687	(6,293)	17,294	0	17,284
4										
5	TOTAL OPERATING REVENUES	1,395,847	0	1,395,847	0.98954	1,381,248	(778,339)	602,907	0	602,907
6										
7	OTHER O&M	241,070	0	241,070	0.98286	238,963	(36,759)	200,204	0	200,204
8										
9	FUEL & INTERCHANGE	285,345	0	285,345	1.00087	285,583	(282,508)	3,084	0	3,084
10										
11	PURCHASED POWER	164,572	0	164,572	0.98801	162,599	(161,446)	1,152	0	1,152
12										
13	DEFERRED COSTS	(14)	0	(14)	1.00000	(14)	14	0	0	0
14										
15	DEPRECIATION & AMORTIZATION	276,244	0	276,244	0.98942	273,322	(124,679)	148,643	0	148,643
16										
17	TAXES OTHER THAN INCOME TAXES	110,745	0	110,745	0.99384	110,062	(80,873)	29,390	0	29,380
18										
19	INCOME TAXES	65,923	0	65,923	0.98360	64,842	(20,134)	44,708	0	44,708
20										
21	(GAIN)LOSS ON DISPOSAL OF PLANT	(9)	0	(9)	0.99998	(9)	0	(9)	0	(9)
22										
23	TOTAL OPERATING EXPENSES	1,143,875	0	1,143,875	0.99081	1,133,367	(706,185)	427,172	0	427,172
24										
25	NET OPERATING INCOME	251,973	0	251,973	0.98379	247,889	(72,154)	175,735	0	175,735
26										
27	TOTALS MAY NOT ADD DUE TO ROUNDING.									
28										
29										
30										