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March 2, 2016

-VIA ELECTRONIC FILING -

Ms. Carlotta S. Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 160001-EI

Dear Ms. Stauffer:

I enclose for electronic filing in the above docket (i) Florida Power & Light Company's ("FPL") Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery Final True-Ups for the Period Ending December 2015, (ii) the prefiled testimony and exhibits of FPL witness Terry J. Keith and (iii) the prefiled testimony and exhibit of FPL witness Gerard J. Yupp.

Exhibit TJK-2 to Mr. Keith's testimony and Exhibit GJY-1 to Mr. Yupp's testimony contain confidential information. This electronic filing includes only the redacted version of Exhibits TJK-2 and GJY-1. Contemporaneous herewith, FPL will file via hand-delivery a Request for Confidential Classification.

If there are any questions regarding this transmittal, please contact me at (561) 304-5639.

Sincerely,

s/ John T. Butler
John T. Butler

Enclosures
cc: Counsel for Parties of Record (w/encl.)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchase Power Cost Recovery Clause with Generating Performance Incentive Factor	Docket No: 160001-EI Filed: March 2, 2016

PETITION FOR APPROVAL OF FUEL COST RECOVERY AND CAPACITY COST RECOVERY NET FINAL TRUE-UPS FOR THE PERIOD ENDING DECEMBER 2015, AND 2015 INCENTIVE MECHANISM RESULTS

Florida Power & Light Company ("FPL") hereby petitions this Commission for approval of (1) FPL's Net Fuel and Purchased Power Cost Recovery ("FCR") final true-up amount of $29,767,250 over-recovery, (2) Net Capacity Cost Recovery ("CCR") final true-up amount of $5,938,824 over-recovery, both for the period ending December 2015, (3) total gains of $46,884,377 for the Incentive Mechanism during the period January 2015 through December 2015; and (4) FPL's retention and recovery of $530,626, which represents its 60% share of incremental gains above $46 million in 2015 as provided by the Incentive Mechanism that was approved by Order No. PSC-13-0023-S-EI, dated January 14, 2013 in Docket No. 120015-EI. FPL incorporates the prepared testimony and exhibits of FPL witnesses Terry J. Keith and Gerard J. Yupp, and states as follows:

1. The $29,767,250 net FCR final true-up over-recovery for the period January 2015 through December 2015 was calculated in accordance with the methodology set forth in Schedule 1, page 2 of 2, attached to Order No. 10093, dated June 19, 1981. This calculation and the supporting documentation are contained in the prepared testimony and exhibits of Mr. Keith.

2. By Order No. PSC-15-0586-FOF-EI, the Commission approved FCR Factors for the period commencing January 2016. These factors reflected an actual/estimated true-up under-recovery, including interest, for the period January 2015 through December 2015 of

$66,818,243, which was also approved in Order No. PSC-15-0586-FOF-EI. The actual under-recovery, including interest, for the period January 2015 through December 2015 is $37,050,993. The $37,050,993 actual under-recovery, less the actual/estimated under-recovery of $66,818,243, which is currently reflected in charges for the period beginning January 2016, results in a net FCR true-up over-recovery of $29,767,250.

3. On February 2, 2016, FPL filed a petition with the Commission requesting a mid-course correction to its currently effective FCR factors that would refund to its customers FPL's projected 2016 end-of-period true-up over-recovery of $285,525,014. This $285,525,014 over-recovery is made up of the projected 2016 end-of period over-recovery, including interest, of $255,757,764 and the 2015 final net true-up over-recovery of $29,767,250. Consistent with the Commission's approval of FPL's petition at the March 1, 2016 agenda conference, FPL will refund this FCR final net true-up over-recovery of $29,767,250 via the mid-course correction FCR factors starting when the Port Everglades Energy Center ("PEEC") goes into commercial operation, which is expected to be April 1, 2016.

4. The $5,938,824 net CCR true-up over-recovery for the period January 2015 through December 2015 was calculated in accordance with the methodology set forth in Order No. 25773, dated February 24, 1992. This calculation and the supporting documentation are contained in the prepared testimony and exhibits of Mr. Keith.

5. By Order No. PSC-15-0586-FOF-EI, the Commission approved CCR Factors for the period commencing January 2016. These factors reflected an actual/estimated true-up over-recovery, including interest, for the period January 2015 through December 2015 of $7,699,316, which was also approved in Order No. PSC-15-0586-FOF-EI. The actual over-recovery, including interest, for the period January 2015 through December 2015 is $13,638,140. The $13,638,140 actual over-recovery, less the actual/estimated over-recovery of $7,699,316, results

in a final net CCR true-up over-recovery of $5,938,824 that is to be included in the calculation of the CCR Factors for the period beginning January 2017.

6. By Order No. PSC-13-0023-S-EI, issued January 14, 2013, in Docket No. 120015-EI, In re: Petition for increase in rates by Florida Power & Light Company, the Commission ordered that, as part of the fuel cost recovery clause, FPL annually file a final true-up schedule showing its gains in the prior calendar year on short-term wholesale sales, short-term wholesale purchases, and all forms of asset optimization FPL undertook in that calendar year. Consistent with that order, the results of its Incentive Mechanism for the period January 2015 through December 2015 are provided in the testimony and exhibit GJY-1 of Mr. Yupp. The total gains for the Incentive Mechanism during that period were $46,884,377. This exceeded the sharing threshold of $46 million. Therefore, the incremental gains above $46 million will be shared between customers and FPL, 40% and 60%, respectively. FPL's 60% share of the incremental gains above $46 million is $530,626, which is to be included in the calculation of the FCR Factors for the period beginning January 2017.

WHEREFORE, Florida Power & Light Company respectfully requests the Commission to approve for the period ending December 2015: (1) FPL's final net FCR true-up amount of $29,767,250 over-recovery, which FPL proposes to refund via the mid-course correction FCR factors starting when the Port Everglades Energy Center ("PEEC") goes into commercial operation, which is expected to be April 1, 2016, (2) FPL's final net CCR true-up amount of $5,938,824 over-recovery and authorize the inclusion of this amount in the calculation of the CCR Factors for the period beginning January 2017, (3) total gains of $46,884,377 for the Incentive Mechanism during the period January 2015 through December 2015, and (4) FPL's retention of $530,626 as its 60% share of the incremental Incentive Mechanism gains above $46 million in 2015, and authorize the inclusion of this amount in the calculation of the FCR Factors for the period beginning January 2017.

Respectfully submitted,

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By: *s/ John T. Butler*
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CERTIFICATE OF SERVICE
Docket No. 160001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic service on this 2nd day of March 2016, to the following persons:

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By: *s/ John T. Butler*
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Fla. Bar No. 283479

BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION

DOCKET NO. 160001-EI
FLORIDA POWER & LIGHT COMPANY

MARCH 2, 2016

LEVELIZED FUEL COST RECOVERY
AND CAPACITY COST RECOVERY
FINAL TRUE-UP

INCENTIVE MECHANISM RESULTS

JANUARY 2015 THROUGH DECEMBER 2015

TESTIMONY & EXHIBITS OF:

TERRY J. KEITH
GERARD J. YUPP

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FLORIDA POWER & LIGHT COMPANY

TESTIMONY OF TERRY J. KEITH

DOCKET NO. 160001-EI

MARCH 2, 2016

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

A. My name is Terry J. Keith and my business address is 9250 West Flagler Street, Miami, Florida, 33174. I am employed by Florida Power & Light Company ("FPL" or "the Company") as the Director, Cost Recovery Clauses, in the Regulatory & State Governmental Affairs Department.

Q. Please state your education and business experience.

A. I graduated from North Carolina Agricultural & Technical State University with a Bachelor's degree in Accounting in 1977. I subsequently earned a Master of Business Administration degree from the University of Wisconsin in 1982. Prior to joining FPL in 2006, I held various accounting positions at Phillips Petroleum Company and later Centel Corporation. At FPL, I held positions of increasing responsibility in the Accounting Department, including various supervision assignments relating to accounting research, financial reporting, development and application of overhead rates, and property accounting. I spent ten years in the Regulatory Affairs Department as Principal Regulatory Coordinator and later as Regulatory Issues Manager primarily responsible for managing and coordinating regulatory accounting and finance dockets. In 2008, I assumed my current position as Director, Cost Recovery Clauses, where I am responsible for providing direction as to cost recovery through a cost recovery clause and the overall preparation and filing of all cost recovery clause documents including testimony and discovery.

Q. Have you previously testified in predecessors to this docket?

A. Yes.

Q. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to present the schedules necessary to support the actual Fuel Cost Recovery ("FCR") Clause and Capacity Cost Recovery ("CCR") Clause net true-up amounts for the period January 2015 through December 2015.

The net true-up for the FCR is an over-recovery, including interest, of $29,767,250. On February 2, 2016, FPL filed a petition with the Commission requesting a mid-course correction to its currently effective FCR factors that would refund to its customers FPL's projected 2016 end-of-period true-up over-recovery of $285,525,014. This $285,525,014 over-recovery is made up of the projected 2016 end-of period over-recovery, including interest, of $255,757,764 and the 2015 net true-up over-recovery of $29,767,250 that I present in this testimony. Consistent with the Commission's approval of FPL's petition at the March 1, 2016 agenda conference, FPL will refund this FCR net true-up over-recovery of $29,767,250 via the mid-course correction FCR factors starting when the Port Everglades Energy Center ("PEEC") goes into commercial operation, which is expected to be April 1, 2016.

The net true-up for the CCR is an over-recovery, including interest, of

$5,938,824. FPL is requesting Commission approval to include the CCR true-up over-recovery of $5,938,824 in the calculation of the CCR factors for the period January 2017 through December 2017.

Finally, FPL is requesting Commission approval to include $530,626 in the calculation of the FCR factors for the period January 2017 through December 2017, which represents FPL's share of the 2015 Incentive Mechanism gain described in the testimony of FPL witness Yupp.

Q. Have you prepared or caused to be prepared under your direction, supervision or control an exhibit in this proceeding?

A. Yes, I have. It consists of two appendices. Appendix I contains the FCR related schedules and Appendix II contains the CCR related schedules. In addition, FCR Schedules A1 through A12 for the January 2015 through December 2015 period have been filed monthly with the Commission and served on all parties of record in this docket. Those schedules are incorporated herein by reference.

Q. What is the source of the data you present?

A. Unless otherwise indicated, the data are taken from the books and records of FPL. The books and records are kept in the regular course of the Company's business in accordance with generally accepted accounting principles and practices, and with the applicable provisions of the Uniform System of Accounts as prescribed by the Commission.

FUEL COST RECOVERY CLAUSE

Q. Please explain the calculation of the FCR net true-up amount.

A. Appendix I, page 1, titled "Summary of Net True-Up," shows the calculation of the net true-up for the period January 2015 through December 2015, an over-recovery of $29,767,250.

The summary of the net true-up amount shows the actual end-of-period true-up under-recovery for the period January 2015 through December 2015 of $37,050,993 on line 1. The actual/estimated true-up under-recovery for the same period of $66,818,243 is shown on line 2. Line 1 less line 2 results in the net final true-up for the period January 2015 through December 2015, an over-recovery of $29,767,250 on line 3.

The calculation of the true-up amount for the period follows the procedures established by this Commission as set forth on Commission Schedule A2 "Calculation of True-Up and Interest Provision."

Q. Have you provided a schedule showing the calculation of the 2015 FCR actual true-up by month?

A. Yes. Appendix I, page 2, titled "Calculation of Final True-up Amount," shows the calculation of the FCR actual true-up by month for January 2015 through December 2015.

Q. Have you provided schedules showing the variances between actual and actual/estimated FCR costs and applicable revenues for 2015?

A. Yes. Appendix I, page 3, provides a comparison of jurisdictional fuel costs and revenues on a dollar per MWh basis. Appendix I, page 4, compares the actual end-of-period true-up under-recovery of $37,050,993 to the actual/estimated end-of-period true-up under-recovery of $66,818,243. Both comparisons result in a net over-recovery of $29,767,250.

Q. Please describe the variance analysis on page 3 of Appendix I.

A. Appendix I, page 3, provides a comparison of jurisdictional total fuel revenues and jurisdictional total fuel costs (including net power transactions) on a dollar per MWh basis.

The $29,767,250 over-recovery is primarily due to a decrease in fuel prices resulting in a variance of $27,944,959 and an increase in consumption resulting in a variance of $1,833,710.

Actual jurisdictional fuel revenues collected were $32,878,266 higher than projected, actual consumption was 989,462 MWh higher than projected, and revenues collected per MWh were $0.012 higher than projected. Of the $32,878,266 increase in fuel revenues collected, $31,594,423 was due to the increase in consumption and $1,283,843 was due to the increase in revenues per MWh resulting from the variation in the proportion by which the rate classes use energy.

Actual jurisdictional fuel costs were $3,099,597 higher than projected, actual consumption was 989,462 MWh higher than projected, yet jurisdictional fuel costs per MWh were $0.243 lower than projected. Of the $3,099,597 increase in jurisdictional fuel costs, $29,760,713 was due to the increase in consumption, partially offset by a decrease in price (fuel costs incurred per MWh) of $26,661,116.

The increase in fuel revenues due to consumption of $31,594,423 minus the increase in jurisdictional fuel costs due to consumption of $29,760,713 resulted in a total variance due to consumption of $1,833,710. The increase in fuel revenues due to price of $1,283,843 minus the decrease in fuel costs due to price of $26,661,116 resulted in a total variance due to price of $27,944,959. The total variance due to consumption of $1,833,710 and the total variance due to price of $27,944,959 resulted in an over-recovery of $29,778,669. This over-recovery of $29,778,669 plus the decrease of $11,419 in interest associated with the 2015 final true-up amount resulted in a total true up over-recovery of $29,767,250.

Q. Turning to page 4 in Appendix I, what was the variance in adjusted total fuel costs and net power transactions?

A. The variance in adjusted total fuel costs and net power transactions was an increase of $11,221,284. This increase was primarily due to a $13.8 million increase in Fuel Cost of Purchased Power, a $5.9 million decrease in Fuel Cost of Power Sold, a $5.0 million increase in Energy Cost of Economy Purchases, a $1.5 million decrease in Gains from Off-System Sales and a $1.2 million increase in Non-recoverable Tank Bottoms. These amounts were partially offset by a $7.3 million decrease in Energy Payments to Qualifying Facilities (“QFs”), a $6.7 million decrease in Fuel Cost of System Net Generation, a $1.8 million decrease in Inventory Adjustments, and a $0.4

million increase in Energy Imbalance Fuel Revenues.

Fuel Cost of Purchased Power ($13.8 million increase)

The variance for the Fuel Cost of Purchased Power is primarily attributable to higher than originally projected purchases and costs under the UPS agreements. FPL purchased 316,288 MWh more than originally projected from its UPS agreements. In addition, the cost of power under the UPS agreements averaged $3.27/MWh higher than projected. The higher volume and costs resulted in a total variance for UPS purchases of $20.8 million. This variance was partially offset by lower than projected purchases and costs under the SWA contracts. FPL purchased 88,191 MWh less from SWA at a cost that averaged $8.34/MWh less than originally projected. This resulted in a variance for SWA purchases of $6.5 million. In addition, FPL experienced a variance of $0.5 million due to a drop in the average cost of purchases from SJRPP of $6.76/MWh that was almost fully offset by an increase in SJRPP purchases of 251,255 MWh. Finally, purchases under the St. Lucie Reliability Exchange added a variance of $33,356 due to a lower average cost that was partially offset by higher purchases. The combination of these variances resulted in a total net variance for the Fuel Cost of Purchased Power of $13.8 million.

Fuel Cost of Power Sold ($5.9 million decrease)

The variance for the Fuel Cost of Power Sold is primarily attributable to lower than projected economy sales coupled with lower fuel costs. FPL sold 129,619 less MWh of economy power than originally projected with associated fuel costs that averaged $1.16/MWh less than originally projected, resulting in a variance on economy sales of $5.7 million. The remaining variance of $0.2 million is attributable to lower than originally projected fuel costs on St. Lucie Plant Reliability Exchange sales, partially offset by higher than originally projected St. Lucie Plant Reliability Exchange sales.

Energy Cost of Economy Purchases ($5.0 million increase)

The variance for the Energy Cost of Economy Purchases is primarily attributable to higher than projected economy purchases. FPL purchased 100,963 MWh more of economy energy, resulting in a variance of $4.1 million. Additionally, the average cost of economy purchases was $1.71/MWh higher than projected resulting in a variance of $0.9 million. The combination of higher economy purchases and costs resulted in a total variance of $5.0 million for the Energy Cost of Economy Purchases.

Gains from Off-System Sales ($1.5 million decrease)

The variance for Gains from Off-System Sales is primarily attributable to lower than projected economy sales. FPL sold 129,619 MWh less of economy power than originally projected, resulting in a variance of $1.5 million.

Non-recoverable Tank Bottoms ($1.2 million increase)

Non-recoverable Tank Bottoms of $1.1 million were inadvertently reported as Inventory Adjustments in the actual/estimated filing, creating this variance. The remaining variance represents actual non-recoverable tank bottoms expenses incurred in 2015.

Energy Payments to Qualifying Facilities ($7.3 million decrease)

The variance for Energy Payments to Qualifying Facilities is primarily attributable to lower purchases and costs. In total, FPL purchased 171,891 MWh less than projected from these facilities. Lower purchases combined with lower costs resulted in a total variance for these facilities of $9.6 million. This variance was offset by $2.3 million from higher than projected purchases and costs from the Cedar Bay facility, which resulted in a total net variance for Energy Payments to Qualifying Facilities of $7.3 million.

Fuel Cost of System Net Generation ($6.7 million decrease)

FPL's natural gas cost averaged $4.45 per MMBtu, which was $0.13 per MMBtu lower than projected during the period. However, FPL consumed 11,139,639 more MMBtus than projected during the period. Of the total $34.6 million decrease for natural gas, $85.8 million was due to lower than projected unit costs, partially offset by a $51.1 million increase due to higher than projected consumption.

FPL's nuclear fuel cost averaged $0.64 per MMBtu, which was $0.004 per MMBtu lower than projected during the period. However, FPL consumed 95,537 more MMBtus than projected during the period. Of the total $1.2 million decrease for nuclear fuel, $1.3 million was due to lower than projected unit costs, partially offset by a $0.1 million increase due to higher than projected consumption.

FPL's coal cost averaged $2.70 per MMBtu, which was $0.004 per MMBtu lower than projected during the period. However, FPL consumed 6,779,159 more MMBtus than projected during the period. Of the total $18.1 million increase for coal, $18.3 million was due to higher than projected consumption, partially offset by a $0.2 million decrease due to lower than projected unit costs.

FPL's heavy oil cost averaged $14.64 per MMBtu, which was $0.06 per MMBtu higher than projected during the period. Additionally, FPL consumed 449,262 more MMBtus than projected during the period. Of the total $6.8 million increase for heavy oil, $6.5 million was due to higher than projected consumption and $0.2 million was due to higher than projected unit costs.

FPL's light oil cost averaged $20.68 per MMBtu, which was $1.04 per MMBtu higher than projected during the period. Additionally, FPL consumed 142,398 more MMBtus than projected during the period. Of the total $4.3 million increase for light oil, $2.8 million was due to higher than projected consumption and $1.5 million was due to higher than projected unit costs.

<u>Inventory Adjustments ($1.8 million decrease)</u>

Non-recoverable Tank Bottoms of $1.1 million were inadvertently reported as Inventory Adjustments in the actual/estimated filing, creating this variance. Additionally, there were $0.7 million in actual inventory adjustments related to temperature calibration adjustments.

Q. What was the variance in retail (jurisdictional) FCR revenues?

A. As shown on Appendix I, page 4, line 31, actual jurisdictional FCR revenues, net of revenue taxes, were approximately $32.9 million higher than the actual/estimated projection. This was primarily due to higher than projected jurisdictional sales, which were approximately 989,462,455 kWh higher than the actual/estimated projection.

Q. FPL witness Yupp calculates in his testimony that FPL is entitled to retain $530,626 as its 60% share of 2015 Incentive Mechanism gains over the $46 million threshold. When is FPL requesting to recover its share of the gains, and how will this be reflected in the FCR schedules?

A. FPL is requesting recovery of its share of the 2015 Incentive Mechanism gains through the 2017 FCR factors, consistent with its treatment of approved Generating Performance Incentive Factor ("GPIF") amounts. FPL will include the approved jurisdictionalized Incentive Mechanism amount in the calculation of the 2017 FCR factors and will reflect recovery of one-twelfth of the approved amount, net of revenue taxes, in each month's Schedule A2 for the period January 2017 through December 2017 as a reduction to jurisdictional fuel revenues applicable to each period.

Q. What is the status of the replacement power issue arising from the April 2014 outage extension at St. Lucie Unit 2 raised by the Office of Public Counsel ("OPC") in testimony filed in the 2015 fuel docket?

A. FPL remains in discussions with OPC regarding this issue and will provide an update no later than its 2016 Actual/Estimated True-up filing.

CAPACITY COST RECOVERY CLAUSE

Q. Please explain the calculation of the CCR net true-up amount.

A. Appendix II, page 1, titled "Summary of Net True-Up" shows the calculation of the CCR net true-up for the period January 2015 through December 2015, an over-recovery of $5,938,824, which FPL is requesting to be included in the calculation of the CCR factors for the January 2017 through December 2017 period.

The actual end-of-period over-recovery for the period January 2015 through December 2015 of $13,638,140 shown on line 1 less the actual/estimated end-of-period over-recovery for the same period of $7,699,316 shown on line 2 that was approved by the Commission in Order No. PSC-15-0586-FOF-EI, results in the net true-up over-recovery for the period January 2015 through December 2015 of $5,938,824 on line 3.

Q. Have you provided a schedule showing the calculation of the CCR actual true-up by month?

A. Yes. Appendix II, page 2, titled "Calculation of Final True-up" shows the calculation of the CCR end-of-period true-up for the period January 2015 through December 2015 by month.

Q. Is this true-up calculation consistent with the true-up methodology used for the FCR clause?

A. Yes, it is. The calculation of the true-up amount follows the procedures established by this Commission set forth on Commission Schedule A2

"Calculation of True-Up and Interest Provision" for the FCR clause.

Q. Have you provided a schedule showing the variances between actual and actual/estimated capacity charges and applicable revenues for 2015?

A. Yes. Appendix II, page 3, titled "Calculation of Final True-up Variances," shows the actual capacity charges and applicable revenues compared to actual/estimated capacity charges and applicable revenues for the period January 2015 through December 2015.

Q. What was the variance in net capacity charges?

A. Appendix II, page 3, line 17 provides the variance in jurisdictional capacity charges, which is a decrease of $2,810,641. This $2.8 million decrease was primarily due to a $2.6 million decrease in Transmission of Electricity by Others, a $1.8 million decrease in Incremental Plant Security Costs - O&M, a $1.4 million decrease in Payments to Cogenerators and a $0.1 million decrease in Incremental Plant Security Costs - Capital.

These decreases were partially offset by a $1.4 million increase in Incremental Nuclear NRC Compliance Costs (Fukushima) - O&M, a $1.2 million increase in Payments to Non-cogenerators and a $0.3 million decrease in Transmission Revenues from Capacity Sales.

<u>Transmission of Electricity by Others ($2.6 million decrease)</u>

The variance for Transmission of Electricity by Others is primarily due to higher than projected utilization of the UPS power agreements, resulting in lower than projected unutilized transmission costs. FPL utilized approximately 316,000 more MWh than projected for the last five months of 2015, which resulted in a variance of approximately $1.3 million. Lower than projected revenues associated with capacity resales resulted in a variance of approximately $0.2 million. Additionally, $1.1 million in costs associated with SWA Unit No. 1 were inadvertently booked to this category in July and reclassed to Payments to Non-Cogenerators in August after the actual/estimated filing had been made.

<u>Incremental Plant Security Costs - O&M ($1.8 million decrease)</u>

The variance for Incremental Plant Security Costs was primarily due to less Cyber Security costs incurred due to extended contract negotiations for engineering support, which caused planned work to begin later than originally estimated. Work has been extended into 2016. Additionally, there were less NRC Part 171 Homeland Security costs than originally estimated for licensing inspection fees associated with the Force on Force drills.

<u>Payments to Cogenerators ($1.4 million decrease)</u>

The variance for Payments to Cogenerators was primarily due to decreased payments to certain Cogenerators. Approximately $1.1 million of the net variance was attributable to lower than projected capacity payments to Broward North. Approximately $0.3 million of the variance was due to lower than projected capacity payments to Cedar Bay. The remaining variance was due to slightly lower than projected payments of $50,000 to the Indiantown facility.

Incremental Plant Security Costs - Capital ($0.1 million decrease)

The variance for Incremental Plant Security Costs was primarily due to a change in the in-service dates for the Turkey Point Force-on-Force modifications from August and September 2015 to March 2016. The modifications were delayed due to resources being dedicated to the Turkey Point Unit 3 Refueling outage.

Incremental Nuclear NRC Compliance Costs (Fukushima) – O&M ($1.4 million increase)

The variance for Incremental Nuclear NRC Compliance Costs was primarily due to engineering costs associated with the Plant St. Lucie flooding and seismic hazard re-evaluation. These costs were originally projected as capital costs, but were reclassified as O&M.

Payments to Non-Cogenerators ($1.2 million increase)

The variance for Payments to Non-Cogenerators was primarily due to costs associated with the SJRPP agreement. Approximately $1.3 million of the total variance was attributable to the SJRPP agreement. An increase in FPL's portion of costs of approximately $2.5 million for Cumulative Capital Recovery Amount ("CCRA") payments and $64,000 for property taxes were partially offset by lower payments for debt service of $0.2 million, transmission capability and service costs of $25,000, and O&M and inventory costs of $1.0 million. There was a small increase in costs of approximately $52,000 due to a Capacity Availability Performance Adjustment ("CAPA") true-up payment and Change in Law costs related to the Scherer unit in the UPS agreement.

The balance of the variance, approximately $152,000, was attributable to two factors. Approximately $1.25 million was due to a projection error associated with the new SWA agreements. While capacity costs for the new unit were not actually recovered through the CCR during the period, the August to December 2015 projections included amortization amounts. These projected costs were largely offset by an August accounting correction of $1.11 million to reclass the costs associated with SWA Unit No. 1 which were inadvertently recorded to Transmission of Electricity by Others.

<u>Transmission Revenues from Capacity Sales ($0.3 million decrease)</u>

The variance for Transmission Revenues from Capacity Sales was primarily due to lower than projected economy sales. FPL sold approximately 130,000 MWh less of economy power than projected, resulting in lower transmission revenues.

Q. What was the variance in CCR revenues?

A. As shown on page 3, line 18, actual Capacity Cost Recovery Revenues (Net of Revenue Taxes) were $3,123,430 higher than the actual/estimated projection. This was primarily due to higher than projected jurisdictional sales, which were approximately 989,462,455 kWh, higher than the actual/estimated projection.

Q. Have you provided Schedule A12 showing the actual monthly capacity payments by contract?

A. Yes. Schedule A12 consists of two pages that are included in Appendix II as pages 4 and 5. Page 4 shows the actual capacity payments for FPL's Purchase Power Agreements for the period January 2015 through December 2015. Page 5 provides the Short Term Capacity Payments for the period January 2015 through

December 2015.

Q. Have you provided a schedule showing the capital structure components and cost rates relied upon by FPL to calculate the rate of return applied to all capital projects recovered through the FCR and CCR clauses?

A. Yes. The capital structure components and cost rates used to calculate the rate of return on the capital investments for the period January 2015 through December 2015 are included on pages 12 and 13 of Appendix II.

Q. Does this conclude your testimony?

A. Yes, it does.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FLORIDA POWER & LIGHT COMPANY

TESTIMONY OF GERARD J. YUPP

DOCKET NO. 160001-EI

MARCH 2, 2016

Q. Please state your name and address.

A. My name is Gerard J. Yupp. My business address is 700 Universe Boulevard, Juno Beach, Florida, 33408.

Q. By whom are you employed and what is your position?

A. I am employed by Florida Power and Light Company (FPL) as Senior Director of Wholesale Operations in the Energy Marketing and Trading Division.

Q. Please summarize your educational background and professional experience.

A. I graduated from Drexel University with a Bachelor of Science Degree in Electrical Engineering in 1989. I joined the Protection and Control Department of FPL in 1989 as a Field Engineer where I was responsible for the installation; maintenance and troubleshooting of protective relay equipment for generation, transmission and distribution facilities. While employed by FPL, I earned a Masters of Business Administration degree from Florida Atlantic University in 1994. In 1996, I joined the Energy Marketing and Trading Division

(EMT) of FPL as a real-time power trader. I progressed through several power trading positions and assumed the lead role for power trading in 2002. In 2004, I became the Director of Wholesale Operations and natural gas and fuel oil procurement and operations were added to my responsibilities. I have been in my current role since 2008. On the operations side, I am responsible for the procurement and management of all natural gas and fuel oil for FPL, as well as all short-term power trading activity. My regulatory responsibilities include the preparation of testimony for all fossil fuel, interchange, and hedging-related areas for the Fuel and Capacity Cost Recovery Clauses, including the preparation of Discovery and audit responses. Finally, I am responsible for the oversight of FPL's optimization activities associated with the Incentive Mechanism.

Q. Have you previously testified in predecessors to this docket?

A. Yes.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present the 2015 results of FPL's activities under the Incentive Mechanism that was approved by Order No. PSC-13-0023-S-EI, dated January 14, 2013, in Docket No. 120015-EI.

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

A. Yes, I am sponsoring Exhibit GJY-1, consisting of four pages:

- Page 1 – Total Gains Schedule
- Page 2 – Wholesale Power Detail
- Page 3 – Asset Optimization Detail (Confidential)
- Page 4 – Incremental Optimization Costs

Q. Please provide an overview of the Incentive Mechanism.

A. The Incentive Mechanism is an expanded optimization program that is designed to create additional value for FPL's customers while also providing an incentive to FPL if certain customer-value thresholds are achieved. It was created by the Stipulation and Settlement that was approved in FPL's 2012 rate case by Order No. PSC-13-0023-S-EI. The Incentive Mechanism includes gains from wholesale power sales and savings from wholesale power purchases, as well as gains from other forms of asset optimization. These other forms of asset optimization include, but are not limited to, natural gas storage optimization, natural gas sales, capacity releases of natural gas transportation, capacity releases of electric transmission and potentially capturing additional value from a third party in the form of an Asset Management Agreement (AMA). Per Order No. PSC-13-0023-S-EI, under the Incentive Mechanism, customers receive

100% of the gains up to $46 million. Incremental gains above $46 million are to be shared between FPL and customers as follows: customers receive 40% and FPL receives 60% of the incremental gains between $46 million and $100 million; and customers receive 50% and FPL receives 50% of all incremental gains above $100 million. Also, per the Order, FPL is allowed to recover reasonable and prudent incremental O&M costs incurred in implementing the expanded optimization program under the Incentive Mechanism, including incremental personnel, software and associated hardware costs, as well as variable power plant O&M costs incurred to make wholesale sales above 514,000 MWh (the level of wholesale sales that were assumed in forecasting FPL's 2013 test year power plant O&M costs in the MFRs filed in FPL's 2012 rate case).

Q. Please summarize the activities and results of the Incentive Mechanism for 2015.

A. FPL's activities under the Incentive Mechanism in 2015 delivered $46,884,377 in total gains. During 2015, FPL's activities under the Incentive Mechanism included wholesale power purchases and sales, natural gas sales in the market and production areas, gas storage utilization, and the capacity release of firm natural gas transportation and firm electric transmission. Additionally, FPL entered into an Asset Management Agreement related to a small portion of upstream gas transportation during 2015. The total gains of $46,884,377 exceeded the sharing threshold of $46 million. Therefore, the incremental gains above $46 million will be shared between customers and FPL, 40% and 60%, respectively. Exhibit GJY-1, Page 1, shows monthly gain totals, threshold levels and the final gains allocation for 2015.

Q. Please provide the details of FPL's wholesale power activities under the Incentive Mechanism for 2015.

A. The details of FPL's 2015 wholesale power sales and purchases are shown separately on Page 2 of Exhibit GJY-1. FPL had gains of $23,397,901 on wholesale sales and savings of $9,577,611 on wholesale purchases for the year.

Q. Please provide the details of FPL's asset optimization activities under the Incentive Mechanism for 2015.

A. The details of FPL's 2015 asset optimization activities are shown on Page 3 of Exhibit GJY-1. FPL had total gains of $13,908,866 that were the result of seven different forms of asset optimization.

Q. Did FPL incur incremental O&M expenses related to the operation of the Incentive Mechanism in 2015?

A. Yes. FPL incurred personnel expenses of $407,058 related to the costs associated with an additional two and one-half personnel required to support FPL's expanded activities under the Incentive Mechanism. FPL also incurred $66,492 in expenses related to the final implementation and licensing fees of OATI WebTrader software. In total, FPL incurred incremental O&M expenses related to the operation of the Incentive Mechanism of $473,550 in 2015. Additionally, FPL's actual wholesale power sales from its own generation resources in 2015 totaled 2,211,963 MWh, or 1,697,963 MWh above the 514,000 MWh threshold, resulting in variable power plant O&M expenses of $2,563,924 (reflects the volume above the threshold multiplied by $1.51/MWh; the average variable power plant O&M cost per MWh reflected in the 2013 test year MFRs). Page 4 of Exhibit GJY-1 provides the details of FPL's Incremental Optimization Costs for 2015.

Q. Overall, were FPL's activities under the Incentive Mechanism successful in 2015?

A. Yes. FPL's activities under the Incentive Mechanism were highly successful in 2015. On the wholesale power side, similar to 2014, suitable market conditions in the first quarter helped drive strong wholesale power sales. Overall, FPL was able to consistently capitalize on power market opportunities throughout the year to deliver nearly $33 million in customer benefits. Asset optimization activities related to natural gas that had not taken place prior to the inception of the Incentive Mechanism generated slightly more than $11.8 million in gains, and optimization of FPL's firm transmission service on the Southern Company system added another $2.1 million in gains. In total, these activities delivered $46,884,377 of gains, which contrast very favorably to the total optimization expenses (personnel and variable power plant O&M) of $3,037,474.

Q. Does this conclude your testimony?

A. Yes it does.

APPENDIX I

FUEL COST RECOVERY

2015 FINAL TRUE UP CALCULATION

TJK-1
DOCKET NO. 160001-EI
FPL WITNESS: TERRY J. KEITH
PAGES 1-6
EXHIBIT ____
MARCH 2, 2016

FLORIDA POWER & LIGHT COMPANY
FUEL COST RECOVERY CLAUSE
SUMMARY OF NET TRUE-UP

FOR THE PERIOD: JANUARY 2015 THROUGH DECEMBER 2015

	Total
1. End of Period True-up [(1)]	($37,050,993)
2. Less: Actual Estimated True-up for the same period [(2)]	($66,818,243)
3. Net True-up for the period	$29,767,250

[(1)] Page 2, Column (14) Lines 40 & 41.

[(2)] Approved in FPSC Final Order PSC-15-0586-FOF-EI.

Note: Totals may not add due to rounding.

( ) Reflects Underrecovery

FLORIDA POWER & LIGHT COMPANY
CALCULATION OF FINAL TRUE-UP AMOUNT

FOR THE PERIOD: JANUARY 2015 THROUGH DECEMBER 2015

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.		January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	12 Month Period
1	**Fuel Costs & Net Power Transactions**													
2	Fuel Cost of System Net Generation (Per A3) [1]	$246,664,759	$216,161,869	$257,084,388	$277,829,341	$281,801,536	$301,524,023	$303,259,051	$311,136,907	$297,318,972	$278,842,946	$253,493,993	$235,457,687	$3,260,575,473
3	Scherer Coal Cars Depreciation & Return (Per A2)	$0	$0	($53,435)	$0	$0	$0	$0	$0	$0	$0	$0	$0	($53,435)
4	Cedar Bay – Rail Coal Cars Lease per Docket No. 150075-EI	$0	$0	$0	$0	$0	$0	$0	$0	$114,014	$121,164	$131,064	$114,014	$480,256
5	Fuel Cost of Power Sold (Per A6)	($16,429,924)	($15,976,225)	($6,686,080)	($748,351)	($2,230,166)	($1,625,793)	($1,882,916)	($1,875,924)	($1,283,252)	($2,159,877)	($1,911,102)	($3,595,024)	($56,404,635)
6	Gains from Off-System Sales (Per A6)	($8,278,889)	($9,725,531)	($3,166,550)	($332,482)	($767,361)	($554,966)	($590,851)	($517,102)	($435,049)	($580,636)	($519,488)	($1,329,134)	($26,798,039)
7	Fuel Cost of Purchased Power (Per A7)	$7,435,276	$9,097,205	$9,977,819	$9,894,170	$18,878,007	$20,637,329	$23,648,179	$25,710,657	$22,068,137	$22,780,978	$20,212,605	$7,997,614	$198,337,975
8	Energy Payments to Qualifying Facilities (Per A8)	$1,327,108	$1,083,118	$980,587	$7,244,956	$10,248,362	$11,774,346	$10,151,103	$10,252,365	$8,536,509	$5,582,280	($1,312,571)	$1,469,027	$67,337,191
9	Energy Cost of Economy Purchases (Per A9)	$0	$145,000	$1,294,660	$2,398,817	$1,358,485	$4,329,015	$2,390,635	$4,065,346	$3,521,110	$688,296	$1,758,821	$282,244	$22,232,429
10	Total Fuel Costs & Net Power Transactions	$230,718,330	$200,785,437	$259,431,389	$296,286,452	$309,288,863	$336,083,954	$336,975,202	$348,772,248	$329,840,441	$305,275,151	$271,853,321	$240,396,428	$3,465,707,215
11														
12	**Incremental Optimization Costs**													
13	Incremental Personnel, Software, and Hardware Costs (Per A2)	$37,399	$34,067	$44,881	$35,301	$33,614	$34,538	$32,298	$61,710	$34,940	$45,280	$38,911	$40,610	$473,550
14	Variable Power Plant O&M Costs over 514,000 MWH Threshold (Per A6)	$157,809	$888,185	$438,890	$73,170	$127,879	$89,921	$92,895	$89,567	$69,730	$112,098	$103,347	$320,433	$2,563,924
15	Total	$195,208	$922,252	$483,771	$108,471	$161,493	$124,459	$125,193	$151,277	$104,670	$157,378	$142,259	$361,043	$3,037,474
16														
17	Dodd Frank Fees	$375	$375	$375	$375	$375	$375	$375	$384	$375	$375	$375	$375	$4,509
18														
19	**Adjustments to Fuel Cost**													
20	Energy Imbalance Fuel Revenues	($101,562)	($129,818)	($52,136)	($79,012)	($134,841)	($90,157)	($105,407)	($105,834)	($129,837)	($80,182)	($6,372)	($50,826)	($1,065,982)
21	Inventory Adjustments	($349,002)	$271,182	($16,541)	$40,609	($52,902)	($2,589)	$88,955	($107,475)	($166,518)	($167,187)	($125,538)	($135,886)	($722,889)
22	Non Recoverable Oil/Tank Bottoms	($1,347,774)	$810,620	$0	$0	$1,085,377	$0	($47,633)	$0	($242,422)	$365,686	$0	$0	$623,854
23	Adjusted Total Fuel Costs & Net Power Transactions	$229,115,575	$202,660,049	$259,846,859	$296,356,894	$310,348,365	$336,116,043	$337,036,685	$348,710,601	$329,406,709	$305,551,222	$271,864,045	$240,571,134	$3,467,584,181
24	**Jurisdictional kWh Sales**													
25	Jurisdictional kWh Sales	7,954,413,052	7,113,174,773	7,752,924,515	8,634,798,845	9,380,232,035	10,001,639,015	10,763,691,577	10,646,987,154	10,480,394,526	9,413,964,298	9,095,762,441	8,582,416,040	109,820,398,271
26	Sales for Resale	385,765,418	453,052,199	446,421,902	534,432,568	588,536,338	590,679,241	620,086,673	676,411,420	651,800,570	580,885,920	555,873,117	526,088,422	6,610,033,788
27	Sub-Total Sales	8,340,178,470	7,566,226,972	8,199,346,417	9,169,231,413	9,968,768,373	10,592,318,256	11,383,778,250	11,323,398,574	11,132,195,096	9,994,850,218	9,651,635,558	9,108,504,462	116,430,432,059
28														
29	**Jurisdictional % of Total Sales (Line 25/27)**	95.37461%	94.01218%	94.55540%	94.17146%	94.09620%	94.42351%	94.55289%	94.02643%	94.14491%	94.18815%	94.24063%	94.22421%	94.32276%
30	**True-up Calculation**													
31	Jurisdictional Fuel Revenues (Net of Revenue Taxes)	$266,828,804	$237,417,940	$259,488,001	$291,742,132	$292,351,504	$313,631,073	$340,620,984	$336,176,556	$330,158,043	$293,622,838	$281,980,985	$263,928,764	$3,507,947,625
32	**Fuel Adjustment Revenues Not Applicable to Period**													
33	Prior Period True-up (Collected)/Refunded This Period [2]	($22,221,724)	($22,221,724)	($22,221,724)	($22,221,724)	($22,221,724)	($22,221,724)	($22,221,724)	($22,221,724)	($22,221,724)	($22,221,724)	($22,221,724)	($22,221,724)	($266,660,688)
34	GPIF, Net of Revenue Taxes [3]	($983,868)	($983,868)	($983,868)	($983,868)	($983,868)	($983,868)	($983,868)	($983,868)	($983,868)	($983,868)	($983,868)	($983,868)	($11,806,416)
35	Midcourse correction - Prior Period True-up (Collected)/Refunded This Period	$0	$0	$0	$0	$1,261,105	$1,261,105	$1,261,105	$1,261,105	$1,261,105	$1,261,105	$1,261,105	$1,261,105	$10,088,837
36	Jurisdictional Fuel Revenues Applicable to Period	$243,623,212	$214,212,348	$236,282,409	$268,536,540	$270,407,016	$291,686,586	$318,676,497	$314,232,068	$308,213,556	$271,678,350	$260,036,497	$241,984,276	$3,239,569,357
37	Adjusted Total Fuel Costs & Net Power Transactions	$229,115,575	$202,660,049	$259,846,859	$296,356,894	$310,348,365	$336,116,043	$337,036,685	$348,710,601	$329,406,709	$305,551,222	$271,864,045	$240,571,134	$3,467,584,181
38	Jurisdictional Sales % of Total kWh Sales (Line 29)	95.37461%	94.01218%	94.55540%	94.17146%	94.09620%	94.42351%	94.55289%	94.02643%	94.14491%	94.18815%	94.24063%	94.22421%	94.32276%
39	Juris. Total Fuel Costs & Net Power Trans. (Line 37xLine38x1.00169)	$218,887,382	$190,847,118	$246,114,468	$279,555,266	$292,566,266	$317,959,704	$319,267,480	$328,486,707	$310,693,371	$288,325,460	$256,680,371	$227,095,602	$3,276,479,195
40	True-up Provision for the Month - Over/(Under) Recovery (Line 36 - Line 39)	$24,735,831	$23,365,231	($9,832,059)	($11,018,725)	($22,159,250)	($26,273,118)	($590,983)	($14,254,639)	($2,479,815)	($16,647,110)	$3,356,127	$14,888,675	($36,909,838)
41	Interest Provision for the Month	($19,417)	($14,798)	($11,840)	($9,130)	($9,411)	($10,827)	($10,837)	($11,307)	($11,073)	($10,351)	($9,567)	($12,598)	($141,155)
42	True-up & Interest Provision Beg. of Period - Over/(Under) Recovery	($266,660,688)	($219,722,550)	($174,150,393)	($161,772,568)	($150,578,700)	($151,786,741)	($157,110,066)	($136,751,268)	($130,056,595)	($111,586,864)	($107,283,706)	($82,976,526)	($266,660,688)
43	Deferred True-up Beginning of Period - Over/(Under) Recovery [4]	$10,088,837	$10,088,837	$10,088,837	$10,088,837	$10,088,837	$10,088,837	$10,088,837	$10,088,837	$10,088,837	$10,088,837	$10,088,837	$10,088,837	$10,088,837
44	Prior Period True-up Collected/(Refunded) This Period [2]	$22,221,724	$22,221,724	$22,221,724	$22,221,724	$22,221,724	$22,221,724	$22,221,724	$22,221,724	$22,221,724	$22,221,724	$22,221,724	$22,221,724	$266,660,688
45	Midcourse correction - 2014 final true-up collected/(refunded) this period	$0	$0	$0	$0	($1,261,105)	($1,261,105)	($1,261,105)	($1,261,105)	($1,261,105)	($1,261,105)	($1,261,105)	($1,261,105)	($10,088,837)
46	End of Period Net True-up Amount Over/(Under) Recovery (Lines 40 through 45)	($209,633,713)	($164,061,556)	($151,683,731)	($140,489,863)	($141,697,904)	($147,021,229)	($126,662,431)	($119,967,758)	($101,498,027)	($97,194,869)	($72,887,689)	($37,050,993)	($37,050,993)
47	% Net (Under)/Over Recovery													
48														
49	[1] Actuals include various adjustments as noted on the A-Schedules.													
50	[2] Prior Period 2013/2014 True-up.													
51	[3] Generating Performance Incentive Factor is ((11,814,923 / 12) x 99.9280%) - See Order No. PSC-14-0701-FOF-EI.													
52	[4] 2014 Final True-up.													
53														
54	Note: Amounts may not agree to Actual/Estimated Filing or A-Schedules due to rounding.													
55														

FLORIDA POWER & LIGHT COMPANY
REVENUE/COST VARIANCE ANALYSIS

FOR THE PERIOD: JANUARY 2015 THROUGH DECEMBER 2015

Line No.	(1) Revenue/Cost Final Variance Analysis	(2) Final True-up	(3) Actual Estimated	(4) DIFFERENCE
1	**Jurisdictional Total Fuel Revenues**			
2	Revenues	$3,507,947,625	$3,475,069,359	$32,878,266
3	MWH	109,820,398	108,830,936	989,462
4	$ per MWH	31.94259	31.93090	0.01169
5				
6	Variance due to Consumption			$31,594,423
7	Variance due to Price			$1,283,843
8	Total Variance			$32,878,266
9				
10	**Jurisdictional Total Fuel Costs**			
11	Costs	$3,276,479,195	$3,273,379,599	$3,099,597
12	MWH	109,820,398	108,830,936	989,462
13	$ per MWH	29.83489	30.07766	(0.24277)
14				
15	Variance due to Consumption			$29,760,713
16	Variance due to Price			($26,661,116)
17	Total Variance			$3,099,597
18				
19	**Total Variance**			
20	Variance due to Consumption			$1,833,710
21	Variance due to Price			$27,944,959
22	Total Variance			$29,778,669
23	Interest			($11,419)
24	Total True-up			$29,767,250
25				
26				
27	( ) Reflects Underrecovery			
28				
29	Note: Totals may not add down due to rounding.			
30				
31				
32				
33				
34				
35				
36				
37				

FOR THE PERIOD: JANUARY 2015 THROUGH DECEMBER 2015

	(1)	(2)	(3)	(4)	(5)
Line No.		FCR - 2015 Final True-up	FCR - 2015 Actual/Estimated - Supplemental Filing	Dif. FCR - 2015 Actual/Estimated - Supplemental Filing	% Dif. FCR - 2015 Actual/Estimated - Supplemental Filing
1	**Fuel Costs & Net Power Transactions**				
2	Fuel Cost of System Net Generation (Per A3)	$3,260,575,473	$3,267,287,262	($6,711,789)	(0.2%)
3	Scherer Coal Cars Depreciation & Return (Per A2)	($53,435)	($53,435)	$0	0.0%
4	Cedar Bay – Rail Coal Cars Lease per Docket No. 150075-EI	$480,256	$452,360	$27,896	6.2%
5	Fuel Cost of Power Sold (Per A6)	($56,404,635)	($62,352,934)	$5,948,298	(9.5%)
6	Gains from Off-System Sales (Per A6)	($26,798,039)	($28,331,630)	$1,533,591	(5.4%)
7	Fuel Cost of Purchased Power (Per A7)	$198,337,975	$184,538,649	$13,799,326	7.5%
8	Energy Payments to Qualifying Facilities (Per A8)	$67,337,191	$74,604,104	($7,266,913)	(9.7%)
9	Energy Cost of Economy Purchases (Per A9)	$22,232,429	$17,225,175	$5,007,255	29.1%
10	Total Fuel Costs & Net Power Transactions	$3,465,707,215	$3,453,369,551	$12,337,665	0.4%
11					
12	**Incremental Optimization Costs**				
13	Incremental Personnel, Software, and Hardware Costs (Per A2)	$473,550	$441,826	$31,723	7.2%
14	Variable Power Plant O&M Costs over 514,000 MWH Threshold (Per A6)	$2,563,924	$2,759,649	($195,725)	(7.1%)
15	Total	$3,037,474	$3,201,475	($164,002)	(5.1%)
16					
17	Dodd Frank Fees	$4,509	$4,500	$9	0.2%
18					
19	**Adjustments to Fuel Cost**				
20	Energy Imbalance Fuel Revenues	($1,065,982)	($692,933)	($373,049)	53.8%
21	Inventory Adjustments	($722,889)	$1,065,091	($1,787,980)	(167.9%)
22	Non Recoverable Oil/Tank Bottoms	$623,854	($584,787)	$1,208,641	(206.7%)
23	Adjusted Total Fuel Costs & Net Power Transactions	$3,467,584,181	$3,456,362,897	$11,221,284	0.3%
24	**Jurisdictional kWh Sales**				
25	Jurisdictional kWh Sales	109,820,398,271	108,830,935,816	989,462,455	0.9%
26	Sales for Resale	6,610,033,788	6,284,038,295	325,995,493	5.2%
27	Sub-Total Sales	116,430,432,059	115,114,974,111	1,315,457,948	1.1%
28					
29	**Jurisdictional % of Total Sales (Line 25/27)**	N/A	N/A	N/A	N/A
30	**True-up Calculation**				
31	Jurisdictional Fuel Revenues (Net of Revenue Taxes)	$3,507,947,625	$3,475,069,359	$32,878,266	0.9%
32	**Fuel Adjustment Revenues Not Applicable to Period**				
33	Prior Period True-up (Collected)/Refunded This Period [2]	($266,660,688)	($266,660,688)	$0	0.0%
34	GPIF, Net of Revenue Taxes [1]	($11,806,416)	($11,806,416)	($0)	0.0%
35	Midcourse correction - Prior Period True-up (Collected)/Refunded This Period	$10,088,837	$10,088,837	$0	0.0%
36	Jurisdictional Fuel Revenues Applicable to Period	$3,239,569,357	$3,206,691,092	$32,878,266	1.0%
37	Adjusted Total Fuel Costs & Net Power Transactions	$3,467,584,181	$3,456,362,897	$11,221,284	0.3%
38	Jurisdictional Sales % of Total kWh Sales (Line 29)	N/A	N/A	N/A	N/A
39	Juris. Total Fuel Costs & Net Power Trans. (Line 37xLine38x1.00169)	$3,276,479,195	$3,273,379,599	$3,099,597	0.1%
40	True-up Provision for the Month - Over/(Under) Recovery (Line 36 - Line 39)	($36,909,838)	($66,688,507)	$29,778,669	(44.7%)
41	Interest Provision for the Month	($141,155)	($129,736)	($11,419)	8.8%
42	True-up & Interest Provision Beg. of Period - Over/(Under) Recovery	($266,660,688)	($266,660,688)	$0	0.0%
43	Deferred True-up Beginning of Period - Over/(Under) Recovery [3]	$10,088,837	$10,088,837	$0	0.0%
44	Prior Period True-up Collected/(Refunded) This Period [2]	$266,660,688	$266,660,688	$0	0.0%
45	Midcourse correction - 2014 final true-up collected/(refunded) this period	($10,088,837)	($10,088,837)	$0	0.0%
46	End of Period Net True-up Amount Over/(Under) Recovery (Lines 40 through 45)	($37,050,993)	($66,818,243)	$29,767,250	(44.5%)
47					
48	[1] Generating Performance Incentive Factor is ((11,814,923 / 12) x 99.9280%) - See Order No. PSC-14-0701-FOF-EI.				
49	[2] Prior Period 2013/2014 Net True-up.				
50	[3] 2014 Final True-up.				
51					
52	Note: Amounts may not agree to A-Schedules due to rounding.nding.				
53					

Florida Power & Light Company
Fuel and Purchased Power Recovery Clause
For the Period January through June 2015

Return on Capital Investments & Depletion
For Project: Gas Reserves Investment
(in Dollars)

Line			Beginning of Period Amount	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	Six Month Amount
1.	Investments									
	a.	Capital addition		$0	$0	$34,111,238	$9,356,775	$16,063,203	$11,514,793	$71,046,008
										$0
2.	Gas Reserve Investment / DD&A Base (A)		$0	$0	$0	$34,111,238	$43,468,013	$59,531,216	$71,046,008	n/a
3.	Less: Accumulated Depletion Reserve		$0	$0	$0	$237,136	$315,464	$409,385	$694,142	n/a
3a	Net Working Capital Adjustment			$0	$0	$12,465,807	$9,113,672	$22,599,196	$13,799,010	
										n/a
4.	Net Investment & Net Working Capital (Lines 2 - 3)		$0	$0	$0	$46,339,909	$52,266,220	$81,721,026	$84,150,877	n/a
5.	Average Rate Base			$0	$0	$23,169,955	$49,303,065	$66,993,623	$82,935,952	n/a
6.	Return on Average Net Investment									
	a.	Equity Component grossed up for taxes (B)		$0	$0	$154,651	$329,080	$447,158	$553,567	$1,484,455
	b.	Debt Component (Line 5 x debt rate x 1/12) (C)		$0	$0	$28,483	$60,608	$82,355	$101,953	$273,400
		Subtotal (Debt & Equity Return)		$0	$0	$183,134	$389,688	$529,513	$655,520	$1,757,855
7.	Investment and Operating Expenses									
	a.	Transportation Costs		$0	$0	$48,162	$26,402	$36,050	$141,530	$252,145
	b.	Depletion		$0	$0	$106,015	$78,329	$93,921	$284,756	$563,021
	c.	Lease Operating Expenses (LOE)		$0	$0	$24,000	$95,829	($2,375)	$510,203	$627,657
	d.	Taxes (Ad-Valorem, Severance & Franchise)		$0	$0	$1,561	$961	$1,330	$5,994	$9,847
	e.	G&A		$0	$0	$99,231	$64,291	$37,847	$47,107	$248,476
	f.	Insurance		$0	$0	$0	$0	$0	$0	$0
	g	Accretion expense				$158	$158	$158	$1,060	$1,534
		Subtotal Expenses		$0	$0	$279,127	$265,971	$166,931	$990,650	$1,702,680
8.	Total System Recoverable Expenses (Lines 6 & 7a-f)			$0	$0	$462,261	$655,659	$696,444	$1,646,171	$3,460,534

Notes:

(A) Applicable beginning of period and end of period DD&A (Depreciation, Depletion & Amortization) base
(B) The gross-up factor for taxes uses 0.6110, which reflects the Federal Income Tax Rate of 35% and Oklahoma State Tax rate of 6%.
The monthly Equity Component is 4.8938% based on the May 2014 Earnings Surveillance Report and reflects a 10.5% return on equity, per FPSC Order No. PSC-12-0425-PAA-EU.
(C) The debt component is 1.4751% based on the May 2014 Earnings Surveillance Report and reflects a 10.5% ROE, per FPSC Order No. PSC-12-0425-PAA-EU.

Totals may not add due to rounding.

Florida Power & Light Company
Fuel and Purchased Power Recovery Clause
For the Period July through December 2015

Return on Capital Investments & Depletion
For Project: Gas Reserves Investment
(in Dollars)

Line			Beginning of Period Amount	July Actual	August Actual	Sept Actual	Oct Actual	Nov Actual	Dec Actual	Project To Date Amount
1.	Investments									
	a.	Capital addition		20,378,046	20,434,075	11,738,814	10,971,728	11,236,212	4,947,134	150,752,017
										0
2.	Gas Reserve Investment / DD&A Base (A)		71,046,008	91,424,055	111,858,129	123,596,943	134,568,671	145,804,882	150,752,017	n/a
3.	Less: Accumulated Depletion Reserve		694,142	1,635,794	2,741,492	3,740,737	5,064,272	6,421,591	8,216,025	n/a
3a	Net Working Capital Adjustment		13,799,010	36,799,185	35,883,992	46,696,444	65,490,867	58,848,082	60,073,404	
										n/a
4.	Net Investment & Net Working Capital (Lines 2 - 3)		84,150,877	126,587,446	145,000,629	166,552,650	194,995,265	198,231,373	202,609,396	n/a
5.	Average Rate Base			105,369,162	135,794,037	155,776,639	180,773,957	196,613,319	200,420,385	n/a
6.	Return on Average Net Investment									
	a.	Equity Component grossed up for taxes (B)		692,712	892,729	1,024,098	1,188,433	1,292,564	1,317,592	7,892,583
	b.	Debt Component (Line 5 x debt rate x 1/12) (C)		130,868	168,656	193,475	224,521	244,194	248,922	1,484,036
		Subtotal (Debt & Equity Return)		823,580	1,061,385	1,217,572	1,412,955	1,536,757	1,566,514	9,376,619
7.	Investment and Operating Expenses									
	a.	Transportation Costs		(616,438)	0	0	0	0	0	(364,294)
	b.	Depletion		941,652	1,105,698	999,245	1,323,535	1,357,319	1,794,434	8,084,904
	c.	Lease Operating Expenses (LOE)		469,529	1,964,517	959,778	1,200,668	1,484,879	1,130,962	7,837,989
	d.	Taxes (Ad-Valorem, Severance & Franchise)		10,720	23,068	20,329	73,702	34,653	41,077	213,395
	e.	G&A		62,407	121,301	3,440	46,066	16,130	39,789	537,610
	f.	Insurance		0	0	0	0	0	0	0
	g	Accretion expense		1,963	1,316	1,316	1,579	1,842	2,105	11,655
		Subtotal Expenses		869,833	3,215,900	1,984,108	2,645,550	2,894,824	3,008,367	16,321,261
8.	Total System Recoverable Expenses (Lines 6 & 7a-f)			1,693,413	4,277,286	3,201,680	4,058,505	4,431,581	4,574,881	25,697,879

Notes:

(A) Applicable beginning of period and end of period DD&A (Depreciation, Depletion & Amortization) base

(B) The gross-up factor for taxes uses 0.6110, which reflects the Federal Income Tax Rate of 35% and Oklahoma State Tax rate of 6%.
The monthly Equity Component is 4.8201% based on the May 2015 Earnings Surveillance Report and reflects a 10.5% return on equity, per FPSC Order No. PSC-12-0425-PAA-EU.

(C) The debt component is 1.4904% based on the May 2015 Earnings Surveillance Report and reflects a 10.5% ROE, per FPSC Order No. PSC-12-0425-PAA-EU.

Totals may not add due to rounding.

APPENDIX II

CAPACITY COST RECOVERY

2015 FINAL TRUE UP CALCULATION

TJK-2
DOCKET NO. 160001-EI
FPL WITNESS: TERRY J. KEITH
PAGES 1-13
EXHIBIT ____
MARCH 2, 2016

FLORIDA POWER & LIGHT COMPANY
CAPACITY COST RECOVERY CLAUSE
SUMMARY OF NET TRUE-UP
FOR THE PERIOD: JANUARY 2015 THROUGH DECEMBER 2015

Line No.		Dec - 2015
1	End of Period True-up for the period [1]	$13,638,140
2	Less - Estimated/Actual True-up for the same period [2]	$7,699,316
3	Net True-up for the period	$5,938,824
4		
5	[1] From Page 2, Column (14), Lines 21 & 22.	
6	[2] Approved in FPSC Final Order PSC-15-0586-FOF-EI.	
7		
8	Note: Totals may not add due to rounding	
9		
10	( ) Reflects Under-recovery	
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FLORIDA POWER & LIGHT COMPANY
CAPACITY COST RECOVERY CLAUSE
CALCULATION OF FINAL TRUE-UP
FOR THE PERIOD JANUARY 2015 THROUGH DECEMBER 2015

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.		January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	Total
1	Payments to Non-cogenerators	$13,911,366	$13,975,636	$14,787,778	$14,454,872	$14,700,342	$14,214,737	$14,120,489	$16,115,162	$15,293,202	$15,204,846	$15,508,268	$15,122,007	$177,408,704
2	Payments to Cogenerators	$24,606,259	$23,681,563	$24,046,776	$24,070,465	$24,019,465	$24,136,932	$22,979,348	$22,923,072	$18,122,974	$11,834,751	$11,483,597	$11,674,925	$243,580,129
3	Cedar Bay Transaction - Regulatory Asset - Amortization and Return	$0	$0	$0	$0	$0	$0	$0	$0	$8,009,572	$9,673,705	$9,643,449	$9,613,192	$36,939,918
4	Cedar Bay Transaction - Regulatory Liability - Amortization and Return	$0	$0	$0	$0	$0	$0	$0	$0	($90,469)	($117,510)	($117,018)	($116,527)	($441,525)
5	SJRPP Suspension Accrual	($743,251)	($743,251)	($743,251)	($798,207)	($756,990)	($756,990)	($756,990)	($756,990)	($756,990)	($756,990)	($756,990)	($756,990)	($9,083,880)
6	Return on SJRPP Suspension Liability	($289,443)	($283,595)	($277,746)	($271,682)	($265,563)	($259,607)	($250,837)	($244,947)	($239,057)	($233,166)	($227,276)	($221,385)	($3,064,304)
7	Incremental Plant Security Costs O&M	$3,177,518	$2,591,941	$3,147,376	$3,089,619	$2,703,690	$2,665,806	$2,681,167	$3,060,846	$3,164,332	$3,345,602	$3,167,721	$4,045,681	$36,841,299
8	Incremental Plant Security Costs Capital	$70,318	$77,424	$84,955	$91,364	$98,236	$105,624	$111,502	$116,950	$121,204	$125,139	$132,777	$144,995	$1,280,489
9	Incremental Nuclear NRC Compliance Costs O&M	$10,625	($18,529)	$27,148	$44,475	$44,957	$23,307	$30,946	$108,537	$31,947	$64,087	$28,322	$2,038,598	$2,434,420
10	Incremental Nuclear NRC Compliance Costs Capital	$213,101	$236,464	$264,834	$315,967	$350,674	$375,683	$398,877	$432,258	$461,144	$498,095	$551,725	$584,361	$4,683,184
11	Transmission of Electricity by Others	$2,363,793	$2,030,739	$2,207,794	$1,924,530	$1,397,123	$153,447	$2,137,731	($239,274)	$1,073,502	$1,607,613	$1,510,291	$2,253,101	$18,420,391
12	Transmission Revenues from Capacity Sales	($988,891)	($1,255,218)	($735,254)	($116,851)	($260,934)	($224,295)	($79,619)	($141,896)	($91,831)	($290,629)	($170,646)	($577,434)	($4,933,499)
13	Total (Lines 1 through 12)	$42,331,395	$40,293,174	$42,810,409	$42,804,553	$42,031,001	$40,434,645	$41,372,614	$41,373,717	$45,099,530	$40,955,544	$40,754,220	$43,804,525	$504,065,326
14	Jurisdictional Separation Factor [a]	94.64598%	94.64598%	94.64598%	94.64598%	94.64598%	94.64598%	94.64598%	94.64598%	94.64598%	94.64598%	94.64598%	94.64598%	N/A
15	Jurisdictional CCR Charges	$40,064,964	$38,135,870	$40,518,331	$40,512,789	$39,780,652	$38,269,766	$39,157,516	$39,158,560	$42,684,892	$38,762,776	$38,572,231	$41,459,222	$477,077,567
16	Nuclear Cost Recovery Costs [a]	$828,412	$904,960	$1,199,655	$1,003,858	$1,264,329	$1,173,932	$975,723	$953,036	$1,246,085	$922,340	$940,085	$2,875,446	$14,287,862
17	Jurisdictional CCR Charges	$40,893,376	$39,040,830	$41,717,986	$41,516,646	$41,044,982	$39,443,698	$40,133,239	$40,111,596	$43,930,977	$39,685,116	$39,512,316	$44,334,668	$491,365,430
18	CCR Revenues (Net of Revenue Taxes)	$35,066,176	$32,198,366	$35,135,669	$38,287,814	$41,255,187	$43,630,802	$46,807,087	$46,210,004	$45,733,568	$41,593,703	$40,154,892	$37,565,871	$483,639,140
19	Prior Period True-up Provision	$1,779,447	$1,779,447	$1,779,447	$1,779,447	$1,779,447	$1,779,447	$1,779,447	$1,779,447	$1,779,447	$1,779,447	$1,779,447	$1,779,447	$21,353,369
20	CCR Revenues Applicable to Current Period (Net of Revenue Taxes)	$36,845,624	$33,977,814	$36,915,117	$40,067,261	$43,034,634	$45,410,250	$48,586,535	$47,989,451	$47,513,015	$43,373,151	$41,934,340	$39,345,318	$504,992,509
21	True-up Provision for Month - Over/(Under) Recovery (Line 20 - Line 17)	($4,047,752)	($5,063,016)	($4,802,870)	($1,449,385)	$1,989,652	$5,966,552	$8,453,296	$7,877,855	$3,582,038	$3,688,035	$2,422,024	($4,989,349)	$13,627,079
22	Interest Provision for Month	$1,290	$725	$183	($154)	($265)	($133)	$290	$921	$1,400	$1,652	$1,927	$3,224	$11,060
23	True-up & Interest Provision Beginning of Month - Over/(Under) Recovery	$21,353,369	$15,527,459	$8,685,721	$2,103,587	($1,125,399)	($915,459)	$3,271,513	$9,945,651	$16,044,979	$17,848,969	$19,759,208	$20,403,712	$21,353,369
24	Deferred True-up - Over/(Under) Recovery	($2,951,171)	($2,951,171)	($2,951,171)	($2,951,171)	($2,951,171)	($2,951,171)	($2,951,171)	($2,951,171)	($2,951,171)	($2,951,171)	($2,951,171)	($2,951,171)	($2,951,171)
25	Prior Period True-up Provision - Collected/(Refunded) this Month	($1,779,447)	($1,779,447)	($1,779,447)	($1,779,447)	($1,779,447)	($1,779,447)	($1,779,447)	($1,779,447)	($1,779,447)	($1,779,447)	($1,779,447)	($1,779,447)	($21,353,369)
26	End of Period True-up - Over/(Under) Recovery (Sum of Lines 21 through 25)	$12,576,288	$5,734,550	($847,584)	($4,076,570)	($3,866,630)	$320,342	$6,994,480	$13,093,808	$14,897,798	$16,808,037	$17,452,541	$10,686,969	$10,686,969

28 [a] As approved on Order No PSC-14-0701-FOF-EI.

30 Total may not add due to rounding

FLORIDA POWER & LIGHT COMPANY
CAPACITY COST RECOVERY CLAUSE
CALCULATION OF FINAL TRUE-UP VARIANCES
FOR THE PERIOD: JANUARY 2015 THROUGH DECEMBER 2015

	(1)	(2)	(3)	(4)	(5)
Line No.	CCR - Final True-up Variance	CCR - 2015 Final True-up	CCR - 2015 Actual/Estimated True-up - Supplemental Filing	Dif. CCR - 2015 Actual/Estimated True-up - Supplemental Filing	% Dif. CCR - 2015 Actual/Estimated True-up - Supplemental Filing
1	Payments to Non-cogenerators	$177,408,704	$176,195,951	$1,212,753	0.7%
2	Payments to Cogenerators	$243,580,129	$244,996,833	($1,416,704)	(0.6%)
3	Cedar Bay Transaction - Regulatory Asset - Amortization and Return	$36,939,918	$36,939,917	$1	0.0%
4	Cedar Bay Transaction - Regulatory Liability - Amortization and Return	($441,525)	($441,523)	($1)	0.0%
5	SJRPP Suspension Accrual	($9,083,880)	($9,083,880)	$0	0.0%
6	Return on SJRPP Suspension Liability	($3,064,304)	($3,064,304)	$0	0.0%
7	Incremental Plant Security Costs O&M	$36,841,299	$38,685,065	($1,843,766)	(4.8%)
8	Incremental Plant Security Costs Capital	$1,280,489	$1,359,932	($79,443)	(5.8%)
9	Incremental Nuclear NRC Compliance Costs O&M	$2,434,420	$991,859	$1,442,561	145.4%
10	Incremental Nuclear NRC Compliance Costs Capital	$4,683,184	$4,636,627	$46,557	1.0%
11	Transmission of Electricity by Others	$18,420,391	$21,012,049	($2,591,658)	(12.3%)
12	Transmission Revenues from Capacity Sales	($4,933,499)	($5,193,563)	$260,064	(5.0%)
13	Total (Lines 1 through 12)	$504,065,326	$507,034,963	($2,969,637)	(0.6%)
14	Jurisdictional Separation Factor [(a)]	94.64598%	94.64598%	0.00000%	(0.0%)
15	Jurisdictional CCR Charges	$477,077,567	$479,888,209	($2,810,642)	(0.6%)
16	Nuclear Cost Recovery Costs [(a)]	$14,287,862	$14,287,861	$1	0.0%
17	Jurisdictional CCR Charges	$491,365,430	$494,176,070	($2,810,641)	(0.6%)
18	CCR Revenues (Net of Revenue Taxes)	$483,639,140	$480,515,710	$3,123,430	0.7%
19	Prior Period True-up Provision	$21,353,369	$21,353,369	$0	0.0%
20	CCR Revenues Applicable to Current Period (Net of Revenue Taxes)	$504,992,509	$501,869,079	$3,123,430	0.6%
21	True-up Provision for Month - Over/(Under) Recovery (Line 20 - Line 17)	$13,627,079	$7,693,009	$5,934,070	77.1%
22	Interest Provision for Month	$11,060	$6,307	$4,753	75.4%
23	True-up & Interest Provision Beginning of Month - Over/(Under) Recovery	$21,353,369	$21,353,369	$0	0.0%
24	Deferred True-up - Over/(Under) Recovery	($2,951,171)	($2,951,171)	$0	0.0%
25	Prior Period True-up Provision - Collected/(Refunded) this Month	($21,353,369)	($21,353,369)	$0	0.0%
26	End of Period True-up - Over/(Under) Recovery (Sum of Lines 21 through 25)	$10,686,969	$4,748,145	$5,938,824	125.1%
27					
28	[(a)] As approved on Order No. PSC-14-0701-FOF-EI.				
29					
30	Columnns and rows may not add due to rounding				
31					
32					
33					
34					
35					
36					
37					

Florida Power & Light Company
Schedule A12 - Capacity Costs

For the Month of **Dec-15**

Contract	Capacity MW	Term Start	Term End	Contract Type
Cedar Bay	250	1/25/1994	9/18/2015	QF
Indiantown	330	12/22/1995	12/1/2025	QF
Broward North - 1991 Agreement	11	1/1/1993	11/3/2015	QF
Broward South - 1991 Agreement	3.5	1/1/1993	12/31/2026	QF
SWAPC	40	1/1/2012	3/31/2032	QF

QF = Qualifying Facility

	January	February	March	April	May	June	July	August	September	October	November	December	Year-to-date
Cedar Bay	11,529,146	10,579,222	10,957,049	10,980,738	10,948,658	11,019,465	10,972,681	10,941,640	6,223,874	-35,479	3,976		94,120,971
ICL	11,566,193	11,591,421	11,578,807	11,578,807	11,559,887	11,569,347	11,569,347	11,544,111	11,556,729	11,556,729	11,582,001	11,569,365	138,822,747
BN-NEG '91	331,760	331,760	331,760	331,760	331,760	331,760	331,760	331,760	236,810	207,941	-207,941		2,890,890
BS-NEG '91	105,560	105,560	105,560	105,560	105,560	105,560	105,560	105,560	105,560	105,560	105,560	105,560	1,266,720
SWAPC	1,073,600	1,073,600	1,073,600	1,073,600	1,073,600	1,110,800							6,478,800
Total	24,606,259	23,681,563	24,046,776	24,070,465	24,019,465	24,136,932	22,979,348	22,923,072	18,122,974	11,834,751	11,483,597	11,674,925	243,580,129

Florida Power & Light Company
Schedule A12 - Capacity Costs

For the Month of **Dec-15**

Contract	Counterparty	Identification	Contract Start Date	Contract End Date
1	Southern Co. - UPS Scherer	Other Entity	June, 2010	December 31, 2015
2	Southern Co. - UPS Harris	Other Entity	June, 2010	December 31, 2015
3	Southern Co. - UPS Franklin	Other Entity	June, 2010	December 31, 2015
4	JEA - SJRPP	Other Entity	April, 1982	September 30, 2021
5	Solid Waste Authority - 40 MW	Other Entity	January, 2012	March 31, 2032
6	Solid Waste Authority - 70 MW	Other Entity	July, 2015	May 31, 2034

2015 Capacity in MW

Contract	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	163	163	163	163	163	163	163	163	163	163	163	163
2	600	600	600	600	600	600	600	600	600	600	600	600
3	190	190	190	190	190	190	190	190	190	190	190	190
4	375	375	375	375	375	375	375	375	375	375	375	375
5	-	-	-	-	-	-	40	40	40	40	40	40
6	-	-	-	-	-	-	70	70	70	70	70	70
Total	1,328	1,328	1,328	1,328	1,328	1,328	1,438	1,438	1,438	1,438	1,438	1,438

2015 Capacity in Dollars

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Total	13,911,366	13,975,636	14,787,777	14,454,872	14,700,342	14,214,737	15,231,289	15,004,362	15,293,201	15,204,846	15,508,268	15,122,007

Year-to-date Short Term Capacity Payments	177,408,703 (1)

Contract	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
2	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
3	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
4	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
5							[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
6												

True ups												
1					[redacted]							
2												
3												
4	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
5											[redacted]	
6												

(1) Total short-term capacity payments do not include payments for the Solid Waste Authority - 70 MW unit. Capacity costs for this unit were recovered through the Energy Conservation Cost Recovery Clause in 2014, consistent with Commission Order No. PSC-11-0293-FOF-EU issued in Docket No. 110018-EU on July 6, 2011.

Florida Power & Light Company
Capacity Cost Recovery Clause
For the Period January through June 2015

Return on Capital Investments, Depreciation and Taxes
Incremental Security
(in Dollars)

Line			Beginning of Period Amount	Jan Actual	Feb Actual	Mar Actual	Apr Actual	May Actual	Jun Actual	Six Month Amount
1.	Investments									
	a.	Expenditures/Additions		$533,192	$711,059	$764,985	$906,003	$967,901	$921,446	$4,804,585
	b.	Clearings to Plant		$850	$375,545	$445,961	($97,044)	$43	($0)	$725,355
	c.	Retirements		$0	$0	$0	$0	$0	$0	$0
	d.	Other		$0	$11,592	$0	$0	$0	$0	$11,592
2.	Plant-In-Service/Depreciation Base		$525,932	$526,782	$902,327	$1,348,288	$1,251,244	$1,251,287	$1,251,287	n/a
3.	Less: Accumulated Depreciation		$2,333	$6,806	$23,685	$29,306	$35,189	$41,000	$46,810	n/a
4.	CWIP - Non Interest Bearing		$7,579,710	$8,112,902	$8,823,961	$9,142,984	$10,048,987	$11,016,888	$11,938,334	n/a
5.	Net Investment (Lines 2 - 3 + 4)		$8,103,308	$8,632,878	$9,702,603	$10,461,966	$11,265,042	$12,227,176	$13,142,811	n/a
10.	Average Net Investment			$8,368,093	$9,167,741	$10,082,285	$10,863,504	$11,746,109	$12,684,993	n/a
11.	Return on Average Net Investment									
	a.	Equity Component grossed up for taxes (a)		$55,558	$60,868	$66,939	$72,126	$77,986	$84,220	$417,697
	b.	Debt Component (Line 6 x debt rate x 1/12) (b)		$10,287	$11,270	$12,394	$13,355	$14,439	$15,594	$77,339
12.	Investment Expenses									
	a.	Depreciation		$4,472	$5,287	$5,622	$5,883	$5,810	$5,811	$32,885
	b.	Amortization		$0	$0	$0	$0	$0	$0	$0
	c.	Other		$0	$0	$0	$0	$0	$0	$0
13.	Total System Recoverable Expenses (Lines 11 & 12)			$70,318	$77,424	$84,955	$91,364	$98,236	$105,624	$527,921

Notes:

[a] The Gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%. The monthly Equity Component is 4.89380%, which is based on the May 2014 ROR Surveillance Report and reflects a 10.5% return on equity, per FPSC Order No. PSC-12-0425-PAA-EU.

[b] The Debt Component is 1.4751%, which is based on the May 2014 ROR Surveillance Report, per FPSC Order No. PSC-12-0425-PAA-EU.

Totals may not add due to rounding.

Florida Power & Light Company
Capacity Cost Recovery Clause
For the Period July through December 2015

Return on Capital Investments, Depreciation and Taxes
Incremental Security
(in Dollars)

Line			Beginning of Period Amount	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	Twelve Month Amount
1.	Investments									
	a.	Expenditures/Additions		$599,427	$487,301	($1,554,805)	$446,867	$391,570	$452,959	$5,627,905
	b.	Clearings to Plant		$239,956	$32,915	$1,773,861	$34,340	$373,606	$504,577	$3,684,610
	c.	Retirements		$0	$0	$0	$0	$0	$0	$0
	d.	Other		$0	$0	$623	$0	$0	$0	$12,215
2.	Plant-In-Service/Depreciation Base (a)		$1,251,287	$1,491,243	$1,524,158	$3,298,019	$3,332,359	$3,705,965	$4,210,542	n/a
3.	Less: Accumulated Depreciation		$46,810	$52,801	$58,997	$67,251	$76,158	$87,935	$105,341	n/a
4.	CWIP - Non Interest Bearing		$11,938,335	$12,537,762	$13,025,062	$11,470,258	$11,917,125	$12,308,695	$12,761,654	n/a
5.	Net Investment (Lines 2 - 3 + 4)		$13,142,811	$13,976,204	$14,490,224	$14,701,026	$15,173,326	$15,926,725	$16,866,855	n/a
10.	Average Net Investment			$13,559,508	$14,233,214	$14,595,625	$14,937,176	$15,550,025	$16,396,790	n/a
11.	Return on Average Net Investment									
	a.	Equity Component grossed up for taxes (a)		$88,670	$93,076	$95,446	$97,680	$101,687	$107,224	$1,001,481
	b.	Debt Component (Line 6 x debt rate x 1/12) (b)		$16,841	$17,678	$18,128	$18,552	$19,313	$20,365	$188,215
12.	Investment Expenses									
	a.	Depreciation		$5,991	$6,196	$7,631	$8,907	$11,777	$17,406	$90,793
	b.	Amortization		$0	$0	$0	$0	$0	$0	$0
	c.	Other		$0	$0	$0	$0	$0	$0	$0
13.	Total System Recoverable Expenses (Lines 11 & 12)			$111,502	$116,950	$121,204	$125,139	$132,777	$144,995	$1,280,489

Notes:

(a) The Gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%. The monthly Equity Component is 4.8201%, which is based on the May 2015 ROR Surveillance Report and reflects a 10.5% return on equity, per FPSC Order No. PSC-12-0425-PAA-EU.

(b) The Debt Component is 1.4904%, which is based on the May 2015 ROR Surveillance Report, per FPSC Order No. PSC-12-0425-PAA-EU.

Totals may not add due to rounding.

Florida Power & Light Company
Capacity Cost Recovery Clause
For the Period January through June 2015

Return on Capital Investments, Depreciation and Taxes
Incremental Nuclear NRC Compliance
(in Dollars)

Line			Beginning of Period Amount	Jan Actual	Feb Actual	Mar Actual	Apr Actual	May Actual	Jun Actual	Six Month Amount
1.	Investments									
	a.	Expenditures/Additions		($4,750,125)	$971,278	$3,744,012	($3,057,848)	$1,153,739	$525,471	($1,413,473)
	b.	Clearings to Plant		$3,918,699	$777,775	$776,878	$7,746,695	$1,242,449	$2,549,709	$17,012,204
	c.	Clearings to Plant - Base		4,056,793	$0	$0	$0	$0	$0	$4,056,793
	c.	Retirements		$0	$0	$0	$0	$0	$0	$0
	d.	Other		$0	$0	$0	$19,279	$993	$3,343	$23,615
2.	Incremental Plant-In-Service/Depreciation Base (a) (f)		$0	$3,918,699	$4,696,473	$5,473,351	$13,220,047	$14,462,495	$17,012,204	
3.	Less: Accumulated Depreciation		$0	$3,251	$10,335	$21,191	$66,447	$100,561	$140,800	
4.	CWIP - Non Interest Bearing		$29,114,970	$24,364,845	$25,336,123	$29,080,135	$26,022,287	$27,176,026	$27,701,497	
5.	Net Investment (Lines 2 - 3 + 4)		$29,114,970	$28,280,293	$30,022,261	$34,532,295	$39,175,886	$41,537,961	$44,572,901	n/a
6.	Total Estimated Capital Expenditures Included in Base Rates (b)		$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	
7.	Base Rate Capital Expenditures Closed to Plant-in-Service (c) (g)		$5,943,207	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	
8.	Remaining Amount Included in Base Rates (Lines 6 - 7)		$4,056,793	$0	$0	$0	$0	$0	$0	
9.	Adjusted Net Investment (Lines 5 - 8)		$25,058,177	$28,280,293	$30,022,261	$34,532,295	$39,175,886	$41,537,961	$44,572,901	
10.	Average Net Investment			$26,669,235	$29,151,277	$32,277,278	$36,854,091	$40,356,924	$43,055,431	n/a
11.	Return on Average Net Investment									
	a.	Equity Component grossed up for taxes (d)		$177,065	$193,545	$214,299	$244,686	$267,942	$285,859	$1,383,396
	b.	Debt Component (Line 6 x debt rate x 1/12) (e)		$32,784	$35,836	$39,678	$45,305	$49,611	$52,928	$256,142
12.	Investment Expenses									
	a.	Depreciation		$3,251	$7,084	$10,856	$25,977	$33,120	$36,897	$117,185
	b.	Amortization		$0	$0	$0	$0	$0	$0	$0
	c.	Other		$0	$0	$0	$0	$0	$0	$0
13.	Total System Recoverable Expenses (Lines 11 & 12)			$213,101	$236,464	$264,834	$315,967	$350,674	$375,683	$1,756,723

Notes:

[a] Represents nuclear NRC compliance plant-in-service in excess of the total estimated capital expenditures included in FPL's 2013 Test Year rate base (Docket No. 120015-EI) on line 6.

[b] Represents forecasted nuclear NRC compliance capital expenditures included in FPL's 2013 Test Year rate base (Docket No. 120015-EI).

[c] Represents base rate recoverable nuclear NRC compliance capital expenditures closed to plant-in-service.

[d] The Gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%. The monthly Equity Component is 4.8938%, which is based on the May 2014 ROR Surveillance Report and reflects a 10.5% return on equity, per FPSC Order No. PSC-12-0425-PAA-EU.

[e] The Debt Component is 1.4751%, which is based on the May 2014 ROR Surveillance Report, per FPSC Order No. PSC-12-0425-PAA-EU.

[f] The April 2015 Incremental Plant-In-Service balance was restated to adjust the return on investment for a transfer of a St. Lucie Unit 2 participant work order to properly reflect the net investment balance.

[g] The January 2015 beginning balance does not agree to the December 2014 ending balance due to the correction of a work order classification from clause to base made during 2015.

Totals may not add due to rounding.

Florida Power & Light Company
Capacity Cost Recovery Clause
For the Period July through December 2015

Return on Capital Investments, Depreciation and Taxes
Incremental Nuclear NRC Compliance
(in Dollars)

Line		Beginning of Period Amount	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	Twelve Month Amount
1.	Investments								
	a. Expenditures/Additions		($2,228,713)	$85,502	$204,260	($4,378,858)	($11,294,994)	$1,000,637	($18,025,639)
	b. Clearings to Plant		$4,955,071	$3,815,338	$1,852,055	$8,894,249	$15,214,073	$326,942	$52,069,931
	c. Clearings to Plant - Base		$0	$0	$0	$0	$0	$0	$4,056,793
	d. Retirements		$0	$0	$0	$0	$0	$0	$0
	e. Other		$0	$3,694	$0	$0	$4,292	$0	$31,600
2.	Incremental Plant-In-Service/Depreciation Base (a) (f)	$17,012,204	$21,967,275	$25,782,612	$27,634,667	$36,528,916	$51,742,989	$52,069,931	n/a
3.	Less: Accumulated Depreciation	$140,800	$182,394	$235,647	$291,340	$358,894	$452,180	$554,156	n/a
4.	CWIP - Non Interest Bearing	$27,701,497	$25,472,784	$25,558,286	$25,762,546	$21,383,688	$10,088,694	$11,089,331	n/a
5.	Net Investment (Lines 2 - 3 + 4)	$44,572,901	$47,257,665	$51,105,251	$53,105,873	$57,553,711	$61,379,503	$62,605,106	n/a
6.	Total Estimated Capital Expenditures Included in Base Rates (b)	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	
7.	Base Rate Capital Expenditures Closed to Plant-in-Service (c) (g)	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	
8.	Remaining Amount Included in Base Rates (Lines 6 - 7)	$0	$0	$0	$0	$0	$0	$0	
9.	Adjusted Net Investment (Lines 5 - 8)	$44,572,901	$47,257,665	$51,105,251	$53,105,873	$57,553,711	$61,379,503	$62,605,106	
10.	Average Net Investment	$22,286,450	$45,915,283	$49,181,458	$52,105,562	$55,329,792	$59,466,607	$61,992,304	n/a
11.	Return on Average Net Investment								
	a. Equity Component grossed up for taxes (d)		$300,256	$321,615	$340,737	$361,821	$388,873	$405,390	$3,502,089
	b. Debt Component (Line 6 x debt rate x 1/12) (e)		$57,027	$61,083	$64,715	$68,720	$73,858	$76,994	$658,539
12.	Investment Expenses								
	a. Depreciation		$41,594	$49,560	$55,693	$67,554	$88,994	$101,977	$522,556
	b. Amortization		$0	$0	$0	$0	$0	$0	$0
	c. Other		$0	$0	$0	$0	$0	$0	$0
13.	Total System Recoverable Expenses (Lines 11 & 12)		$398,877	$432,258	$461,144	$498,095	$551,725	$584,361	$4,683,184

Notes:

[a] Represents nuclear NRC compliance plant-in-service in excess of the total estimated capital expenditures included in FPL's 2013 Test Year rate base (Docket No. 120015-EI) on line 6.

[b] Represents forecasted nuclear NRC compliance capital expenditures included in FPL's 2013 Test Year rate base (Docket No. 120015-EI).

[c] Represents base rate recoverable nuclear NRC compliance capital expenditures closed to plant-in-service.

[d] The Gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%. The monthly Equity Component is 4.8201%, which is based on the May 2015 ROR Surveillance Report and reflects a 10.5% return on equity, per FPSC Order No. PSC-12-0425-PAA-EU.

[e] The Debt Component is 1.4751%, which is based on the May 2014 ROR Surveillance Report, per FPSC Order No. PSC-12-0425-PAA-EU.

[f] The April 2015 Incremental Plant-In-Service balance was restated to adjust the return on investment for a transfer of a St. Lucie Unit 2 participant work order to properly reflect the net investment balance.

[g] The January 2015 beginning balance does not agree to the December 2014 ending balance due to the correction of a work order classification from clause to base made during 2015.

Totals may not add due to rounding.

FLORIDA POWER & LIGHT COMPANY

CEDAR BAY TRANSACTION

Regulatory Asset Related to the Loss of the PPA and Income Tax Gross-Up (Amortization and Return Calculation)

For the Period January through December 2015

Line No.	Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	December	Total	Line. No.
1	Regulatory Asset - Loss of PPA		-	-	-	-	-	-	-	-	$ 435,500,000	$ 431,611,607	$ 427,723,214	$ 423,834,821	n/a	1
2	Regulatory Asset - Loss of PPA Amort		-	-	-	-	-	-	-	-	3,888,393	3,888,393	3,888,393	3,888,393	$ 15,553,572	2
3	Unamortized Regulatory Asset - Loss of PPA	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 431,611,607	$ 427,723,214	$ 423,834,821	$ 419,946,428	n/a	3
4	Average Unamortized Regulatory Asset - Loss of PPA		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 215,805,804	$ 429,667,411	$ 425,779,018	$ 421,890,625	n/a	4
5	Regulatory Asset - Income Tax Gross Up										273,494,709	271,052,792	268,610,875	266,168,958		5
6	Regulatory Asset Amortization - Income Tax Gross-Up		-	-	-	-	-	-	-	-	2,441,917	2,441,917	2,441,917	2,441,917	9,767,668	6
7	Unamortized Regulatory Asset - Income Tax Gross Up										$ 271,052,792	$ 268,610,875	$ 266,168,958	$ 263,727,041		7
8	Return on Unamortized Regulatory Asset - Loss of PPA only															
	a. Equity Component [(a)]		-	-	-	-	-	-	-	-	$ 866,849	$ 1,725,888	$ 1,710,269	$ 1,694,650	5,997,656	8a
	b. Equity Comp. grossed up for taxes (Line 8a / 0.61425) [(b)]		-	-	-	-	-	-	-	-	1,411,231	2,809,749	2,784,321	2,758,893	9,764,194	8b
	c. Debt Component (Line 4 * 1.4904% / 12)		-	-	-	-	-	-	-	-	268,031	533,647	528,818	523,988	1,854,483	8c
9	Total Return Requirements (Line 8b + 8c)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,679,262	$ 3,343,395	$ 3,313,139	$ 3,282,882	$ 11,618,678	9
10	Total Recoverable Expenses (Line 2 + 6 + 9)										$ 8,009,572	$ 9,673,705	$ 9,643,449	$ 9,613,192	$ 36,939,918	10

[(a)] The monthly Equity Component for the Jan. - Jun. 2015 actual period is 4.8938%, reflects a 10.5% return on equity. Monthly Equity Component for the Jul. - Dec. 2015 estimated period is 4.8201% based on the May 2015 ROR Earnings Surveillance Report, reflects a 10.5% return on equity, consistent with FPSC Order No. PSC-12-0425-PAA-EU.

[(b)] Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 35%.
[(c)] The Debt Component for the Jan. - Jun. 2015 actual period is 1.4751%. Debt Component for the Jul. - Dec. 2015 estimated period is 1.4904% based on the May 2015 ROR Earnings Surveillance Report, reflects a 10.5% ROE, consistent with FPSC Order No. PSC-12-0425-PAA-EU.
[(d)] Recovery of the Cedar Bay Transaction is based on the settlement agreement approved by the FPSC in Docket No. 150075-EI at the special agenda on August 27th, 2015.

TOTAL MAY NOT ADD DUE TO ROUNDING

FLORIDA POWER & LIGHT COMPANY

CEDAR BAY TRANSACTION

Regulatory Liability - Book/Tax Timing Difference Associated to Plant Asset - Amortization and Return Calculation

For the Period January through December 2015

Line No.	Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	December	Total	Line. No.
1	Regulatory Liability - Book/Tax Timing Difference		-	-	-	-	-	-	-	-	$ (7,076,465)	$ (7,013,282)	$ (6,950,099)	$ (6,886,916)	n/a	1
2	Regulatory Liability Amortization		-	-	-	-	-	-	-	-	63,183	63,183	63,183	63,183	$ 252,732	2
3	Unamortized Regulatory Liability - Book/Tax Timing Diff	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (7,013,282)	$ (6,950,099)	$ (6,886,916)	$ (6,823,733)	n/a	3
4	Average Unamortized Regulatory Liability - Book/Tax Timing Difference		-	-	-	-	-	-	-	-	$ (3,506,641)	$ (6,981,691)	$ (6,918,508)	$ (6,855,325)	n/a	4
5	Return on Unamortized Regulatory Liability - Book/Tax Timing Difference															5
	a. Equity Component [a]		-	-	-	-	-	-	-	-	(14,085)	(28,044)	(27,790)	(27,536)	(97,456)	5a
	b. Equity Comp. grossed up for taxes (Line 5a / 0.61425) [b]		-	-	-	-	-	-	-	-	(22,931)	(45,656)	(45,243)	(44,829)	(158,659)	5b
	c. Debt Component (Line 4 * 1.4904% / 12)		-	-	-	-	-	-	-	-	(4,355)	(8,671)	(8,593)	(8,514)	(30,134)	5c
6	Total Return Requirements (Line 5b + 5c)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (27,286)	$ (54,327)	$ (53,835)	$ (53,344)	$ (188,793)	6
7	Total Recoverable Expenses (Line 2 + 6)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (90,469)	$ (117,510.03)	$ (117,018)	$ (116,527)	$ (441,525)	7

[a] The monthly Equity Component for the Jan. - Jun. 2015 actual period is 4.8938%, reflects a 10.5% return on equity. Monthly Equity Component for the Jul. - Dec. 2015 actual period is 4.8201% based on the May 2015 ROR Earnings Surveillance Report, reflects a 10.5% return on equity, consistent with FPSC Order No. PSC-12-0425-PAA-EU.
[b] Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 35%.
[c] The Debt Component for the Jan. - Jun. 2015 actual period is 1.4751%. Debt Component for the Jul. - Dec. 2015 estimated period is 1.4904% based on the May 2015 ROR Earnings Surveillance Report, reflects a 10.5% ROE, consistent with FPSC Order No. PSC-12-0425-PAA-EU.
[d] Recovery of the Cedar Bay Transaction is based on the settlement agreement approved by the FPSC in Docket No. 150075-EI at the special agenda on August 27th, 2015.

TOTAL MAY NOT ADD DUE TO ROUNDING

FLORIDA POWER & LIGHT COMPANY
COST RECOVERY CLAUSES

Equity @ 10.50%

CAPITAL STRUCTURE AND COST RATES PER MAY 2014 EARNINGS SURVEILLANCE REPORT

	ADJUSTED RETAIL	RATIO	MIDPOINT COST RATES	WEIGHTED COST	PRE-TAX WEIGHTED COST
LONG_TERM_DEBT	7,260,190,891	29.609%	4.77%	1.41%	1.41%
SHORT_TERM_DEBT	303,811,216	1.239%	2.18%	0.03%	0.03%
PREFERRED_STOCK	0	0.000%	0.00%	0.00%	0.00%
CUSTOMER_DEPOSITS	422,415,505	1.723%	2.04%	0.04%	0.04%
COMMON_EQUITY	11,427,411,916	46.604%	10.50%	4.89%	7.97%
DEFERRED_INCOME_TAX	5,104,824,995	20.819%	0.00%	0.00%	0.00%
INVESTMENT_TAX_CREDITS					
ZERO COST	0	0.000%	0.00%	0.00%	0.00%
WEIGHTED COST	1,326,963	0.005%	8.27%	0.00%	0.00%
TOTAL	$24,519,981,486	100.00%		6.37%	9.44%

CALCULATION OF THE WEIGHTED COST FOR CONVERTIBLE INVESTMENT TAX CREDITS (C-ITC) (a)

	ADJUSTED RETAIL	RATIO	COST RATE	WEIGHTED COST	PRE TAX COST
LONG TERM DEBT	$7,260,190,891	38.85%	4.772%	1.854%	1.854%
PREFERRED STOCK	0	0.00%	0.000%	0.000%	0.000%
COMMON EQUITY	11,427,411,916	61.15%	10.500%	6.421%	10.453%
TOTAL	$18,687,602,807	100.00%		8.275%	12.307%
RATIO					

DEBT COMPONENTS:	
LONG TERM DEBT	1.4129%
SHORT TERM DEBT	0.0270%
CUSTOMER DEPOSITS	0.0352%
TAX CREDITS -WEIGHTED	0.0001%
TOTAL DEBT	**1.4751%**
EQUITY COMPONENTS:	
PREFERRED STOCK	0.0000%
COMMON EQUITY	4.8935%
TAX CREDITS -WEIGHTED	0.0003%
TOTAL EQUITY	**4.8938%**
TOTAL	6.3690%
PRE-TAX EQUITY	7.9671%
PRE-TAX TOTAL	9.4423%

Note:

(a) This capital structure applies only to Convertible Investment Tax Credit (C-ITC)

FLORIDA POWER & LIGHT COMPANY					
COST RECOVERY CLAUSES					
Equity @ 10.50%	**CAPITAL STRUCTURE AND COST RATES PER MAY 2015 EARNINGS SURVEILLANCE REPORT**				
					PRE-TAX
	ADJUSTED		MIDPOINT	WEIGHTED	WEIGHTED
	RETAIL	RATIO	COST RATES	COST	COST
LONG_TERM_DEBT	7,868,539,536	29.834%	4.80%	1.43%	1.43%
SHORT_TERM_DEBT	346,840,443	1.315%	2.03%	0.03%	0.03%
PREFERRED_STOCK	0	0.000%	0.00%	0.00%	0.00%
CUSTOMER_DEPOSITS	421,524,845	1.598%	2.04%	0.03%	0.03%
COMMON_EQUITY	12,106,290,409	45.901%	10.50%	4.82%	7.85%
DEFERRED_INCOME_TAX	5,629,438,935	21.344%	0.00%	0.00%	0.00%
INVESTMENT_TAX_CREDITS					
ZERO COST	0	0.000%	0.00%	0.00%	0.00%
WEIGHTED COST	2,138,560	0.008%	8.25%	0.00%	0.00%
TOTAL	$26,374,772,728	100.00%		6.31%	9.34%
	CALCULATION OF THE WEIGHTED COST FOR CONVERTIBLE INVESTMENT TAX CREDITS (C-ITC) (a)				
	ADJUSTED		COST	WEIGHTED	PRE TAX
	RETAIL	RATIO	RATE	COST	COST
LONG TERM DEBT	$7,868,539,536	39.39%	4.796%	1.889%	1.889%
PREFERRED STOCK	0	0.00%	0.000%	0.000%	0.000%
COMMON EQUITY	12,106,290,409	60.61%	10.500%	6.364%	10.360%
TOTAL	$19,974,829,945	100.00%		8.253%	12.250%
RATIO					
DEBT COMPONENTS:					
LONG TERM DEBT	1.4309%				
SHORT TERM DEBT	0.0267%				
CUSTOMER DEPOSITS	0.0326%				
TAX CREDITS -WEIGHTED	0.0002%				
TOTAL DEBT	**1.4904%**				
EQUITY COMPONENTS:					
PREFERRED STOCK	0.0000%				
COMMON EQUITY	4.8196%				
TAX CREDITS -WEIGHTED	0.0005%				
TOTAL EQUITY	**4.8201%**				
TOTAL	6.3105%				
PRE-TAX EQUITY	7.8472%				
PRE-TAX TOTAL	9.3375%				
Note:					

(a) This capital structure applies only to Convertible Investment Tax Credit (C-ITC)

APPENDIX III

FUEL COST RECOVERY

2015 INCENTIVE MECHANISM RESULTS

GJY-1
DOCKET NO. 160001-EI
FPL WITNESS: GERARD J. YUPP
PAGES 1-4
EXHIBIT ____
MARCH 2, 2016

TOTAL GAINS SCHEDULE
Actual for the Period of: January 2015 through December 2015

TABLE 1

(1) Month	(2) Wholesale Sales Gains ($)	(3) Wholesale Purchases Savings ($)	(4) Asset Optimization Gains ($)	(5) Total Monthly Gains ($)	(6) **Threshold 1** Gains ≤ $36M ($)	(7) **Threshold 2** $36M > Gains ≤ $46M ($)	(8) **Threshold 3** $46M > Gains ≤ $100M ($)	(9) **Threshold 4** Gains > $100M ($)
				(2)+(3)+(4)				
January	7,808,996	0	1,382,983	9,191,978	9,191,978	0	0	0
February	8,534,224	33,880	2,108,498	10,676,602	10,676,602	0	0	0
March	2,560,883	528,348	1,327,720	4,416,951	4,416,951	0	0	0
April	140,759	1,455,363	1,065,146	2,661,268	2,661,268	0	0	0
May	658,291	525,620	1,098,629	2,282,540	2,282,540	0	0	0
June	477,652	3,252,160	885,670	4,615,482	4,615,482	0	0	0
July	511,813	968,258	898,360	2,378,432	2,155,178	223,253	0	0
August	441,575	941,364	752,095	2,135,034	0	2,135,034	0	0
September	378,727	720,821	848,241	1,947,789	0	1,947,789	0	0
October	498,991	313,083	894,303	1,706,377	0	1,706,377	0	0
November	373,729	744,544	883,821	2,002,095	0	2,002,095	0	0
December	1,012,262	94,168	1,763,400	2,869,830	0	1,985,452	884,377	0
Total	**23,397,901**	**9,577,611**	**13,908,866**	**46,884,377**	**36,000,000**	**10,000,000**	**884,377**	**0**

TABLE 2

(1) Month	(2) **Threshold 1** Gains ≤ $36M 100% Customer Benefit ($)	(3) **Threshold 2** $36M > Gains ≤ $46M 100% Customer Benefit ($)	(4) **Threshold 3** $46M > Gains ≤ $100M 40% Customer Benefit ($)	(5) **Threshold 3** $46M > Gains ≤ $100M 60% FPL Benefit ($)	(6) **Threshold 4** Gains > $100M 50% Customer Benefit ($)	(7) **Threshold 4** Gains > $100M 50% FPL Benefit ($)	(8) **Total** Customer Benefits ($)	(9) **Total** FPL Benefits ($)
January	9,191,978	0	0	0	0	0	9,191,978	0
February	10,676,602	0	0	0	0	0	10,676,602	0
March	4,416,951	0	0	0	0	0	4,416,951	0
April	2,661,268	0	0	0	0	0	2,661,268	0
May	2,282,540	0	0	0	0	0	2,282,540	0
June	4,615,482	0	0	0	0	0	4,615,482	0
July	2,155,178	223,253	0	0	0	0	2,378,432	0
August	0	2,135,034	0	0	0	0	2,135,034	0
September	0	1,947,789	0	0	0	0	1,947,789	0
October	0	1,706,377	0	0	0	0	1,706,377	0
November	0	2,002,095	0	0	0	0	2,002,095	0
December	0	1,985,452	353,751	530,626	0	0	2,339,203	530,626
Total	**36,000,000**	**10,000,000**	**353,751**	**530,626**	**0**	**0**	**46,353,751**	**530,626**

WHOLESALE POWER DETAIL
Actual for the Period of: January 2015 through December 2015

Wholesale Sales - Table 1

(1) Month	(2) OS Wholesale Sales (MWh)	(3) FCBBS Wholesale Sales (MWh)	(4) Total Wholesale Sales (MWh)	(5) OS Gross Gains ($)	(6) FCBBS Gross Gains ($)	(7) Third-Party Transmission Costs ($)	(8) Incremental GT O&M Costs ($)	(9) Variable Power Plant O&M Costs ($)	(10) Power Option Premiums ($)	(11) Total Net Wholesale Sales Gains ($)
	Schedule A6	Schedule A6	(2) + (3)	Schedule A6	Schedule A6	Schedule A6	Schedule A6	Schedule A6	*CCRC	(5)+(6)+(7)+(8)+(9)
January	679,865	3,279	683,144	8,262,727	16,162	(325,942)	0	(157,809)	13,857	7,808,996
February	678,104	1,023	679,127	9,733,056	5,282	(344,663)	(12,808)	(888,185)	41,541	8,534,224
March	314,855	269	315,124	3,167,256	1,640	(180,634)	(2,346)	(438,890)	13,857	2,560,883
April	48,167	290	48,457	367,069	1,606	(131,963)	(36,192)	(73,170)	13,410	140,759
May	84,650	38	84,688	735,117	412	(14,269)	31,832	(127,879)	33,078	658,291
June	59,425	125	59,550	570,372	421	(803)	(15,826)	(89,921)	13,410	477,652
July	61,389	131	61,520	603,766	812	0	(13,727)	(92,895)	13,857	511,813
August	59,241	75	59,316	516,694	408	183	0	(89,567)	13,857	441,575
September	46,119	60	46,179	436,157	417	(3)	(1,525)	(69,730)	13,410	378,727
October	74,162	75	74,237	581,483	137	(47)	(984)	(112,098)	30,500	498,991
November	68,442	0	68,442	524,146	0	(42,412)	(4,658)	(103,347)	0	373,729
December	211,905	302	212,207	1,341,387	900	3,561	(13,153)	(320,433)	0	1,012,262
Total	**2,386,324**	**5,667**	**2,391,991**	**26,839,230**	**28,196**	**(1,036,992)**	**(69,386)**	**(2,563,924)**	**200,777**	**23,397,901**

Wholesale Purchases - Table 2

(1) Month	(2) OS Wholesale Purchases (MWh)	(3) FCBBS Wholesale Purchases (MWh)	(4) Total Wholesale Purchases (MWh)	(5) OS Savings ($)	(6) FCBBS Savings ($)	(7) Total Schedule A9 Savings ($)	(8) Capacity Purchases (MWh)	(9) Net Capacity Purchases Savings ($)	(10) Total Wholesale Purchases Savings ($)
	Schedule A9	Schedule A9	Schedule A9	Schedule A9	Schedule A9	Schedule A9	Schedule A7/A12		(7) + (9)
January	0	0	0	0	0	0	0	0	0
February	4,000	0	4,000	33,880	0	33,880	0	0	33,880
March	34,826	0	34,826	528,348	0	528,348	0	0	528,348
April	59,559	99	59,658	1,454,538	825	1,455,363	0	0	1,455,363
May	27,537	31	27,568	525,428	192	525,620	0	0	525,620
June	84,503	0	84,503	3,252,160	0	3,252,160	0	0	3,252,160
July	49,723	125	49,848	967,581	677	968,258	0	0	968,258
August	104,047	99	104,146	940,750	615	941,364	0	0	941,364
September	89,962	31	89,993	720,566	255	720,821	0	0	720,821
October	16,489	0	16,489	313,083	0	313,083	0	0	313,083
November	43,102	0	43,102	744,544	0	744,544	0	0	744,544
December	9,733	0	9,733	94,168	0	94,168	0	0	94,168
Total	**523,481**	**385**	**523,866**	**9,575,048**	**2,563**	**9,577,611**	**0**	**0**	**9,577,611**

*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 2015 through December 2015

(1) Month	(2) Natural Gas Delivered City-Gate Sales ($)	(3) Natural Gas Production Area Sales ($)	(4) Natural Gas Capacity Release Firm Transport ($)	(5) Natural Gas Option Premiums ($)	(6) Natural Gas Storage Optimization ($)	(7) Natural Gas AMA Gains ($)	(8) Electric Transmission Capacity Release Firm Transmission ($)	(9) Total Asset Optimization Gains ($)
January	[redacted]							1,382,983
February	[redacted]							2,108,498
March	[redacted]							1,327,720
April	[redacted]							1,065,146
May	[redacted]							1,098,629
June	[redacted]							885,670
July	[redacted]							898,360
August	[redacted]							752,095
September	[redacted]							848,241
October	[redacted]							894,303
November	[redacted]							883,821
December	[redacted]							1,763,400
Total	**1,260,405**	**471,992**	**856,448**	**6,963,597**	**725,204**	**1,545,201**	**2,086,020**	**13,908,866**

INCREMENTAL OPTIMIZATION COSTS
Actual for the Period of: January 2015 through December 2015

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Month	Personnel Expenses ($)	Other Expenses* ($)	Wholesale Sales (MWh)	Cumulative Wholesale Sales (MWh)	Wholesale Sales Threshold (MWh)	Wholesale Sales Above Threshold (MWh)	Incremental Variable O&M ($)	Total Incremental O&M Expenses ($)
	Schedule A2						Schedule A2	(2) + (3) + (8)
January	33,107	4,293	618,509	618,509	514,000	104,509	157,809	195,208
February	30,072	3,996	588,202	1,206,711	514,000	588,202	888,185	922,252
March	34,651	10,230	290,656	1,497,367	514,000	290,656	438,890	483,771
April	34,912	388	48,457	1,545,824	514,000	48,457	73,170	108,471
May	33,614	0	84,688	1,630,512	514,000	84,688	127,879	161,493
June	34,300	239	59,550	1,690,062	514,000	59,550	89,921	124,459
July	32,281	17	61,520	1,751,582	514,000	61,520	92,895	125,193
August	32,820	28,890	59,316	1,810,898	514,000	59,316	89,567	151,277
September	34,940	0	46,179	1,857,077	514,000	46,179	69,730	104,670
October	36,060	9,220	74,237	1,931,314	514,000	74,237	112,098	157,378
November	34,301	4,610	68,442	1,999,756	514,000	68,442	103,347	142,259
December	36,000	4,610	212,207	2,211,963	514,000	212,207	320,433	361,043
Total	**407,058**	**66,492**	**2,211,963**			**1,697,963**	**2,563,924**	**3,037,474**

*Includes software and hardware expenses