BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 160021-EI
FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES

IN RE: PETITION FOR RATE INCREASE BY
FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES

DIRECT TESTIMONY & EXHIBITS OF:

KEITH FERGUSON

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FLORIDA POWER & LIGHT COMPANY

DIRECT TESTIMONY OF KEITH FERGUSON

DOCKET NO. 160021-EI

MARCH 15, 2016

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I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Keith Ferguson, and my business address is Florida Power & Light Company, 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 & Light Company ("FPL" or the "Company") as Assistant Controller.

Q. Please describe your duties and responsibilities in that position.

A. I am responsible for financial accounting, as well as internal and external reporting for FPL's Corporate Accounting and Property Accounting functions. As a part of these responsibilities, I manage the asset recovery team responsible for analyzing and recording the depreciation, dismantlement, and nuclear decommissioning expenses for FPL and preparing its periodic studies related to these topics.

Q. Please describe your educational background and professional experience.

A. I graduated from the University of Florida in 1999 with a Bachelor of Science Degree in Accounting and earned a Master of Accounting degree from the University of Florida in 2000. Beginning in 2000, I was employed by Arthur Andersen in their energy audit practice in Atlanta, Georgia. From 2002 to 2005, I worked for Deloitte & Touche in their national energy practice. From 2005 to 2011, I worked for Mirant Corporation, which was an independent power producer in Atlanta, Georgia. During my tenure there, I held various

accounting and management roles. Most recently and prior to joining FPL in September 2011, I was Mirant's Director of SEC Reporting and Accounting Research. I am a Certified Public Accountant ("CPA") licensed in the State of Georgia and a member of the American Institute of CPAs. I am also a member of the Society of Depreciation Professionals and have completed the Society's "Depreciation Fundamentals" training course.

Q. Are you sponsoring any exhibits in this case?

A. Yes. I am sponsoring the following exhibits:

- KF-1 MFRs Co-sponsored by Keith Ferguson
- KF-2 Proposed Depreciation Company Adjustments by Year for Base vs. Clause for 2017 and 2018
- KF-3 Summary of Capital Recovery Schedules for 2017 and 2018 – Base Rates vs. Clause Recoverable
- KF-4 2016 Dismantlement Study
- KF-5 Proposed Dismantlement Company Adjustments for Base vs. Clause
- KF-6 Proposed Company Adjustments for Change in Nuclear End of Life Accruals

Q. Are you co-sponsoring any Minimum Filing Requirements ("MFRs") in this case?

A. Yes. Exhibit KF-1 contains a listing of the MFRs I am co-sponsoring.

Q. What is the purpose of your testimony?

A. My testimony covers four topics that serve as inputs to the Company's calculation of revenue requirements in this proceeding:

- I provide an overview of the Company adjustment as a result of FPL's new depreciation study (the "2016 Depreciation Study"), which was conducted in accordance with the rules and requirements of the Florida Public Service Commission ("FPSC" or the "Commission"). The 2016 Depreciation Study has been prepared by FPL witness Allis of Gannett Fleming and is supported in his direct testimony in this docket;
- I support the request for recovery of retired assets with unrecovered balances through capital recovery schedules;
- I present and provide an overview of FPL's dismantlement study conducted by Burns & McDonnell ("BMcD") in accordance with FPSC rules and the resulting dismantlement accrual (the "2016 Dismantlement Study"); and
- Finally, I support the change in FPL's end of life materials and supplies ("EOL M&S") and nuclear fuel last core accruals as presented in FPL's most recent nuclear decommissioning study filed in December 2015.

Q. Please summarize your testimony.

A. FPL has invested significantly in its production plant, transmission and distribution assets since its last depreciation study in 2009. While some of

these investments have lengthened lives of the assets to which they relate, resulting in reduced depreciation rates, the overall impact has been an increase in expense for depreciation due primarily to increases in the depreciable value of assets with fixed lives. In addition, these investments have contributed to a modest increase in the dismantlement accrual.

FPL has retired certain assets that are not yet fully depreciated. Consistent with Rule 25-6.0436, Florida Administrative Code ("F.A.C.") and Commission practice, FPL is proposing capital recovery schedules that seek to recover the remaining investment for those specific assets over a four-year period.

Finally, FPL has updated the calculation of its EOL M&S and nuclear fuel last core accruals based on information provided by FPL's nuclear decommissioning study filed in December 2015. The changes in accruals are included as Company adjustments in FPL's 2017 Test Year and 2018 Subsequent Year.

II. 2016 DEPRECIATION STUDY

Q. Please summarize the impact of the 2016 Depreciation Study on FPL's 2017 Test Year and 2018 Subsequent Year.

A. FPL has not filed a depreciation study since 2009. FPL has worked closely with its depreciation consultant, Gannett Fleming, to incorporate updated and refined technical data into the 2016 Depreciation Study. FPL witness Allis of Gannett Fleming presents the results of the 2016 Depreciation Study. It reflects reductions in many of the depreciation rates as a result of the updated and refined inputs, but overall the study shows an increase in depreciation rates that is largely a result of investment in infrastructure.

The total increase in depreciation expense for the 2017 Test Year as a result of the 2016 Depreciation Study is $221 million, of which $206 million is related to base rate assets. The $187 million "Depreciation Study" driver referenced in FPL witness Barrett's Exhibit REB-8 is a retail revenue requirement amount reflecting the retail-only depreciation accrual and the impact of increased depreciation accruals on rate base in the 2017 Test Year. The $206 million increase is primarily a result of the following:

- $159 million increase as a result of investment in nuclear plant that must be depreciated over the finite remaining license period, resulting in a higher composite rate of 4.16% versus the current composite rate of 2.05% for that function.

- $52 million increase related to combined cycle plant and driven by the following factors:
    - $85 million increase related to an increase in the depreciation rate for capital spare parts associated with the combined cycle facilities. The depreciation rate for Account 343, Prime Movers, approved by the Commission in Order No. PSC-10-0153-FOF-EI did not sufficiently differentiate between the inherent shorter life of capital spare parts and the balance of the plants for which those parts are acquired, resulting in an understatement of depreciation expense for the spare parts. In particular, the depreciation rate prescribed for West County Energy Center did not differentiate at all for capital spare parts. In the absence of any other prescribed rate for capital spare parts, FPL has been applying that rate to all subsequent combined cycle plants as well. The 2016 Depreciation Study proposes a differentiated rate for capital spare parts that addresses this discrepancy.
    - This is partially offset by a $33 million decrease primarily related to the net effect of an increase in the life span of combined cycle plants from 30 years to 40 years and other factors.
- These increases were partially offset by a net decrease of $5 million for all other functions.

These same drivers apply to the increase in depreciation expense for the 2018 Subsequent Year of $223 million, of which $209 million relates to base rate assets. FPL witness Allis explains in more detail the underlying drivers for the changes in the depreciation rates that resulted in the changes in expense noted above.

Q. How has the Company reflected the results of the 2016 Depreciation Study in the 2017 Test Year and 2018 Subsequent Year?

A. The 2016 Depreciation Study reflects different rates than those approved by the Commission in FPL's 2009 depreciation study and used to prepare the forecast for the 2017 Test Year and 2018 Subsequent Year. Accordingly, FPL has made Company adjustments to the 2017 Test Year and 2018 Subsequent Year to reflect changes in depreciation expense and accumulated depreciation based on the resulting depreciation rates in the 2016 Depreciation Study. The reconciliation of total company depreciation expense included in FPL's 2017 Test Year and 2018 Subsequent Year forecasts to the calculated expense based on the 2016 Depreciation Study are reflected on Exhibit KF-2.

Q. What is the basis for the plant and reserve balances used in FPL's 2016 Depreciation Study?

A. The parameters utilized in the 2016 Depreciation Study are based in part on the statistical analyses of actual plant and reserve balance activity through December 31, 2014, which incorporates data through the most recent full year of historical data (i.e., retirements, net salvage, etc.) that was available at the time the study was prepared. The results of these parameter analyses are then

applied to estimated gross plant balances through the end of 2017, which includes actual balances as of September 30, 2015, to determine the appropriate depreciation rates. As FPL is using forecasted data for the 2017 Test Year and 2018 Subsequent Year, FPL appropriately included new assets that are not yet in service, such as FPL's Port Everglades Energy Center ("Port Everglades"), three new 74.5 MW solar facilities, and the replacement of gas turbines with combustion turbines, all of which are scheduled to be in-service by the end of 2016.

Q. Is all of the depreciation expense increase reflected in the Company adjustment associated with base rate investments?

A. Yes. Because some of FPL's investments are recovered through its Environmental Cost Recovery Clause ("ECRC"), Energy Conservation Cost Recovery Clause ("ECCR") and Capacity Cost Recovery Clause ("CCRC"), the Company adjustment reflected in the 2017 Test Year and 2018 Subsequent Year excludes the amount of depreciation related to clause investment and includes only the depreciation for investments recovered through base rates. Exhibit KF-2 reflects the total depreciation expense increase and delineates between base rates and clause recovery. For the 2017 Test Year, the clause adjustment is $15 million while the 2018 Subsequent Year is $14 million. FPL will reflect the depreciation rate changes approved from this proceeding when it determines depreciation expense in the applicable clauses beginning in January 1, 2017, which is the date when the approved depreciation rates become effective.

Q. Please describe the calculation of the depreciation expense reflected in the 2019 Okeechobee Clean Energy Center ("Okeechobee Unit") Limited Scope Adjustment ("2019 Okeechobee LSA").

A. FPL has used the proposed depreciation rates for PEEC in the 2016 Depreciation Study as a proxy for the depreciation expense for the 2019 Okeechobee LSA. Those rates are appropriate because PEEC is FPL's newest, most comparable combined cycle plant; hence it is most representative of the design and operating characteristics for the new Okeechobee Unit.

III. CAPITAL RECOVERY SCHEDULES

Q. Please describe the Company adjustment associated with the capital recovery schedules for assets retired but not fully depreciated.

A. As shown on Exhibit KF-3 and pursuant to Rule 25-6.0436, F.A.C., FPL has reflected its proposed capital recovery schedules, all of which would be recovered over a four year period. The first is to recognize the $109 million remaining unrecovered investment for the Putnam combined cycle generating plant and related transmission assets retired in December 2014. Second, FPL is requesting recovery of the unrecovered gas turbine investments of $41 million. The gas turbines will be retired by the end of 2016 and replaced by combustion turbines as described in the testimony of FPL witness Kennedy. Third, FPL is requesting the recovery of $16 million of unrecovered

investment for the Turkey Point steam generating plant that is expected to be retired in October 2016, as a result of converting Turkey Point Unit 1 into a synchronous condenser.

Q. Are the capital recovery schedules delineated between base rates and clause recovery?

A. Yes. Exhibit KF-3 illustrates the capital recovery schedule totals by year and by recovery mechanism. The proposed recovery amounts for clause assets are not included in this base rate request and instead will be reflected in FPL's 2017 clause projection filing in August 2016.

IV. 2016 DISMANTLEMENT STUDY

Q. Please provide an overview of the approach FPL utilized for the preparation of its 2016 Dismantlement Study.

A. FPL engaged BMcD, a global engineering consulting firm that specializes in preparing dismantlement studies for electric utilities, to perform the 2016 Dismantlement Study. BMcD has performed dismantlement studies in numerous jurisdictions, including the most recent studies filed with this Commission for Duke Energy Florida and Tampa Electric Company. BMcD conducted a detailed bottom-up review of the fossil and solar units in FPL's fleet (with the exception of Cedar Bay) in order to get a more precise view of current cost of dismantling those facilities.

Since the 2009 dismantlement study, the Company has retired and dismantled several generating units and modernized its plants at Cape Canaveral, Riviera Beach and Port Everglades. FPL felt it important to revisit our many-decades-old baseline study assumptions by bringing in experts who could study each plant and construct more specific estimates of current costs to dismantle. The result of this refreshed engineering analysis was used for calculating an annuity-based dismantlement accrual. The 2016 Dismantlement Study is included in Exhibit KF-4.

Q. Please describe the process by which the 2016 Dismantlement Study was prepared.

A. BMcD visited each of FPL's existing fossil and solar generating facilities during May 2015. BMcD also engaged Brandenburg, a demolition sub-contractor, to assist them during each site visit and provide information on the demolition activities. The site visits included a tour of the facility with plant personnel to review the equipment installed. BMcD obtained and reviewed plant specific engineering drawings. Based on this information and their professional experience, BMcD developed labor and materials and equipment costs for each major dismantlement activity. BMcD estimated the salvage value of the materials that would be left at each site after completion of the dismantlement activities. The resulting dismantlement cost estimates developed by BMcD represent "the costs for the ultimate physical removal and disposal of plant and site restoration, minus any attendant gross salvage

amount, upon final retirement of the site or unit from service" in accordance with Rule 25-6.04364, Electric Utilities Dismantlement Studies, F.A.C.

In addition to the existing sites, BMcD also developed estimates for FPL's new facilities that will commence commercial operations during 2016 through 2019. This is consistent with the approach that FPL employed in its 2009 dismantlement study.

Q. Please describe the additions, retirements and dismantlement activities of FPL's facilities since the last dismantlement study was filed.

A. There have been several significant activities since the last study:

- Three new plants have been, or will be, added to FPL's fossil fleet by the end of 2016: Cape Canaveral, Riviera Beach and Port Everglades, all of which are modernization projects;
- FPL has retired and dismantled three facilities (Cutler, Putnam, and Sanford Unit 3) and has partially dismantled, or will partially dismantle, two others (Turkey Point Units 1 & 2) to convert to synchronous condensers;
- FPL is adding seven new, more efficient combustion turbines: five at the Lauderdale site and two at the Ft. Myers site, scheduled for commercial operation in 2016 to replace 44 retired gas turbines at Lauderdale, Ft. Myers and Port Everglades;
- FPL acquired Cedar Bay in September 2015, plans to retire this plant at the end of 2016, and expects to begin dismantling the plant in early

2017. This plant was not included in the study prepared by BMcD as the Company had recently estimated the dismantlement cost in Docket No. 150075-EI and FPL has reflected this estimate in the 2016 Dismantlement Study;

- FPL is constructing three planned solar additions (Babcock Ranch Solar Energy Center, Citrus Solar Energy Center and Manatee Solar Energy Center) scheduled for commercial operation in 2016; and
- Finally, FPL's Okeechobee Unit is projected to begin commercial operations in mid-2019.

Q. Please describe the results of the 2016 Dismantlement Study.

A. The 2016 Dismantlement Study calculates a current total cost of dismantlement of $477 million, with a resulting accrual of $27.6 million, of which $26.8 million relates to base rate assets. This is an increase of approximately $9.1 million ($8.8 million for the base rate portion), over the current accrual included in FPL's 2017 Test Year and 2018 Subsequent Year. The increase is primarily due to a $5.2 million increase related to plants that have been newly constructed, purchased or repowered since the 2009 dismantlement study was prepared, with the remainder resulting from dismantlement reserve amortization authorized under FPL's 2012 Rate Settlement (approved by the Commission in Order No. PSC-13-0023-S-EI, Docket No. 120015-EI) and other cost changes partially offset by unit retirements.

Q. Has FPL taken steps to reduce the impact of utilizing the dismantlement reserve amortization authorized in the 2012 Rate Settlement?

A. Yes. In order to reduce the incremental base rate impact of amortizing the $146 million of dismantlement reserve enabled by the 2012 Rate Settlement, FPL optimized assignment of reserve amortization across the plant portfolio.

Q. Please explain how FPL optimized the dismantlement reserve amortization.

A. The dismantlement study is fundamentally an aggregation of the forecasted cost of dismantling FPL's fossil and solar units. The resulting accrual is a function of the present value of estimated future cost to dismantle each of those units as compared to its forecasted reserve as of December 31, 2016. At any point in time, the reserve position of any particular unit will vary. Some units will have excess reserves and others will be in a deficit position.

FPL first allocated its forecasted dismantlement reserve amortization to the units with excess reserve balances as identified in the current study and, in doing so, brought the reserve to its appropriate level. This included units that have been retired and dismantled since the 2009 dismantlement study. Next, FPL allocated the remaining dismantlement reserve amortization to the units with the longest remaining lives. In doing so, FPL minimized the calculated incremental dismantlement accrual.

Q. What is the FPSC practice with regard to updating escalation rates embedded in dismantlement studies?

A. The May 2015 Global Insight escalation rates were used in developing the 2016 Dismantlement Study. In prior studies, the Commission practice has been to require the rates be updated to incorporate the most current available escalation rates available prior to the issuance of the final order. Consistent with this practice, FPL is prepared to update the escalation rates before hearing to reflect the most current Global Insight forecast then available and recalculate the proposed dismantlement accrual based on those updated rates.

Q. Is FPL proposing a Company adjustment to reflect the impact of the accruals from the 2016 Dismantlement Study on its 2017 Test Year and 2018 Subsequent Year?

A. Yes. As with depreciation, FPL utilized the current FPSC approved dismantlement accruals from its 2009 dismantlement study to prepare its 2017 Test Year and 2018 Subsequent Year forecasts and is proposing a Company adjustment to reflect the updated accrual contained in the 2016 Dismantlement Study. Similar to the depreciation study results, the Company adjustment for the change in dismantlement accrual must be bifurcated between base and clause recovery because our existing solar plants, Martin, DeSoto and Space Coast, are recovered through FPL's ECRC. Exhibit KF-5 provides an overview of the split between base and clause recovery for the Company adjustment.

V. END OF LIFE ACCRUALS FOR NUCLEAR FUEL LAST CORE AND MATERIALS AND SUPPLIES

Q. Does the nuclear decommissioning study that FPL filed in Docket No. 150265-EI propose revisions to the end of life accruals for FPL's nuclear plants?

A. Yes.

Q. Please describe those revised accruals.

A. In accordance with Rule 25-6.04365, Nuclear Decommissioning, F.A.C., FPL filed its nuclear decommissioning study on December 14, 2015. Using the same end of life assumptions utilized in that study, the nuclear decommissioning study also updated FPL's estimates related to EOL M&S and nuclear fuel last core accruals. The revised annual accruals represent an increase of $564,960 for the EOL M&S and a decrease of $680,787 for the nuclear fuel last core as a result of changes in the projected inventory balances at the time of decommissioning.

Q. Is FPL proposing a Company adjustment to reflect these revised annual accruals?

A. Yes. These two accrual changes are included as Company adjustments for the 2017 Test Year and 2018 Subsequent Year, as shown in Exhibit KF-6.

Q. Does this conclude your direct testimony?

A. Yes.

Florida Power and Light Company
MFRs CO-SPONSORED
BY KEITH FERGUSON

CO-SPONSOR:		
B-2	Test Subsequent Year Adjustment	RATE BASE ADJUSTMENTS
C-2	Test Subsequent Year Adjustment	NET OPERATING INCOME ADJUSTMENTS
C-3	Test Subsequent Year Adjustment	JURISDICTIONAL NET OPERATING INCOME ADJUSTMENTS

FLORIDA POWER & LIGHT COMPANY
DEPRECIATION RECONCILIATION FROM FPL'S 2017 FORECAST TO PROPOSED DEPRECIATION EXPENSE
($000)

Line No.	Function	2017 Forecast (1)	2017 Depreciation Expense Related to Clauses (2)	Subtotal (1) + (2) = (3)	2017 Calculated Expense Using Proposed Rates (4)	2017 Calculated Expense Using Proposed Rates Related to Clauses (5)	2017 Base Expense (4) + (5) = (6)	2017 Company Adjustment (6) - (3) = (7)
1	STEAM	$ 79,410	$ (22,971)	$ 56,439	$ 122,085	$ (38,073)	$ 84,012	$ 27,574
2								
3	NUCLEAR	159,482	(2,984)	156,498	321,991	(6,401)	315,590	159,092
4								
5	OTHER PRODUCTION	453,064	(21,428)	431,636	505,062	(21,640)	483,423	51,786
6								
7	TRANSMISSION	143,028	(235)	142,793	135,136	(239)	134,896	(7,896)
8								
9	DISTRIBUTION	510,866	(3,559)	507,308	486,003	(571)	485,432	(21,875)
10								
11	GENERAL	36,257	(717)	35,540	33,132	(250)	32,883	(2,657)
12								
13	**TOTAL**	**$ 1,382,107**	**$ (51,894)**	**$ 1,330,213**	**$ 1,603,410**	**$ (67,174)**	**$ 1,536,236**	**$ 206,023**
14								
15		(A)	(A)		(B)			(C)

Notes:
(A) Excludes amounts related to asset retirement obligations, acquisition adjustment, dismantlement, and amortizable property, which are included in the total amount forecasted for depreciation expense on MFR C-4.
(B) Calculated amounts are based on FPL's proposed depreciation rates included in its 2016 depreciation study.
(C) After-tax amount of $126,550 is reflected as a Per Book Company adjustment on MFR C-3 for the 2017 Test Year.

FLORIDA POWER & LIGHT COMPANY
DEPRECIATION RECONCILIATION FROM FPL'S 2018 FORECAST TO PROPOSED DEPRECIATION EXPENSE
($000)

Line No.	Function	2018 Forecast (1)	2018 Depreciation Expense Related to Clauses (2)	Subtotal (1) + (2) = (3)	2018 Calculated Expense Using Proposed Rates (4)	2018 Calculated Expense Using Proposed Rates Related to Clauses (5)	2018 Base Expense (4) + (5) = (6)	2018 Company Adjustment (6) - (3) = (7)
1	STEAM	$ 80,593	$ (23,247)	$ 57,345	$ 123,846	$ (38,441)	$ 85,405	$ 28,060
2								
3	NUCLEAR	160,939	(3,403)	157,537	324,490	(7,360)	317,130	159,593
4								
5	OTHER PRODUCTION	472,410	(21,430)	450,980	524,543	(21,639)	502,904	51,924
6								
7	TRANSMISSION	154,627	(238)	154,389	144,757	(241)	144,516	(9,874)
8								
9	DISTRIBUTION	559,878	(5,677)	554,201	536,754	(819)	535,935	(18,265)
10								
11	GENERAL	38,938	(719)	38,219	35,896	(250)	35,646	(2,572)
12								
13	**TOTAL**	**$ 1,467,385**	**$ (54,714)**	**$ 1,412,671**	**$ 1,690,286**	**$ (68,750)**	**$ 1,621,536**	**$ 208,865**
14								
15		(A)	(A)		(B)			(C)

Notes:
(A) Excludes amounts related to asset retirement obligations, acquisition adjustment, dismantlement, and amortizable property, which are included in the total amount forecasted for depreciation expense on MFR C-4.
(B) Calculated amounts are based on FPL's proposed depreciation rates included in its 2016 depreciation study.
(C) After-tax amount of $128,296 is reflected as a Per Book Company adjustment on MFR C-3 for the 2018 Subsequent Year

FLORIDA POWER & LIGHT COMPANY
CHANGE IN FORECASTED ACCUMULATED DEPRECIATION
RESULTING FROM FPL'S PROPOSED CHANGE IN BASE DEPRECIATION EXPENSE
($000)

Line No.	Function	Ending Balance 12/31/2016	Ending Balance 1/31/2017	Ending Balance 2/28/2017	Ending Balance 3/31/2017	Ending Balance 4/30/2017	Ending Balance 5/31/2017	Ending Balance 6/30/2017	Ending Balance 7/31/2017	Ending Balance 8/31/2017	Ending Balance 9/30/2017	Ending Balance 10/31/2017	Ending Balance 11/30/2017	Ending Balance 12/31/2017	13-Month Average 2017
1	STEAM	$ -	$ (2,284)	$ (4,568)	$ (6,854)	$ (9,143)	$ (11,435)	$ (13,731)	$ (16,032)	$ (18,335)	$ (20,642)	$ (22,951)	$ (25,262)	$ (27,574)	$ (13,755)
2															
3	NUCLEAR	-	(13,244)	(26,488)	(39,731)	(52,978)	(66,231)	(79,488)	(92,748)	(106,009)	(119,270)	(132,537)	(145,810)	(159,092)	(79,510)
4															
5	OTHER PRODUCTION	-	(4,275)	(8,531)	(12,803)	(17,092)	(21,414)	(25,773)	(30,131)	(34,477)	(38,811)	(43,136)	(47,451)	(51,786)	(25,822)
6															
7	TRANSMISSION	-	612	1,234	1,864	2,502	3,148	3,802	4,464	5,132	5,808	6,490	7,179	7,896	3,856
8															
9	DISTRIBUTION	-	1,951	3,882	5,790	7,675	9,535	11,372	13,186	14,975	16,738	18,475	20,187	21,875	11,203
10															
11	GENERAL	-	225	449	673	896	1,118	1,339	1,560	1,781	2,000	2,220	2,439	2,657	1,335
12															
13	**TOTAL**	**$ -**	**$ (17,015)**	**$ (34,022)**	**$ (51,062)**	**$ (68,141)**	**$ (85,279)**	**$ (102,477)**	**$ (119,700)**	**$ (136,933)**	**$ (154,177)**	**$ (171,439)**	**$ (188,717)**	**$ (206,023)**	**$ (102,691)**
14															(A)

Line No.	Function	Ending Balance 12/31/2017	Ending Balance 1/31/2018	Ending Balance 2/28/2018	Ending Balance 3/31/2018	Ending Balance 4/30/2018	Ending Balance 5/31/2018	Ending Balance 6/30/2018	Ending Balance 7/31/2018	Ending Balance 8/31/2018	Ending Balance 9/30/2018	Ending Balance 10/31/2018	Ending Balance 11/30/2018	Ending Balance 12/31/2018	13-Month Average 2018
15															
16															
17															
18															
19															
20															
21															
22	STEAM	$ (27,574)	$ (29,886)	$ (32,200)	$ (34,515)	$ (36,835)	$ (39,163)	$ (41,499)	$ (43,843)	$ (46,193)	$ (48,548)	$ (50,908)	$ (53,269)	$ (55,633)	$ (41,544)
23															
24	NUCLEAR	(159,092)	(172,384)	(185,678)	(198,974)	(212,272)	(225,573)	(238,874)	(252,175)	(265,476)	(278,777)	(292,080)	(305,382)	(318,686)	(238,879)
25															
26	OTHER PRODUCTION	(51,786)	(56,135)	(60,486)	(64,832)	(69,159)	(73,487)	(77,809)	(82,125)	(86,439)	(90,757)	(95,083)	(99,399)	(103,710)	(77,785)
27															
28	TRANSMISSION	7,896	8,641	9,392	10,151	10,917	11,716	12,555	13,407	14,265	15,130	16,001	16,878	17,770	12,671
29															
30	DISTRIBUTION	21,875	23,540	25,181	26,798	28,389	29,952	31,489	32,998	34,481	35,937	37,365	38,766	40,141	31,301
31															
32	GENERAL	2,657	2,875	3,093	3,310	3,527	3,742	3,957	4,171	4,385	4,597	4,809	5,020	5,230	3,952
33															
34	**TOTAL**	**$ (206,023)**	**$ (223,349)**	**$ (240,698)**	**$ (258,062)**	**$ (275,433)**	**$ (292,812)**	**$ (310,181)**	**$ (327,567)**	**$ (344,978)**	**$ (362,419)**	**$ (379,896)**	**$ (397,387)**	**$ (414,888)**	**$ (310,284)**
35															(B)
36															
37															

38 **Notes:**

39 (A) Reflected on MFR B-2 for the 2017 Test Year as the Per Book depreciation study Company adjustment.

40 (B) Reflected on MFR B-2 for the 2018 Subsequent Year as the Per Book depreciation study Company adjustment.

Docket No. 160021-EI
Proposed Depreciation Company
Adjustments by Year for Base vs.
Clause for 2017 and 2018
Exhibit KF-2, Page 3 of 3

Florida Power & Light Company
CAPITAL RECOVERY SCHEDULES

Line No.		(1) Original Cost	-	(2) Book Reserve	+	(3) Estimated Cost of Removal	=	(4) Total Unrecovered Cost	÷	(5) Amortization Period	=	(6) Annual Accrual Amounts
1	**CAPITAL RECOVERY ACCOUNTS - BASE**											
2												
3	**Steam Plant Retirements**											
4	*Turkey Point Unit 1*											
5	311 Structures & Improvements	$ 2,475,630		$ 2,155,678		$ -		$ 319,952		4		$ 79,988
6	312 Boiler Plant Equipment	70,008,412		64,459,160		-		5,549,253		4		1,387,313
8	314 Turbogenerator Units	22,760,745		13,542,024		-		9,218,722		4		2,304,680
9	315 Accessory Electric Equipment	983,680		781,903		-		201,777		4		50,444
10	316 Miscellaneous Equipment	906,996		720,336		-		186,660		4		46,665
11	316.7 Misc Power Plt Equipt - 7Yr	32,678		6,292		-		26,386		4		6,596
12	*Turkey Point Unit 1 Total*	*97,168,142*		*81,665,393*		-		*15,502,749*				*3,875,687*
13												
14	**Other Production Plant Retirements**											
15	*Putnam Common*											
16	341 Structures and Improvements	16,180,406		8,099,708		-		8,080,697		4		2,020,174
17	342 Fuel Holders, Producers and Accessories	7,173,901		7,859,082		-		(685,181)		4		(171,295)
18	343 Prime Movers	33,688,537		12,623,975		-		21,064,562		4		5,266,141
19	344 Generators	399,030		175,938		-		223,093		4		55,773
20	345 Accessory Electric Equipment	1,618,041		1,107,011		-		511,030		4		127,757
21	346 Misc. Power Plant Equipment	1,504,259		1,026,371		-		477,888		4		119,472
22	346.5 Misc Power Plt Equipt - 5Yr	35,792		9,954		-		25,837		4		6,459
23	346.7 Misc Power Plt Equipt - 7Yr	902,025		902,025		-		-		4		-
24	*Putnam Common Total*	*61,501,991*		*31,804,065*		-		*29,697,926*				*7,424,482*
25												
26	*Putnam Unit 1*											
27	341 Structures and Improvements	34,624		34,236		-		388		4		97
28	342 Fuel Holders, Producers and Accessories	150,351		(39,433)		-		189,784		4		47,446
29	343 Prime Movers	68,027,191		39,061,932		-		28,965,258		4		7,241,315
30	344 Generators	9,133,658		5,077,480		-		4,056,178		4		1,014,044
31	345 Accessory Electric Equipment	7,553,334		5,075,677		-		2,477,657		4		619,414
32	346 Misc. Power Plant Equipment	366,309		355,221		-		11,088		4		2,772
33	*Putnam Unit 1 Total*	*85,265,466*		*49,565,114*		-		*35,700,353*				*8,925,088*
34												
35	*Putnam Unit 2*											
36	341 Structures and Improvements	34,624		34,225		-		399		4		100
37	342 Fuel Holders, Producers and Accessories	150,649		(39,599)		-		190,248		4		47,562
38	343 Prime Movers	62,284,845		35,834,652		-		26,450,193		4		6,612,548
39	344 Generators	8,048,042		1,609,209		-		6,438,833		4		1,609,708
40	345 Accessory Electric Equipment	8,399,062		5,725,596		-		2,673,466		4		668,366
41	346 Misc. Power Plant Equipment	352,197		341,389		-		10,808		4		2,702
42	*Putnam Unit 2 Total*	*79,269,418*		*43,505,472*		-		*35,763,946*				*8,940,986*
43	***Total for Putnam Units 1-2***	***226,036,875***		***124,874,650***		-		***101,162,225***				***25,290,556***
44												
45	*Fort Lauderdale Gas Turbines*											
46	341 Structures and Improvements	6,535,210		4,894,183		-		1,641,028		4		410,257
47	342 Fuel Holders, Producers and Accessories	1,132,507		1,369,601		-		(237,093)		4		(59,273)
48	343 Prime Movers	42,178,099		33,634,104		-		8,543,995		4		2,135,999
49	344 Generators	19,229,490		16,591,936		-		2,637,554		4		659,389
50	345 Accessory Electric Equipment	4,621,179		3,999,971		-		621,207		4		155,302
51	346 Misc. Power Plant Equipment	230,281		211,501		-		18,780		4		4,695
52	346.7 Misc Power Plt Equipt - 7Yr	35,539		31,097		-		4,442		4		1,111
53	*Fort Lauderdale Gas Turbines Total*	*73,962,305*		*60,732,393*		-		*13,229,913*				*3,307,478*
54												
55	*Fort Myers Gas Turbines*											
56	341 Structures and Improvements	3,357,736		2,520,779		-		836,957		4		209,239
57	342 Fuel Holders, Producers and Accessories	2,074,206		2,031,868		-		42,338		4		10,584
58	343 Prime Movers	45,233,732		32,570,851		-		12,662,880		4		3,165,720
59	344 Generators	18,637,264		16,761,051		-		1,876,213		4		469,053
60	345 Accessory Electric Equipment	13,211,453		11,089,415		-		2,122,038		4		530,509
61	346 Misc. Power Plant Equipment	76,675		68,533		-		8,141		4		2,035
62	*Fort Myers Gas Turbines Total*	*82,591,064*		*65,042,497*		-		*17,548,567*				*4,387,142*
63												
64	*Port Everglades Gas Turbines*											
65	341 Structures and Improvements	3,727,340		3,371,995		-		355,345		4		88,836
66	342 Fuel Holders, Producers and Accessories	5,783,071		8,118,999		-		(2,335,929)		4		(583,982)
67	343 Prime Movers	23,643,372		18,366,326		-		5,277,046		4		1,319,262
68	344 Generators	10,967,503		10,153,577		-		813,926		4		203,482
69	345 Accessory Electric Equipment	3,411,448		2,971,642		-		439,806		4		109,952
70	346 Misc. Power Plant Equipment	227,176		105,240		-		121,936		4		30,484
71	346.3 Misc Power Plt Equipt - 3Yr	131,111		171,246		-		(40,136)		4		(10,034)
72	346.7 Misc Power Plt Equipt - 7Yr	512,705		73,337		-		439,369		4		109,842
73	*Port Everglades Gas Turbines Total*	*48,403,727*		*43,332,363*		-		*5,071,364*				*1,267,841*
74	***Total for Gas Turbines***	***204,957,097***		***169,107,253***		-		***35,849,844***				***8,962,461***
75												
76	**Transmission Plant Retirements**											
77	*Putnam Transmission*											
78	353 Station Equipment	1,369,379		382,535		-		986,844		4		246,711
79	353.1 Station Equipment - Step-Up Transformers	5,004,249		73,200		-		4,931,048		4		1,232,762
80	355 Poles and Fixtures	3,419		3,424		-		(5)		4		(1)
81	356 Overhead Conductors and Devices	45,190		43,212		-		1,978		4		494
82	*Putnam Transmission Total*	*6,422,237*		*502,372*		-		*5,919,865*				*1,479,966*
83												
84	**TOTAL CAPITAL RECOVERY ACCOUNTS - BASE**	**534,584,351**		**376,149,668**		**-**		**158,434,683**				**39,608,671**
85												

Florida Power & Light Company
CAPITAL RECOVERY SCHEDULES

Line No.		(1) Original Cost	- (2) Book Reserve	+ (3) Estimated Cost of Removal	= (4) Total Unrecovered Cost	÷ (5) Amortization Period	= (6) Annual Accrual Amounts
1	**CAPITAL RECOVERY ACCOUNTS - CLAUSE**						
2							
3	**Steam Plant Retirements**						
4	*Turkey Point Unit 1*						
5	*ECRC - Project 2 - LOW NOX BURNER TECHNOLOGY*						
6	312 Boiler Plant Equipment	2,563,376	2,184,878	-	378,498	4	94,624
7		*2,563,376*	*2,184,878*	-	*378,498*		*94,624*
8	*ECRC - Project 3 - CONTINUOUS EMISSION MONITORING*						
9	311 Structures & Improvements	59,056	41,278	-	17,778	4	4,444
10	312 Boiler Plant Equipment	411,146	217,792	-	193,354	4	48,338
11		*470,202*	*259,070*	-	*211,132*		*52,783*
12	*ECRC - Project 5 - MAINTENANCE OF ABOVE GROUND FUEL TANKS*						
13	311 Structures & Improvements	87,560	45,353	-	42,207	4	10,552
14		*87,560*	*45,353*	-	*42,207*		*10,552*
15	*ECRC - Project 8 - OIL SPILL CLEANUP/RESPONSE EQUIPMENT*						
16	311 Structures & Improvements	5,895	(4,469)	-	10,364	4	2,591
17		*5,895*	*(4,469)*	-	*10,364*		*2,591*
18	*ECRC - Project 23 - SPILL PREVENTION CLEAN-UP & COUNTERMEASURES*						
19	311 Structures & Improvements	92,013	15,235	-	76,778	4	19,194
20		*92,013*	*15,235*	-	*76,778*		*19,194*
21	***Turkey Point Unit 1 Total***	***3,219,047***	***2,500,068***	-	***718,978***		***179,745***
22							
23	**Other Production Plant Retirements**						
24	*Putnam Common*						
25	*ECRC - Project 3 - CONTINUOUS EMISSION MONITORING*						
26	341 Structures and Improvements	82,858	61,197	-	21,660	4	5,415
27	343 Prime Movers	3,139	2,340	-	799	4	200
28		*85,997*	*63,538*	-	*22,459*		*5,615*
29	*ECRC - Project 5 - MAINTENANCE OF ABOVE GROUND FUEL TANKS*						
30	342 Fuel Holders, Producers and Accessories	749,026	376,908	-	372,118	4	93,030
31		*749,026*	*376,908*	-	*372,118*		*93,030*
32	*ECRC - Project 8 - OIL SPILL CLEANUP/RESPONSE EQUIPMENT*						
33	346.5 Misc Power Plt Equipt - 5Yr	-	220	-	(220)	4	(55)
34		-	220	-	(220)		(55)
35	*ECRC - Project 23 - SPILL PREVENTION CLEAN-UP & COUNTERMEASURES*						
36	341 Structures and Improvements	148,511	47,868	-	100,643	4	25,161
37	342 Fuel Holders, Producers and Accessories	1,730,935	602,895	-	1,128,040	4	282,010
38	345 Accessory Electric Equipment	60,747	15,707	-	45,040	4	11,260
39		*1,940,193*	*666,470*	-	*1,273,723*		*318,431*
40	*Putnam Common Total*	*2,775,216*	*1,107,135*	-	*1,668,080*		*417,020*
41							
42	*Putnam Unit 1*						
43	*ECRC - Project 3 - CONTINUOUS EMISSION MONITORING*						
44	343 Prime Movers	351,988	211,413	-	140,574	4	35,144
45	*Putnam Unit 1 Total*	*351,988*	*211,413*	-	*140,574*		*35,144*
46							
47	*Putnam Unit 2*						
48	*ECRC - Project 3 - CONTINUOUS EMISSION MONITORING*						
49	343 Prime Movers	385,713	258,657	-	127,056	4	31,764
50	*Putnam Unit 2 Total*	*385,713*	*258,657*	-	*127,056*		*31,764*
51	***Total for Putnam Units 1-2***	***3,512,916***	***1,577,206***	-	***1,935,710***		***483,928***
52							
53	*Fort Lauderdale Gas Turbines*						
54	*ECRC - Project 3 - CONTINUOUS EMISSION MONITORING*						
55	343 Prime Movers	9,373	476	-	8,897	4	2,224
56		*9,373*	*476*	-	*8,897*		*2,224*
57	*ECRC - Project 5 - MAINTENANCE OF ABOVE GROUND FUEL TANKS*						
58	342 Fuel Holders, Producers and Accessories	535,599	217,059	-	318,540	4	79,635
59		*535,599*	*217,059*	-	*318,540*		*79,635*
60	*ECRC - Project 23 - SPILL PREVENTION CLEAN-UP & COUNTERMEASURES*						
61	341 Structures and Improvements	85,000	24,034	-	60,966	4	15,241
62	342 Fuel Holders, Producers and Accessories	470,479	172,373	-	298,107	4	74,527
63		*555,479*	*196,406*	-	*359,072*		*89,768*
64	*ECRC - Project 31 - CLEAN AIR INTERSTATE RULE-CAIR*						
65	343 Prime Movers	101,055	23,216	-	77,839	4	19,460
66		*101,055*	*23,216*	-	*77,839*		*19,460*
67	***Fort Lauderdale Gas Turbines Total***	***1,201,506***	***437,158***	-	***764,348***		***191,087***
68							
69	*Fort Myers Gos Turbines*						
70	*ECRC - Project 5 - MAINTENANCE OF ABOVE GROUND FUEL TANKS*						
71	342 Fuel Holders, Producers and Accessories	120,131	49,802	-	70,329	4	17,582
72		*120,131*	*49,802*	-	*70,329*		*17,582*
73	*ECRC - Project 23 - SPILL PREVENTION CLEAN-UP & COUNTERMEASURES*						
74	341 Structures and Improvements	88,843	21,544	-	67,299	4	16,825
75	342 Fuel Holders, Producers and Accessories	566,985	224,706	-	342,279	4	85,570
76	345 Accessory Electric Equipment	11,187	3,099	-	8,088	4	2,022
77		*667,015*	*249,350*	-	*417,666*		*104,416*
78	*ECRC - Project 31 - CLEAN AIR INTERSTATE RULE-CAIR*						
79	343 Prime Movers	52,070	13,777	-	38,292	4	9,573
80		*52,070*	*13,777*	-	*38,292*		*9,573*
81	***Fort Myers Gas Turbines Total***	***839,216***	***312,928***	-	***526,288***		***131,572***

Florida Power & Light Company
CAPITAL RECOVERY SCHEDULES

Line No.		(1) Original Cost	-	(2) Book Reserve	+	(3) Estimated Cost of Removal	=	(4) Total Unrecovered Cost	÷	(5) Amortization Period	=	(6) Annual Accrual Amounts
1	**CAPITAL RECOVERY ACCOUNTS - CLAUSE (continued)**											
2												
3	*Port Everglades Gas Turbines*											
4	*ECRC - Project 5 - MAINTENANCE OF ABOVE GROUND FUEL TANKS*											
5	342 Fuel Holders, Producers and Accessories	2,538,015		27,074		-		2,510,941		4		627,735
6		*2,538,015*		*27,074*		-		*2,510,941*				*627,735*
7	*ECRC - Project 23 - SPILL PREVENTION CLEAN-UP & COUNTERMEASURES*											
8	341 Structures and Improvements	416,241		93,845		-		322,396		4		80,599
9	342 Fuel Holders, Producers and Accessories	1,682,257		657,276		-		1,024,981		4		256,245
10	345 Accessory Electric Equipment	7,134		1,083		-		6,052		4		1,513
11		*2,105,632*		*752,203*		-		*1,353,429*				*338,357*
12	*ECRC - Project 31 - CLEAN AIR INTERSTATE RULE-CAIR*											
13	343 Prime Movers	98,885		28,354		-		70,531		4		17,633
14		*98,885*		*28,354*		-		*70,531*				*17,633*
15	***Port Everglades Gas Turbines Total***	***4,742,532***		***807,631***		-		***3,934,901***				***983,725***
16	***Total for Gas Turbines***	***6,783,254***		***1,557,717***		-		***5,225,537***				***1,306,384***
17												
18	**CAPITAL RECOVERY ACCOUNTS - CLAUSE**	***13,515,217***		***5,634,991***		-		***7,880,225***		*4*		***1,970,056***
19	**CAPITAL RECOVERY ACCOUNTS - BASE**	***534,584,351***		***376,149,668***		-		***158,434,683***		*4*		***39,608,671***
20	**CAPITAL RECOVERY ACCOUNTS - TOTAL**	***$ 548,099,567***		***$ 381,784,659***		***$ -***		***$ 166,314,909***		*4*		***$ 41,578,727***

Florida Power & Light Company

2016 Dismantlement Study

Babcock Ranch Solar
Cape Canaveral
Cedar Bay
Citrus Solar
DeSoto Solar
Ft. Myers
Lauderdale
Manatee
Manatee Solar
Martin
Martin Solar
Okeechobee
Port Everglades
Riviera Beach
Sanford
Scherer
Space Coast Solar
St. Johns River
Turkey Point
West County

Note: Filed on March 15, 2016 in a separate docket and not duplicated here due to volume.

FLORIDA POWER & LIGHT COMPANY
2017 AND 2018 DISMANTLEMENT ACCRUAL COMPANY ADJUSTMENT

Line No.	Plant Site	Per Docket No. 090130-EI Order No. PSC-10-0153-FOF-EI Annual Accrual	Proposed Annual Accrual Effective 1/1/2017	Increase/ (Decrease) in Annual Dismantlement Accrual
1	Babcock Ranch Solar[1]	$ 0	$ 335,077	$ 335,077
2				
3	Cape Canaveral[2]	252,203	824,770	572,567
4				
5	Cedar Bay[1]	0	1,130,063	1,130,063
6				
7	Citrus Solar[1]	0	335,077	335,077
8				
9	Cutler[2]	333,801	0	(333,801)
10				
11	Desoto Solar	72,712	127,737	55,025
12				
13	Fort Myers	1,317,305	1,448,408	131,103
14				
15	Lauderdale	1,251,191	2,245,516	994,325
16				
17	Manatee	2,559,415	3,116,518	557,104
18				
19	Manatee Solar[1]	0	335,077	335,077
20				
21	Martin	2,533,098	3,577,086	1,043,989
22				
23	Martin Solar	346,160	586,954	240,794
24				
25	Okeechobee[1]	0	560,859	560,859
26				
27	Port Everglades[2]	2,802,360	2,600,158	(202,202)
28				
29	Putnam[2]	405,297	0	(405,297)
30				
31	Riviera[2]	89,182	692,886	603,704
32				
33	Sanford[2]	1,493,396	1,108,930	(384,466)
34				
35	Scherer	1,634,157	2,280,024	645,868
36				
37	Space Coast Solar	34,944	45,582	10,637
38				
39	St. Johns River	869,586	939,516	69,930
40				
41	St. Lucie Wind[3]	30,038	0	(30,038)
42				
43	Turkey Point[2]	1,111,193	3,182,823	2,071,630
44				
45	West County	1,332,348	2,123,984	791,636
46				
47	**Total**	**$ 18,468,387**	**$ 27,597,046**	**$ 9,128,659** [A]
48				
49				
50	[A] Total increase in dismantlement accrual			$ 9,128,659
51	Less accrual for solar units (DeSoto, Martin and Space Coast) recovered through clause			306,456
52	Increase in base rate dismantlement accrual			$ 8,822,204 [4]

Notes:

[1] Added since 2009 Dismantlement Study

[2] Plant was partially dismantled or fully dismantled since 2009 Dismantlement Study as a result of a repowering, final retirement of a unit or conversion to synchronous condenser (Turkey Point)

[3] Plant was not constructed

[4] After-tax amount of $5,419,038 is reflected as a Per Book Company Adjustment on MFR C-3 for both the 2017 Test Year and 2018 Subsequent Year.

FLORIDA POWER & LIGHT COMPANY
NUCLEAR END OF LIFE MATERIALS & SUPPLIES INVENTORY

Line Number		St. Lucie Unit 2	Turkey Point Unit 4
1	Adjusted Ending Inventory Value @ End of License	$ 27,154,326	$36,786,556
2	Estimated Salvage	(259,706)	(351,829)
3	**Inventory Subject to Write-off**	**$ 26,894,620**	**$36,434,727**
4			
5	**FPL's Ownership Share Net of Participants[1]**	**$ 24,891,575**	**$36,434,727**
6			
7	Actual Reserve Balance Accrued as of 12/31/16	6,228,114	15,865,270
8			
9	**Remaining Amount to be Recovered as of 12/31/16**	**$ 18,663,460**	**$20,569,457**
10			
11			
12	Total Number of Months From:		
13	12/31/16 to End of License - 4/6/2043	315.5	195.5
14			
15	**Required Accrual From 1/1/17 to End of License**		
16	Monthly **Effective 1/1/2017**	$ 59,155	$105,214.61
17	Annual **Effective 1/1/2017**	$ 709,862	$ 1,262,575
18			
19	**Current Accrual Effective 1/1/13**		
20	Monthly	$ 39,123	$ 78,166
21	Annual	$ 469,481	$ 937,996
22			
23	**Increase (Decrease) Required Effective 1/1/17**		
24	**Monthly**	$ 20,032	$ 27,048
25	**Annual**	$ 240,381	$ 324,579
26			
27			
28	**Total Increase in Annual Accrual[2]**		**$ 564,960**
29			

30 Notes:
31 [1] Forecasted inventory balances and salvage estimates based on amounts filed in FPL's 2015 Nuclear
32 Decommissioning Study (Docket No. 150265-EI).
33 [2] After-tax amount of $347,027 plus after-tax amount of nuclear fuel last core of ($418,173) is reflected as a Per Book
34 Company Adjustment on MFR C-3 for both the 2017 Test Year and 2018 Subsequent Year.

FLORIDA POWER & LIGHT COMPANY
NUCLEAR FUEL LAST CORE AMORTIZATION

Line Number		St. Lucie Unit 1	St. Lucie Unit 2	Turkey Point Unit 3	Turkey Point Unit 4
1	Estimated Cost of Unburned Fuel @ End of License	$ 89,300,000	$ 98,700,000	$ 67,500,000	$ 62,700,000
2					
3					
4	**FPL's Ownership Share Net of Participants[1]**	**89,300,000**	**98,700,000**	**67,500,000**	**62,700,000**
5					
6	Actual Reserve Balance at 12/31/2016	27,840,871	20,550,242	28,092,935	24,165,135
7					
8	**Remaining Amount to be Recovered as of 12/31/2016**	**$ 61,459,129**	**$ 78,149,758**	**$ 39,407,065**	**$ 38,534,865**
9					
10					
11	Total Number of Months From:				
12	**12/31/16 to End of License:**	230.5	315.5	186.5	195.5
13					
14	**Required Accrual From 1/1/17 to End of License**				
15	Monthly **Effective 1/1/2017**	$ 266,634	$ 247,701	$ 211,298	$ 197,109
16	Annual **Effective 1/1/2017**	$ 3,199,608	$ 2,972,416	$ 2,535,575	$ 2,365,311
17					
18	**Current Accrual Effective 1/1/13**				
19	Monthly	$ 244,435	$ 222,636	$ 252,651	$ 259,752
20	Annual	$ 2,933,220	$ 2,671,634	$ 3,031,814	$ 3,117,029
21					
22	**Increase (Decrease) Required Effective 1/1/17**				
23	**Monthly**	$ 22,199	$ 25,065	$ (41,353)	$ (62,643)
24	**Annual**	$ 266,387	$ 300,782	$ (496,239)	$ (751,717)
25					
26					
27	**Total Decrease in Annual Accrual**				
28	St. Lucie Total	$ 567,169			
29	Turkey Point Total	$ (1,247,956)			
30	**Total Company Adjustment[2]**	**$ (680,787)**			
31					