

FLORIDA POWER & LIGHT COMPANY
 2018 SoBRA PROJECT
 FIRST YEAR ANNUALIZED REVENUE REQUIREMENT ⁽¹⁾

Line No	(1) Description	(2) Page Reference	(3) Amount (\$000)
1	Jurisdictional Adjusted Rate Base	Page 2	\$ 364,122
2	Rate of Return on Rate Base	Page 3	<u>8.30%</u>
3	Required Jurisdictional Net Operating Income	Line 1 x Line 2	\$ 30,218
4	Required Net Operating Income	Page 4	<u>(6,519)</u>
5	Net Operating Income Deficiency (Excess)	Line 3 - Line 4	\$ 36,737
6	Net Operating Income Multiplier ⁽²⁾		<u>1.63025</u>
7	Revenue Requirement	Line 5 x Line 6	<u>\$ 59,890</u>

8

9 NOTES:

10 ⁽¹⁾ Represents the revenue requirement for projected 12-month period for the 2018 SoBRA Project.

11 ⁽²⁾ Represents the net operating income multiplier from page 9 of Exhibit KO-20, Docket No. 160021-EI.

FLORIDA POWER & LIGHT COMPANY
2018 SoBRA PROJECT
JURISDICTIONAL ADJUSTED RATE BASE
13-MONTH AVERAGE

Line No.	(1) Description	(2) Total Company (\$000)	(3) FPSC Jurisdictional (\$000)	(4) Jurisdictional Factor ⁽¹⁾
1				
2	<u>PLANT IN SERVICE:</u>			
3				
4	ELECTRIC PLANT IN SERVICE - OTHER PRODUCTION	\$ 412,149	\$ 394,283	0.956652
5				
6	ELECTRIC PLANT IN SERVICE - TRANSMISSION	\$ 9,535	\$ 8,467	0.887974
7	ELECTRIC PLANT IN SERVICE - TRANSMISSION - GSU's	3,383	3,212	0.949382
8	TOTAL ELECTRIC PLANT IN SERVICE - TRANSMISSION	\$ 12,918	\$ 11,678	0.904056
9				
10	NON-DEPRECIABLE PROPERTY (LAND)	\$ 17,518	\$ 16,758	0.956652
11				
12	TOTAL PLANT IN SERVICE	\$ 442,585	\$ 422,720	0.955117
13				
14				
15	<u>ACCUMULATED PROVISION FOR DEPRECIATION:</u>			
16				
17	ACCUM PROVISION FOR DEPRECIATION - OTHER PRODUCTION	\$ 6,945	\$ 6,644	0.956652
18				
19	ACCUM PROVISION DEPRECIATION - TRANSMISSION	\$ 95	\$ 85	0.887974
20	ACCUM PROVISION DEPRECIATION - TRANSMISSION - GSU	45	42	0.949382
21	TOTAL ACCUM PROVISION FOR DEPRECIATION - TRANSMISSION	\$ 140	\$ 127	0.907561
22				
23	TOTAL ACCUMULATED PROVISION FOR DEPRECIATION	\$ 7,085	\$ 6,771	0.955682
24				
25				
26	ACCUMULATED DEFERRED INCOME TAXES ⁽²⁾	\$ (54,263)	\$ (51,827)	0.955107
27				
28	TOTAL RATE BASE	\$ 381,237	\$ 364,122	0.955107
29				
30				

NOTES:

⁽¹⁾ Based on FPL's most recent cost of service calculations prepared for the 2017 budget cycle.

⁽²⁾ Detailed calculation for accumulated deferred income taxes is provided on Page 5.

FLORIDA POWER & LIGHT COMPANY
 2018 SoBRA PROJECT
 RATE OF RETURN ON RATE BASE
 13-MONTH AVERAGE

Line No.	Class of Capital	(1) Company Total Per Books (\$000)	(2) Jurisdictional Factor	(3) Jurisdictional Capital Structure (\$000)	(4) Ratio	(5) Cost Rate ⁽¹⁾	(6) Weighted Cost Rate
1	LONG TERM DEBT	\$ 108,294	0.955107	\$ 103,433	28.41%	4.80%	1.36%
2							
3	COMMON EQUITY	168,218	0.955107	160,666	44.12%	10.55%	4.66%
4							
5	INVESTMENT TAX CREDITS	104,725	0.955107	100,024	27.47%	8.30%	2.28%
6							
7	TOTAL	<u>\$ 381,237</u>		<u>\$ 364,122</u>	<u>100.00%</u>		<u>8.30%</u>

10 NOTE:

11 ⁽¹⁾ Represents the cost rates from page 8 of Exhibit KO-20, Docket No. 160021-EI, except for common equity which
 12 has been revised to reflect an ROE of 10.55% per Order No. PSC-16-0560-AS-EI.

FLORIDA POWER & LIGHT COMPANY
2018 SoBRA PROJECT
REQUIRED NET OPERATING INCOME

Line No.	Account No.	(1) Account Title	(2) Total Company (\$000)	(3) FPSC Jurisdictional (\$000)	(4) Jurisdictional Separation Factor ⁽¹⁾
1		<u>OPERATING & MAINTENANCE EXPENSES:</u>			
2					
3	546	OTHER POWER - OPERATION SUPERVISION & ENGINEERING	\$ 167	\$ 160	0.956652
4	549	OTHER POWER - MISC OTHER POWER GENERATION EXPENSES	390	373	0.956652
5	551	OTHER POWER - MAINTENANCE SUPERVISION & ENGINEERING	160	153	0.957811
6	552	OTHER POWER - MAINTENANCE OF STRUCTURES	162	155	0.956652
7	553	OTHER POWER - MAINTENANCE GENERATING & ELECTRIC PLANT	68	65	0.957811
8	554	OTHER POWER - MAINTENANCE MISC OTHER POWER GENERATION	39	37	0.957811
9		TOTAL OTHER POWER GENERATION OPERATING EXPENSES	\$ 986	\$ 943	0.956966
10					
11	560 - 573	TRANSMISSION	\$ -	\$ -	-
12					
13	924	A&G EXP - PROPERTY INSURANCE	\$ 66	\$ 64	0.961316
14	925	A&G EXP - INJURIES AND DAMAGES	4	4	0.969449
15	926	A&G EXP - EMP PENSIONS & BENEFITS	67	65	0.969449
16		TOTAL ADMINISTRATIVE & GENERAL EXPENSES	\$ 137	\$ 132	0.965525
17					
18		TOTAL OPERATING & MAINTENANCE EXPENSES	\$ 1,123	\$ 1,076	0.958011
19					
20		<u>DEPRECIATION EXPENSES:</u>			
21					
22	403 & 404	DEPR & AMORT EXP - OTH PROD	\$ 13,889	\$ 13,287	0.956652
23	403 & 404	DEPR & AMORT EXP - TRANS	191	169	0.887974
24	403 & 404	DEPR & AMORT EXP - TRANS - GSUs	89	85	0.956652
25		TOTAL DEPRECIATION & AMORTIZATION EXPENSES	\$ 14,169	\$ 13,542	0.955727
26					
27		<u>TAXES OTHER THAN INCOME TAXES:</u>			
28					
29	408	TAX OTH TH INC TAX - REAL & PERS PROPERTY TAX	\$ 3,468	\$ 3,338	0.962346
30	408	TAX OTH TH INC TAX - FEDERAL UNEMPLOYMENT TAXES	0	0	0.969449
31	408	TAX OTH TH INC TAX - STATE UNEMPLOYMENT TAXES	0	0	0.969449
32	408	TAX OTH TH INC TAX - FICA (SOCIAL SECURITY)	18	17	0.969449
33		TOTAL TAXES OTHER THAN INCOME TAXES	\$ 3,486	\$ 3,355	0.962383
34					
35		<u>OPERATING INCOME TAXES:</u>			
36					
37	409	INCOME TAXES - UTILITY OPER INCOME - CURRENT FEDERAL	\$ (196,493)	\$ (188,063)	0.957100
38	409	INCOME TAXES - UTILITY OPER INCOME - CURRENT STATE	(8,911)	(8,529)	0.957100
39	410	INCOME TAXES - DEFERRED FEDERAL	82,790	79,238	0.957100
40	411	INCOME TAXES - DEFERRED STATE	7,716	7,385	0.957100
41	411	INVESTMENT TAX CREDIT ADJUSTMENTS	102,930	98,514	0.957100
42		TOTAL OPERATING INCOME TAXES	\$ (11,967)	\$ (11,454)	0.957100
43					
44		NET OPERATING INCOME/(LOSS)	\$ (6,811)	\$ (6,519)	0.957100
45					
46					
47		<u>NOTE:</u>			
48		⁽¹⁾ Based on FPL's most recent cost of service calculations prepared for the 2017 budget cycle.			

FLORIDA POWER & LIGHT COMPANY
2018 SoBRA PROJECT
ACCUMULATED DEFERRED INCOME TAX CALCULATION

Line No.	Month	(1) Activity (\$000)	(2) Acct 282 Ledger Balance (\$000)	(3) Days to Prorate	(4) Future Days in Test Period	(5) Prorated Monthly Activity (1)*(4)/Total (3) (\$000)	(6) Acct 282 Prorated Balance (\$000)
1							
2							
3	Beg Balance - Feb-18		\$ 2,340				\$ 2,340
4							
5	Mar 2018 ⁽¹⁾	\$ (67,696)	\$ (65,356)	31	335	\$ (62,132)	\$ (59,792)
6	Apr 2018	383	(64,974)	30	305	320	(59,472)
7	May 2018	383	(64,591)	31	274	287	(59,185)
8	Jun 2018	383	(64,208)	30	244	256	(58,929)
9	Jul 2018	383	(63,825)	31	213	223	(58,706)
10	Aug 2018	383	(63,443)	31	182	191	(58,515)
11	Sep 2018	383	(63,060)	30	152	159	(58,356)
12	Oct 2018	383	(62,677)	31	121	127	(58,229)
13	Nov 2018	383	(62,294)	30	91	95	(58,133)
14	Dec 2018	383	(61,911)	31	60	63	(58,070)
15	Jan 2019 ⁽²⁾	(26,638)	(88,549)	31	29	(2,116)	(60,187)
16	Feb 2019	383	(88,167)	28	1	1	(60,186)
17	<i>Total</i>	\$ (90,506)		365			
18							
19							
20	Prorated - 13 Month Average						<u>\$ (54,263)</u> ⁽³⁾

22 NOTES:

23 ⁽¹⁾ Includes the impact associated with bonus depreciation and all tax depreciation for the year ended December 31, 2018.

24 ⁽²⁾ Includes the impact associated with the all tax depreciation for the year ended December 31, 2019.

25 ⁽³⁾ Prorated balance is reflected as a reduction to rate base on Page 2, Line 26.