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March 2, 2023

VIA ELECTRONIC FILING

Mr. Adam Teitzman
Commission Clerk
Florida Public Service Commission
Betty Easley Conference Center
2540 Shumard Oak Boulevard, Room 110
Tallahassee, FL 32399-0850

Re: FPL Request for 2023 AFUDC Rate Change

Dear Mr. Teitzman:

Pursuant to Rule 25-6.0141, Florida Administrative Code, Florida Power & Light Company (FPL) requests that the Florida Public Service Commission approve a change to the rate FPL uses to capitalize the allowance for funds used during construction (AFUDC) from 6.22% to 6.37%, effective January 1, 2023. As shown on the attached schedules, the 6.37% AFUDC rate is calculated as of December 31, 2022 using the 10.8% midpoint return on common equity approved by the Commission in Order No. PSC-2022-0358-FOF-EI.

I would appreciate it if your office would forward this request to the appropriate Staff division.

Please contact me if there are any questions regarding this filing.

Sincerely,

s/ Maria Jose Moncada
Maria Jose Moncada

Attachments
cc: Andrew Maurey

:21179288

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
BASIS FOR THE REQUESTED AFUDC RATE
FPSC ADJUSTED BASIS
DECEMBER 2022

SCHEDULE A: PAGE 1 OF 1

CAPITAL COMPONENTS	JURISDICTIONAL AVERAGE	CAPITAL RATIO	COST OF CAPITAL	AFUDC WEIGHTED COMPONENTS
LONG TERM DEBT	\$ 17,473,378,641	31.29%	3.63%	1.14%
SHORT TERM DEBT	807,452,438	1.45%	1.93% *	0.03%
PREFERRED STOCK	-	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	431,270,364	0.77%	2.12% *	0.02%
COMMON EQUITY	26,855,347,514	48.08%	10.80%	5.19%
DEFERRED INCOME TAX	6,310,858,685	11.30%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	3,029,951,855	5.43%	0.00%	0.00%
INVESTMENT TAX CREDITS	942,149,496	1.69%	0.00%	0.00%
TOTAL	\$ 55,850,408,993	100.00%		6.37%

* 13-MONTH AVERAGE

NOTE:
EFFECTIVE JANUARY 1, 2019 THE COMMISSION APPROVED AFUDC RATE IS 6.22%

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
DECEMBER 2022

SCHEDULE B: PAGE 1 OF 3

AVERAGE	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 2	ADJUSTMENTS *		ADJUSTED RETAIL 5
			PRO RATA 3	SPECIFIC 4	
LONG TERM DEBT	\$ 19,076,038,191	\$ 18,426,074,263	\$ (852,844,428)	\$ (99,851,194)	\$ 17,473,378,641
SHORT TERM DEBT	876,743,752	846,862,750	(39,410,312)	0	807,452,438
PREFERRED STOCK	-	-	-	-	-
COMMON EQUITY	29,150,387,876	28,157,475,152	(1,310,761,585)	8,633,948	26,855,347,514
CUSTOMER DEPOSITS	452,401,497	452,319,901	(21,049,537)	(0)	431,270,364
DEFERRED INCOME TAX	6,911,648,282	6,674,520,867	(308,021,750)	(55,640,432)	6,310,858,685
FAS 109 DEFERRED INCOME TAX	3,289,966,361	3,177,838,398	(147,886,543)	(0)	3,029,951,855
INVESTMENT TAX CREDITS	1,136,028,189	1,096,478,279	(45,984,636)	(108,344,147)	942,149,496
TOTAL	\$ 60,893,214,147	\$ 58,831,569,609	\$ (2,725,958,791)	\$ (255,201,825)	\$ 55,850,408,993

* FOR ADJUSTMENT DETAILS, SEE SCHEDULE B, PAGES 2 AND 3

NOTE:
TOTALS MAY NOT SUM DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
DECEMBER 2022

SCHEDULE B: PAGE 2 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 2,082,342,455	\$ 1,996,043,870
FUEL AND CAPACITY	148,102,009	142,044,690
CAPITALIZED EXECUTIVE COMPENSATION	56,529,466	54,635,201
LOAD CONTROL	33,490,026	33,490,026
ASSET RETIREMENT OBLIGATION	138,019,941	133,394,982
CAPITAL LEASES	255,192,733	246,641,390
STORM PROTECTION	1,141,938,602	1,123,563,034
TOTAL	\$ 3,855,615,232	\$ 3,729,813,191
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (714,217,044)	\$ (684,617,724)
ACCUM PROV DECOMMISSIONING COSTS	(5,939,641,664)	(5,704,038,255)
ASSET RETIREMENT OBLIGATION	63,203,727	61,085,811
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	5,520,490,032	5,335,501,985
FUEL AND CAPACITY	(15,732,135)	(15,094,021)
OTHER RATE CASE ADJUSTMENTS *	0	0
LOAD CONTROL	(14,079,795)	(14,079,795)
CAPITAL LEASES	(171,203,996)	(165,467,060)
STORM PROTECTION	(19,064,815)	(18,758,033)
TOTAL	\$ (1,290,245,690)	\$ (1,205,467,094)
PROPERTY HELD FOR FUTURE USE:		
FUTURE USE PLANT - NORTH ESCAMBIA	\$ 11,004,737	\$ 10,635,976
TOTAL	\$ 11,004,737	\$ 10,635,976
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,513,611,736	\$ 2,343,163,938
CWIP - CLAUSE PROJECTS	608,825,689	595,357,847
TOTAL	\$ 3,122,437,424	\$ 2,938,521,786
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
WORKING CAPITAL: (SEE SCHEDULE B, PAGE 3 OF 3)	\$ (2,601,086,615)	\$ (2,492,343,243)
TOTAL ADJUSTMENTS	\$ 3,097,725,089	\$ 2,981,160,616

* REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
DECEMBER 2022

SCHEDULE B: PAGE 3 OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	226,558,200	219,573,224
ASSET RETIREMENT OBLIGATION	51,656,861	49,925,873
CEDAR BAY TRANSACTION	226,975,410	217,683,066
EARLY RETIRED ASSETS	1,006,712,474	965,838,311
EMPLOYEE LOAN RECEIVABLES	956	924
ICL TRANSACTION	175,583,333	168,394,974
INTEREST & DIVIDENDS RECEIVABLE	648,386	628,396
JOBGING ACCOUNTS	15,176,418	14,708,516
MISC. DEFERRED DEBIT - CLAUSES	13,138,947	12,592,889
NET UNDERRECOVERED CLAUSES	1,278,117,052	1,270,083,338
OPERATING LEASES	12,901,013	12,389,278
OTH REG ASSETS - CLAUSES	85,675,476	82,118,729
POLE ATTACHMENTS RENTS RECEIVABLE	64,082,120	62,106,415
PREPAYMENTS - ECCR	35,683,188	35,683,188
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	6,296,500	6,287,587
STORM DEFICIENCY RECOVERY	505,745,442	487,113,108
SJRPP TRANSACTION	41,442,659	39,725,150
TEMPORARY CASH INVESTMENTS	153,268,462	148,543,089
UNREALIZED LOSS ON FWD CONTRACT	35,966	33,974
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 3,899,698,864	\$ 3,793,430,030
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - CARE TO SHARE	(874,626)	(847,660)
ACCUM DEFERRED RETIREMENT BENEFITS	(11,685,439)	(11,293,867)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(78,782,740)	(60,150,406)
ACCUM. PROV. - RATE REFUNDS	(207,992)	0
ASSET RETIREMENT OBLIGATION	(5,773,371,777)	(5,579,909,826)
CEDAR BAY TRANSACTION	(1,826,077)	(1,751,318)
DEFERRED TRANSMISSION CREDIT	(9,544,078)	(8,633,948)
GAIN ON SALE OF EMISSION ALLOWANCE	(218)	(209)
JOBGING ACCOUNTS	(22,427,582)	(21,736,121)
MARGIN CALL CASH COLLATERAL	(2,546,538)	(2,468,027)
MISC. DEFERRED CREDIT - CLAUSES	(6,500,806)	(6,230,867)
NUCLEAR COST RECOVERY	(241,630,584)	(241,630,584)
OTH REG LIAB - CLAUSES	(40,405,327)	(40,138,745)
OTHER RATE CASE ADJUSTMENTS *	0	0
STORM DEFICIENCY RECOVERY	(310,981,694)	(310,981,694)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (6,500,785,479)	\$ (6,285,773,273)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (2,601,086,615)	\$ (2,492,343,243)

* REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-2021-0446-S-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
METHODOLOGY FOR MONTHLY COMPOUNDING
OF THE AFUDC RATE
DECEMBER 2022

SCHEDULE C: PAGE 1 OF 1

AFUDC COMPOUNDING

((1+R/12)**12)-1 =	APPROVED RATE
((1+R/12)**12)-1 =	6.37%
((1+R/12)**12) =	1.06370000
(1+R/12) =	1.00515938
(R/12) =	0.00515938

MONTHS	AFUDC BASE	MONTHLY AFUDC	CUMULATIVE AFUDC
JAN	1.00000000	0.00515938	0.00515938
FEB	1.00515938	0.00518600	0.01034538
MAR	1.01034538	0.00521276	0.01555814
APR	1.01555814	0.00523965	0.02079779
MAY	1.02079779	0.00526668	0.02606447
JUN	1.02606447	0.00529386	0.03135833
JUL	1.03135833	0.00532117	0.03667950
AUG	1.03667950	0.00534862	0.04202812
SEP	1.04202812	0.00537622	0.04740434
OCT	1.04740434	0.00540396	0.05280830
NOV	1.05280830	0.00543184	0.05824014
DEC	1.05824014	0.00545986	0.06370000