



March 16, 2026

Mr. Mark Cicchetti
Director, Division of Accounting and Finance
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

RE: 2026 Forecasted Earnings Surveillance Report

Dear Mr. Cicchetti:

On February 25, 2026, you granted Florida Power & Light Company's ("FPL's") request for an extension of time to March 16, 2026 to file its 2026 forecasted earnings surveillance report ("FESR"). Consistent with that extension, I am enclosing FPL's 2026 FESR. Please note that the forecast results contained in the FESR reflect FPL's 2026 planning assumptions and a projected return on equity of 11.80% as of December 2026.

In accordance with the Stipulation and Settlement Agreement that the Commission approved in Order No. PSC-2026-0022-S-EI, the Company will vary the portion of Rate Stabilization Mechanism (RSM) amortized in 2026 to maintain its actual return on equity within a range of 9.95% to 11.95%. The return on equity range of 9.95% to 11.95% was authorized in Docket No. 20250011-EI, Order No. PSC-2026-0022-S-EI.

Sincerely,

A handwritten signature in black ink that reads "Ina Laney". The signature is written in a cursive style with a large, sweeping flourish at the end.

Ina Laney

Executive Director of Financial Forecast, Strategy & Analysis, FPL Finance

Enclosures:

CC: Office of Public Counsel

**FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
(\$000'S)**

**SCHEDULE 1
PAGE 1 OF 1**

**Company: Florida Power & Light Company and Subsidiaries
YEAR: 2026**

I. AVERAGE RATE OF RETURN (JURISDICTIONAL)	(1) PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED
NET OPERATING INCOME	\$6,675,135 (A)	(\$933,547) (B)	\$5,741,588
AVERAGE RATE BASE	\$81,144,073	(\$5,416,387)	\$75,727,686
AVERAGE RATE OF RETURN	8.23%		7.58%

(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS

**AVERAGE CAPITAL STRUCTURE
(FPSC ADJUSTED BASIS)**

LOW	6.65%
MIDPOINT	7.16%
HIGH	7.66%

II. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	4.99	(SYSTEM PER BOOK BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	4.79	(SYSTEM PER BOOK BASIS)
C. AFUDC AS PERCENT OF NET INCOME	5.05%	(SYSTEM PER BOOK BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	77.49%	(SYSTEM PER BOOK BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	37.84%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	2.55%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.80%	(FPSC ADJUSTED BASIS)

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
AVERAGE RATE OF RETURN
RATE BASE (\$000's)

SCHEDULE 2
PAGE 1 OF 2

Company: Florida Power & Light Company and Subsidiaries
YEAR: 2026

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
1 SYSTEM PER BOOKS	\$98,424,659	\$24,494,322	\$73,930,337	\$1,486,926	\$8,341,090	\$801,662	\$84,560,014	(\$317,615)	\$84,242,400
2 JURISDICTIONAL PER BOOKS	94,631,216	19,204,338	75,426,878	1,421,284	7,981,704	752,482	85,582,349	(4,438,276)	81,144,073
<u>FPSC ADJUSTMENTS:</u>									
3 ACCUM PROV DECOMMISSIONING COSTS		(7,935,156)	7,935,156				7,935,156		7,935,156
4 CAPITALIZED EXECUTIVE COMPENSATION	(67,798)		(67,798)				(67,798)		(67,798)
5 ENVIRONMENTAL COST RECOVERY	(1,605,179)	(638,415)	(966,764)				(966,764)		(966,764)
6 CAPACITY COST RECOVERY CLAUSE	(157,968)	(23,469)	(134,499)				(134,499)		(134,499)
7 CONSERVATION COST RECOVERY	(43,050)	(19,570)	(23,480)				(23,480)		(23,480)
8 ASSET RETIREMENT OBLIGATION	(94,769)	7,501,586	(7,596,355)				(7,596,355)		(7,596,355)
9 CAPITAL LEASES	(94,471)	(19,108)	(75,364)				(75,364)		(75,364)
10 STORM PROTECTION CLAUSE	(6,318,560)	(383,531)	(5,935,029)				(5,935,029)		(5,935,029)
11 CWIP - PROJECTS EARNING AFUDC					(4,248,329)		(4,248,329)		(4,248,329)
12 CWIP - CLAUSE PROJECTS					(612,388)		(612,388)		(612,388)
13 ACCOUNTS RECEIVABLE - ASSOC COMPANIES								(112,849)	(112,849)
14 JOBBING ACCOUNTS								(1,413)	(1,413)
15 CLAUSE NET UNDERRECOVERIES								(265)	(265)
16 NUCLEAR COST RECOVERY								241,631	241,631
17 FUEL COST RECOVERY - INCENTIVE MECHANISM								(32,207)	(32,207)
18 FUEL COST RECOVERY - GPIF								1,750	1,750
19 CONSERVATION COST RECOVERY								(2,325)	(2,325)
20 ENVIRONMENTAL COST RECOVERY								(1,414,414)	(1,414,414)
21 POLE ATTACHMENTS RENTS RECEIVABLE								(18,378)	(18,378)
22 MARGIN CALL CASH COLLATERAL								4,600	4,600
23 PREPAYMENTS - SWA								(1,136)	(1,136)
24 PREPAYMENTS - INTEREST ON COMMERCIAL PAPER								(10,479)	(10,479)
25 TEMPORARY CASH INVESTMENTS								(52,525)	(52,525)
26 ACCUM DEFERRED RETIREMENT BENEFITS								6,148	6,148
27 ACCUM. PROV. - PROPERTY & STORM INSURANCE								143,051	143,051
28 ASSET RETIREMENT OBLIGATION								7,596,355	7,596,355
29 INTEREST & DIV RECEIVABLE								(943)	(943)
30 CARE TO SHARE LIABILITY								1,231	1,231
31 DEFERRED TRANSMISSION CREDIT								7,551	7,551
32 STORM PROTECTION CLAUSE INVENTORY								(46,846)	(46,846)
33 MISC. DEFERRED DEBIT - OTHER								(75)	(75)
34 TOTAL FPSC ADJUSTMENTS	(8,381,795)	(1,517,662)	(6,864,133)	0	(4,860,717)	0	(11,724,851)	6,308,464	(5,416,387)
35 FPSC ADJUSTED	\$86,249,421	\$17,686,676	\$68,562,745	\$1,421,284	\$3,120,987	\$752,482	\$73,857,499	\$1,870,187	\$75,727,686

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
AVERAGE RATE OF RETURN
INCOME STATEMENT (\$000's)

SCHEDULE 2
PAGE 2 OF 2

Company: Florida Power & Light Company and Subsidiaries
YEAR: 2026

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER O&M	DEPRECIATION AND AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES AND INVESTMENT TAX CREDIT	GAIN LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
1 SYSTEM PER BOOKS	\$18,413,685	\$4,224,621	\$1,592,944	\$3,472,536	\$2,158,688	\$337,628	(\$1,903)	\$11,784,513	\$6,629,171
2 JURISDICTIONAL PER BOOKS	17,777,579	4,047,621	1,540,808	3,345,260	2,123,756	330,865	(1,903)	11,386,408	6,391,171
<u>FPSC ADJUSTMENTS:</u>									
3 CAPACITY COST RECOVERY	(75,279)	(25,913)	(33,171)	(4,169)	(158)	(3,008)		(66,419)	(8,860)
4 CONSERVATION COST RECOVERY	(71,216)		(55,610)	(11,897)	(1,169)	(644)		(69,320)	(1,896)
5 ENVIRONMENTAL COST RECOVERY	(420,758)		(61,168)	(142,506)	(218)	(54,965)	0	(258,857)	(161,901)
6 FUEL COST REC RETAIL	(4,055,120)	(3,992,966)	(687)		(108)	(15,552)		(4,009,312)	(45,808)
7 STORM PROTECTION COST RECOVERY	(1,006,999)		(138,586)	(187,563)	(84,776)	(151,075)		(562,000)	(444,999)
8 STORM DEFICIENCY RECOVERY	81,516		81,516			0		81,516	0
9 FRANCHISE REVENUE & EXPENSE	(758,882)				(758,882)	(0)		(758,882)	0
10 GROSS RECEIPTS TAX AND RAF	(432,183)		(14,901)		(417,282)	0		(432,183)	0
11 ECONOMIC DEVELOPMENT			(422)			107		(315)	315
12 FINANCIAL PLANNING SERVICES			(76)			19		(56)	56
13 INDUSTRY ASSOCIATION DUES			(53)			13		(40)	40
14 AVIATION - EXPENSES			(484)			123		(361)	361
15 EXECUTIVE COMPENSATION			(60,590)			15,356		(45,233)	45,233
16 INTEREST TAX DEFICIENCIES			456			(116)		340	(340)
17 INTEREST SYCHRONIZATION						31,784		31,784	(31,784)
18 TOTAL FPSC ADJUSTMENTS	(6,738,922)	(4,018,879)	(283,776)	(346,135)	(1,262,593)	(177,956)	0	(6,089,339)	(649,583)
19 FPSC ADJUSTED	\$11,038,657	\$28,742	\$1,257,032	\$2,999,125	\$861,163	\$152,909	(\$1,902)	\$5,297,069	\$5,741,588

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
AVERAGE CAPITAL STRUCTURE (\$000'S)

Company: Florida Power & Light Company and Subsidiaries
YEAR: 2026

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS PRORATA	ADJUSTMENTS SPECIFIC	ADJUSTED RETAIL	RATIO	LOWPOINT COST RATE	LOWPOINT WEIGHTED COST	MIDPOINT COST RATE	MIDPOINT WEIGHTED COST	HIGHPOINT COST RATE	HIGHPOINT WEIGHTED COST
LONG TERM DEBT	\$26,829,011	\$25,835,032	(\$1,680,156)	(\$85,843)	\$24,069,033	31.78%	4.68%	1.49%	4.68%	1.49%	4.68%	1.49%
SHORT TERM DEBT	1,802,988	1,736,160	(113,286)	(\$0)	1,622,874	2.14%	3.93%	0.08%	3.93%	0.08%	3.93%	0.08%
PREFERRED STOCK	0	0	0	\$0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	42,111,601	40,551,325	(2,646,501)	\$7,551	37,912,375	50.06%	9.95%	4.98%	10.95%	5.48%	11.95%	5.98%
CUSTOMER DEPOSITS	641,363	642,523	(41,925)	(\$0)	600,598	0.79%	2.15%	0.02%	2.15%	0.02%	2.15%	0.02%
DEFERRED INCOME TAX	9,493,929	9,140,690	(598,803)	\$36,256	8,578,142	11.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	2,438,881	2,348,483	(153,241)	(\$0)	2,195,243	2.90%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS	924,626	889,861	(52,314)	(\$88,126)	749,421	0.99%	7.90%	0.08%	8.52%	0.08%	9.13%	0.09%
TOTAL	<u>\$84,242,400</u>	<u>\$81,144,073</u>	<u>(\$5,286,226)</u>	<u>(\$130,161)</u>	<u>\$75,727,686</u>	<u>100.00%</u>		<u>6.65%</u>		<u>7.16%</u>		<u>7.66%</u>

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
FINANCIAL INTEGRITY INDICATORS
(\$000's)

SCHEDULE 4
PAGE 1 OF 1

Company: Florida Power & Light Company and Subsidiaries
YEAR: 2026

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$6,914,876
AFUDC - DEBT	67,347
INCOME TAXES	326,991
TOTAL	<u>\$7,309,214</u>
INTEREST CHARGES (BEFORE DEBT AFUDC)	1,464,284
TIE WITH AFUDC	<u>4.99</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$6,914,876
AFUDC - EQUITY	(228,102)
INCOME TAXES	326,991
TOTAL	<u>\$7,013,764</u>
INTEREST CHARGES (BEFORE DEBT AFUDC)	\$1,464,284
TIE WITHOUT AFUDC	<u>4.79</u>

C. PERCENT OF AFUDC TO NET INCOME AVAILABLE TO COMMON

AFUDC - DEBT	\$67,347
X (1-INCOME TAX RATE)	0.7466
SUBTOTAL	<u>\$50,278</u>
AFUDC - EQUITY	<u>228,102</u>
TOTAL	<u>\$278,380</u>
NET INCOME AVAILABLE TO COMMON	<u>\$5,517,939</u>
PERCENT AFUDC TO AVAILABLE NET INCOME	<u>5.05%</u>

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$5,517,939
PREFERRED DIVIDENDS	0
COMMON DIVIDENDS	(794,537)
AFUDC (DEBT & OTHER)	(295,449)
DEPRECIATION & AMORTIZATION	3,472,536
DEFERRED INC TAXES & INVESTMENT CREDITS	107,491
CLAUSE OVER/UNDER RECOVERY	374,877
OTHER SOURCES/USES OF FUNDS	(1,903)
TOTAL	<u>\$8,380,954</u>
CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC DEBT & EQUITY)	\$10,814,870
PERCENT INTERNALLY GENERATED FUNDS	77.49%

E. & F. LONG TERM AND SHORT TERM DEBT AS A PERCENT OF INVESTOR CAPITAL

RECONCILED AVERAGE RETAIL AMOUNTS:	
LONG TERM DEBT	\$24,069,033
SHORT TERM DEBT	1,622,874
PREFERRED STOCK	0
COMMON EQUITY	37,912,375
TOTAL	<u>\$63,604,282</u>
% LONG TERM DEBT TO TOTAL	37.84%
% SHORT TERM DEBT TO TOTAL	2.55%

G. AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

	<u>FPSC ADJUSTED</u>
AVERAGE JURISDICTIONAL EARNED RATE OF RETURN	7.58%
LESS: RECONCILED AVERAGE RETAIL WEIGHTED COST RATES:	
LONG TERM DEBT	1.49%
SHORT TERM DEBT	0.08%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WEIGHTED COST (MIDPOINT)	0.08%
SUBTOTAL	<u>1.67%</u>
TOTAL	5.91%
DIVIDED BY COMMON EQUITY RATIO	<u>50.06%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>11.80%</u>

Company: Florida Power & Light Company and Subsidiaries
 YEAR: 2026

FORECASTED ASSUMPTIONS:

CUSTOMERS	FORECASTED YEAR (1)	PRIOR YEAR (2)
RESIDENTIAL	5,461,802	5,379,448
COMMERCIAL	667,102	658,442
INDUSTRIAL	14,589	13,929
OTHER	8,321	7,801
TOTAL	<u>6,151,814</u>	<u>6,059,620</u>

MWH SALES	FORECASTED YEAR (3)	PRIOR YEAR (4)
RESIDENTIAL	71,719,022	70,912,364
COMMERCIAL	53,699,242	53,481,412
INDUSTRIAL	4,596,925	4,574,131
OTHER	516,647	503,241
TOTAL	<u>130,531,836</u>	<u>129,471,149</u>

OTHER MAJOR FORECASTED ASSUMPTIONS:

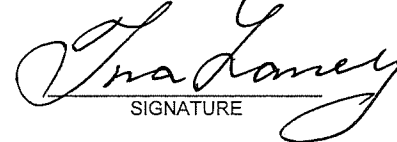
A. INFLATION FACTORS (ANNUAL RATE OF CHANGE):	
1. CONSUMER PRICE INDEX (CPI)	3.1%
2. GROSS DOMESTIC PRODUCT (GDP) DEFLATOR	2.8%
3. PRODUCER PRICE INDEX (PPI) - ALL GOODS	3.5%
4. PRODUCER PRICE INDEX (PPI) - INTERMEDIATE MATERIALS	2.6%
5. PRODUCER PRICE INDEX (PPI) - FINISHED PRODUCT GOODS	2.7%
B. CAPITAL OVERHEAD RATES	
1. PENSION & WELFARE	7.1%
2. PAYROLL TAXES & INSURANCE	6.7%
C. OTHER CORPORATE ASSUMPTIONS	
INTEREST RATES -	
1) 30 DAY COMMERCIAL PAPER	3.5%
2) LONG TERM DEBT	5.8%
RATE STABILIZATION MECHANISM (RSM)	(\$228,251,113)

- (1) 2026 forecasted annual average retail customer count.
 (2) 2025 actual average retail customer count.
 (3) 2026 forecasted retail billed sales.
 (4) 2025 actual retail billed sales.

I AM THE PERSON RESPONSIBLE FOR PREPARATION OF THIS DOCUMENT AND I AM AWARE THAT SECTION 837.06, FLORIDA STATUTES, PROVIDES:

WHOEVER KNOWINGLY MAKES A FALSE STATEMENT IN WRITING WITH THE INTENT TO MISLEAD A PUBLIC SERVANT IN THE PERFORMANCE OF HIS OFFICIAL DUTY SHALL BE GUILTY OF A MISDEMEANOR OF THE SECOND DEGREE, PUNISHABLE AS PROVIDED IN S. 775.082 OR S. 775.083

Ina Laney
 NAME



SIGNATURE

Exec. Director of Financial Forecast, Strategy & Analysis, FPL Finance
 TITLE

3/16/2026
 DATE

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
INDIVIDUAL PROJECTS COMMENCING DURING 2026
(AMOUNTS IN 000'S)

Company: Florida Power & Light Company and Subsidiaries
YEAR: 2026

Schedule of individual projects that commence during 2026 and exceed a gross cost of 0.4% of the sum of the total balance in FERC accounts 101 & 106:

Project	Estimated Total Cost	Estimated Construction Commencement Date	Estimated In-Service Date
Apr 2027 Battery Storage Projects	646,420	Jan-26	Apr-27
Jul 2027 Battery Storage Projects	538,619	Apr-26	Jul-27
Jan 2028 Battery Storage Projects	442,384	Jul-26	Jan-28
Jul 2028 Battery Storage Projects	443,044	Dec-26	Jul-28
Jan 2028 Solar Projects	1,175,137	Jan-26	Jan-28
Jul 2028 Solar Projects	1,178,593	Jul-26	Jul-28
Oct 2028 Solar Projects	471,454	Oct-26	Oct-28