FPL's 2017 Ten-Year Site Plan: Key Forecasts and Resource Plan

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FPL's 2016 TYSP discussed the conclusion in 2016 of CC & CT modernization projects and ~ 225 MW of PV, then showed a new CC in 2019 and ~ 300 MW of additional solar by 2020

2016 TYSP

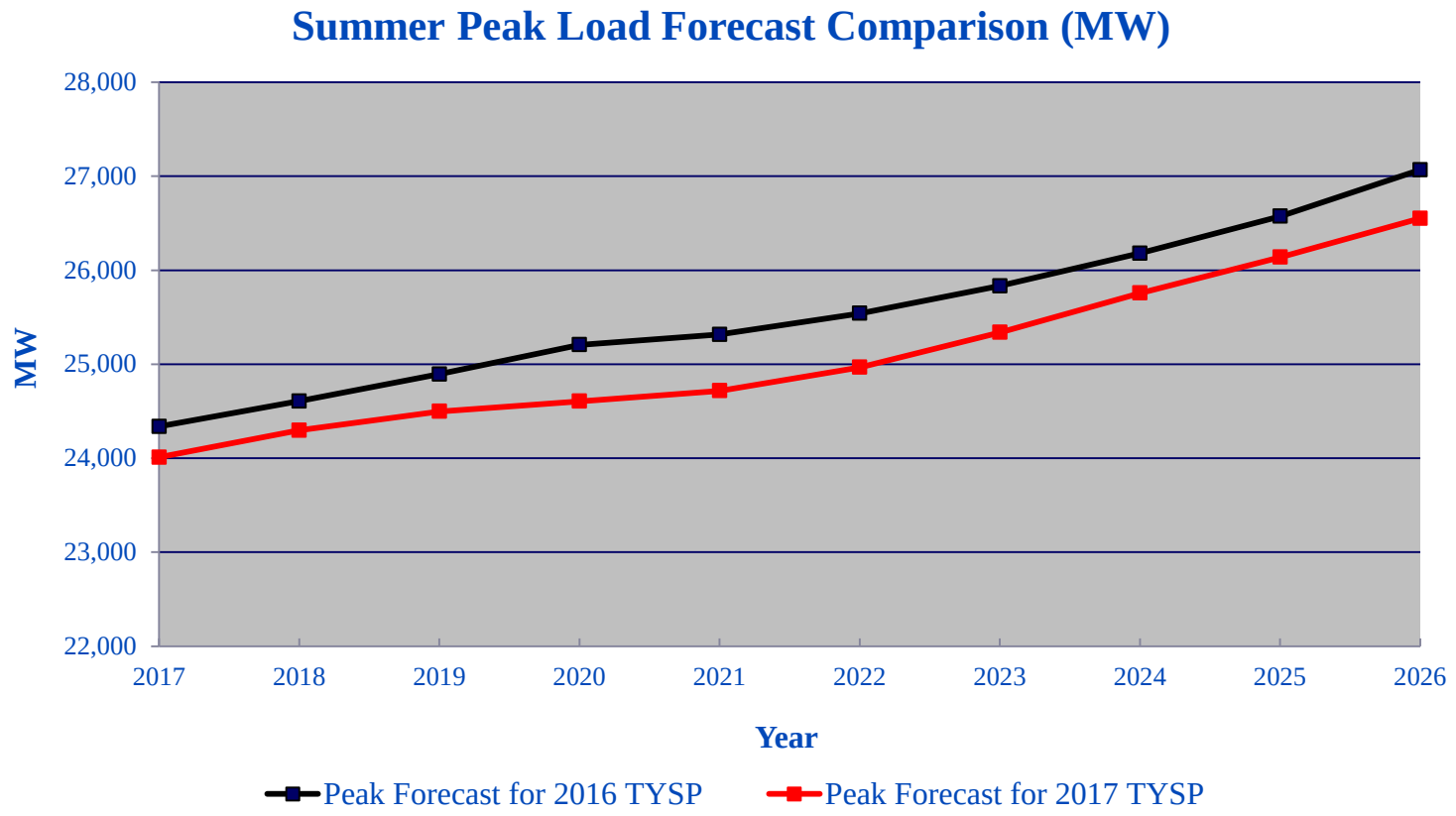
Year	2016 TYSP Major Generation Changes *	Summer MW	Summer Reserve Margin
2017	---	---	20.0%
2018	---	---	20.0%
2019	Okeechobee Next Generation Clean Energy Center	1,633	24.6%
2020	SJRPP suspension of energy Unsited Solar (PV) **	(382) 300	22.2%
2021	Eco-Gen PPA firm capacity	180	23.0%
2022	---	---	22.5%
2023	---	---	21.2%
2024	Unsited CC (*Placeholder*)	1,622	26.5%
2025	---	---	24.7%

After the April 2016 TYSP filing, FPL's planning work – which would be reflected in the 2017 TYSP – largely focused on projected resource needs beyond 2019 and the options which could address that need

* FPL's DSM Goals for 2017 through 2025 were fully accounted for in FPL's resource planning work

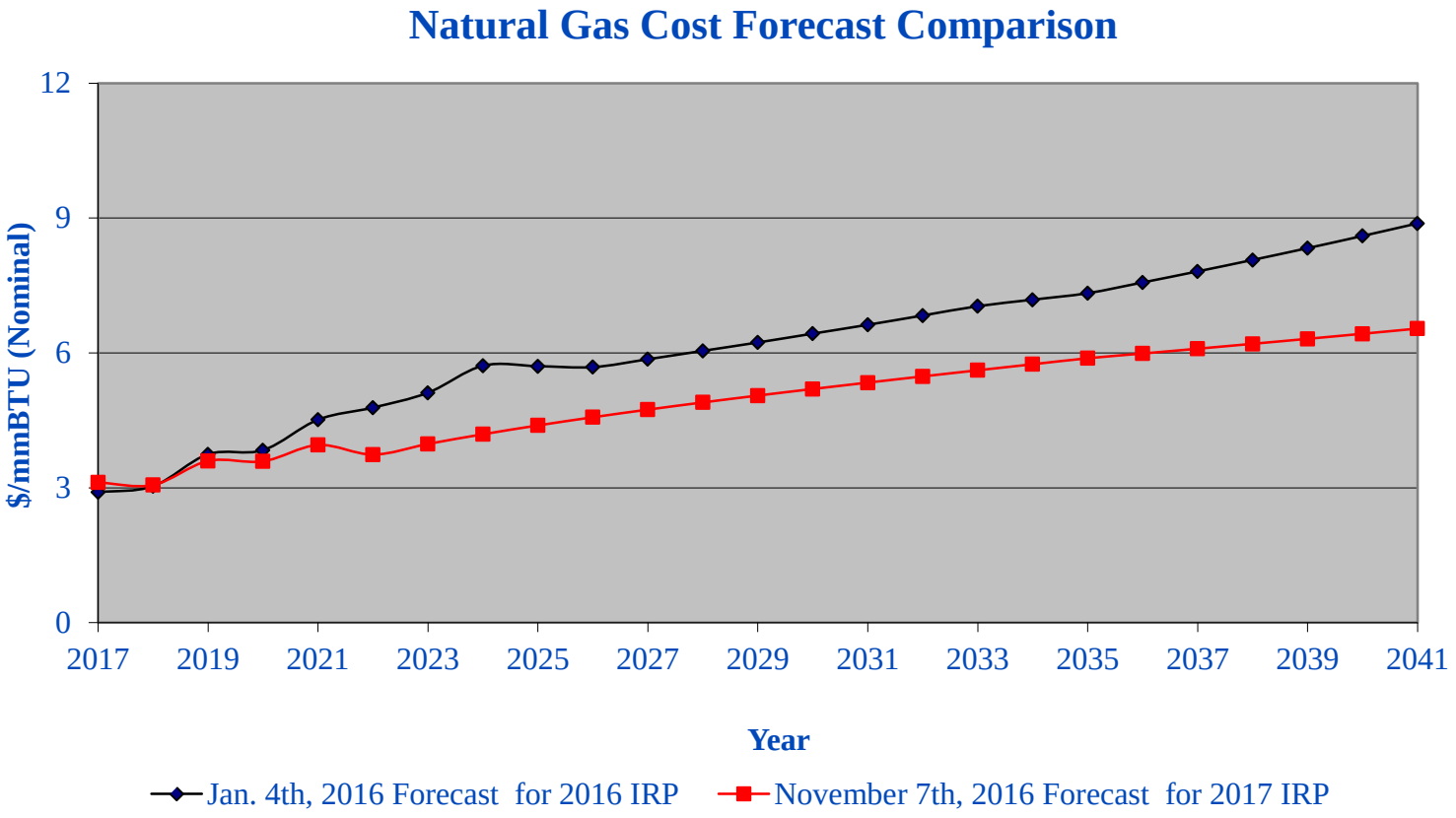
** PV MW values in this presentation are nameplate values. Firm capacity values are lower.

The peak load forecast for the 2017 TYSP is lower than the forecast for the 2016 TYSP



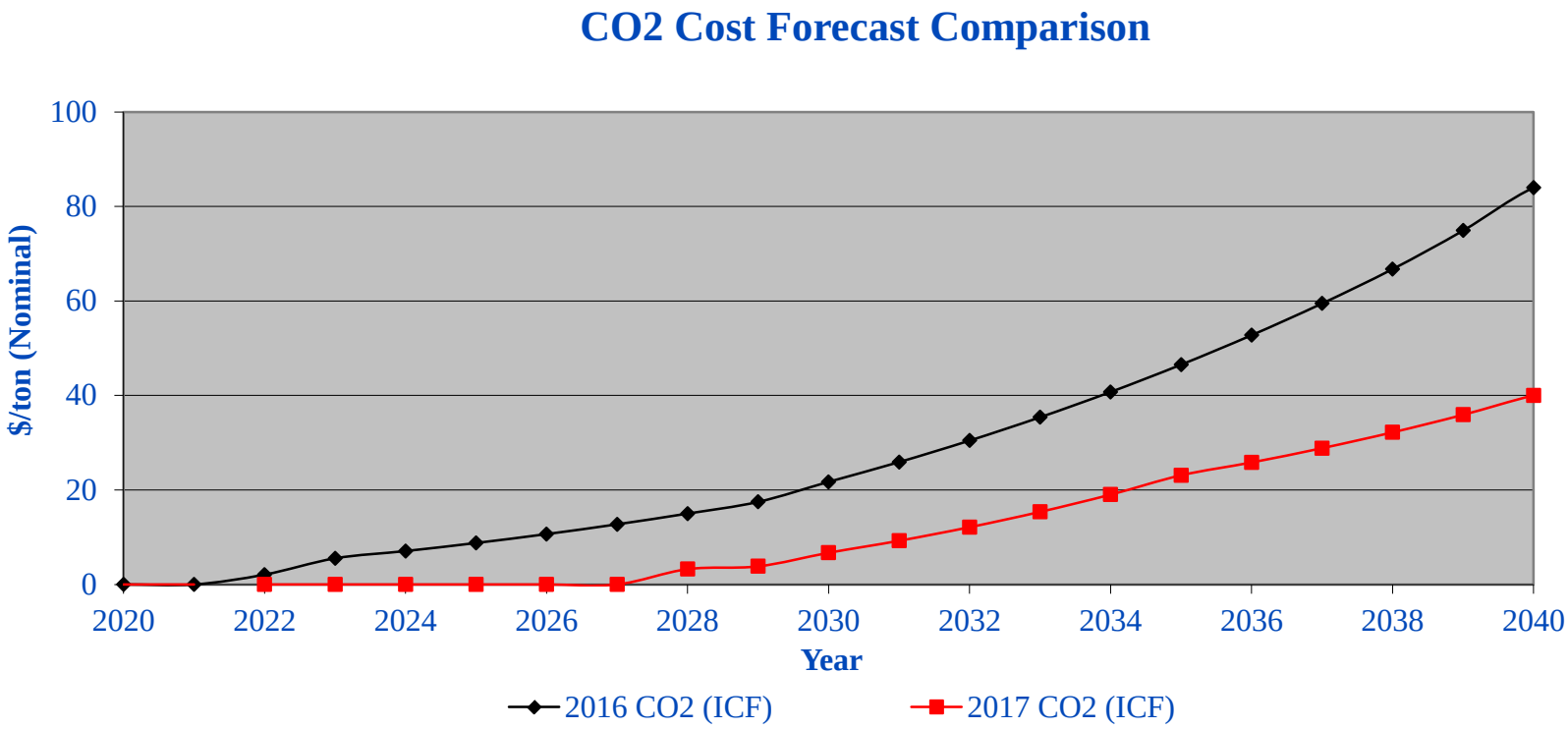
However, the 2017 load forecast continues to show significant growth in peak load over the 10-year period

The natural gas cost forecast for the 2017 TYSP is also lower than the corresponding forecast for the 2016 TYSP



The 2017 forecast continues a trend of projected lower natural gas prices through the forecast horizon

The CO_2 compliance cost forecast for the 2017 TYSP is significantly lower than the corresponding forecast for the 2016 TYSP



The lower CO_2 compliance cost forecast is driven by two factors: (1) the new federal government administration, and (2) projected lower CO_2 emissions due to greater use of natural gas and renewables

Analyses during 2016 that led to the 2017 TYSP resource plan focused on system and regional needs, plus solar and storage

- Each year FPL's IRP process examines resource needs in regard to at least two perspectives: (i) the entire FPL system, and (ii) the balance between load and generation in the SE Florida region *(Miami-Dade & Broward counties)*
- The 2016 analyses determined that there were resource needs from both perspectives that should be addressed
- FPL's 2016 analyses focused on 3 types of resource options:
  1) CC units: capital costs have declined, fuel efficiencies have improved, and (as previously mentioned) projected gas costs and CO_2 compliance costs are lower than with 2016 forecasts
  2) PV: capital costs have declined and advantageous sites have been identified
  3) Storage: currently high capital costs are projected to continue to decline

CC and PV emerged as the best options with which to address the FPL system and/or SE Florida regional needs

FPL presented an updated resource plan in the 2017 TYSP based on the updated forecasts and 2016 analyses

Year	2017 TYSP Major Generation Changes *	Summer MW	Summer Reserve Margin
2017	Sited Solar (PV) **	298	21.3%
2018	Sited Solar (PV) ** Retirement of Lauderdale 4 and 5 *(in 4th Q 2018)*	298 (884)	21.4%
2019	Okeechobee Next Generation Clean Energy Center Unsited Solar (PV) ** SJRPP retirement (Owned and Purchased) ICL Retirement	1,748 298 (636) (330)	20.3%
2020	Unsited Solar (PV) **	298	21.3%
2021	Unsited Solar (PV) **	298	21.7%
2022	Dania Beach Clean Energy Center Unsited Solar (PV) **	1,163 298	26.7%
2023	Unsited Solar (PV) **	298	26.0%
2024	---	---	24.7%
2025	---	---	22.9%
2026	---	---	21.1%

Items in red font denote significant changes from FPL's 2016 TYSP

The 2017 TYSP resource plan differs from the 2016 TYSP plan primarily by: (1) ~ 1,800 MW more PV, (2) retirement of ~ 970 MW of coal, and (3) retiring Lauderdale CC Units 4 & 5, then replacing them w/ Dania Beach CC

* FPL's 2017-2025 DSM goals, plus a continuation of that level of DSM in 2026, were fully accounted for in FPL's 2016 resource planning work.

** PV values are nameplate, AC ratings. Firm capacity values are lower.