

BCC Mtg. Date: Nov. 30, 2021

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for authority to issue and sell securities during calendar years 2022 and 2023, pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Florida Power & Light Company and Florida City Gas.

DOCKET NO. 20210127-EI
ORDER NO. PSC-2021-0409-FOF-EI
ISSUED: November 1, 2021

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman
ART GRAHAM
ANDREW GILES FAY
MIKE LA ROSA
GABRIELLA PASSIDOMO

FINAL ORDER GRANTING FLORIDA POWER & LIGHT COMPANY AND FLORIDA
CITY GAS APPROVAL FOR AUTHORITY TO ISSUE AND SELL SECURITIES

BY THE COMMISSION:

Florida Power & Light Company (FPL or Company), representing the merged and consolidated operations of Gulf Power Company (Gulf), and Florida City Gas (FCG), filed an application with this Commission on August 2, 2021, pursuant to Section 366.04, Florida Statutes (F.S.), and Chapter 25-8, Florida Administrative Code (F.A.C.), requesting: (a) authority for FPL to issue and sell and/or exchange any combination of long-term debt and equity securities and/or to assume liabilities or obligations as guarantor, endorser or surety in an aggregate amount not to exceed \$7.85 billion during calendar year 2022; (b) authority for FPL to issue and sell short-term securities in an amount or amounts such that the aggregate principal amount of short-term securities outstanding at the time of and including any such sale shall not exceed \$4.9 billion during calendar years 2022 and 2023; (c) authority for FCG to make long-term borrowings from FPL in an aggregate principal amount not to exceed \$300 million during calendar year 2022; and (d) authority for FCG to make short-term borrowings from FPL in an aggregate principal amount not to exceed \$150 million at any one time during calendar years 2022 and 2023.

Notice of the Applicants' application was given in the Florida Administrative Register on October 4, 2021.

Received by: Clerk of BCC 11/1/2021 JK
c: County Mayor
Commissioner Districts 2, 3 & 6 only
County Administrator
Chief Sustainability and Resilience Officer Jeff Benavides
Utilities Department Director Ed Torres

I. Proposed Transactions

FPL and FCG seek authority for the following:

- FPL to (i) issue and sell and/or exchange any combination of the long-term debt and equity securities described below and/or to assume liabilities or obligations as guarantor, endorser or surety in an aggregate amount not to exceed \$7.85 billion during calendar year 2022 and (ii) issue and sell short-term securities during calendar years 2022 and 2023 in an amount or amounts such that the aggregate principal amount of short-term securities outstanding at the time of and including any such sale shall not exceed \$4.9 billion.
- FCG to make (i) long-term borrowings from FPL described below in an aggregate principal amount not to exceed \$300 million during calendar year 2022 and (ii) short-term borrowings from FPL described below in an aggregate principal amount not to exceed \$150 million at any one time during calendar years 2022 and 2023.

The long-term debt securities may include first mortgage bonds, medium-term notes, extendible commercial notes, debentures, convertible or exchangeable debentures, notes, convertible or exchangeable notes or other similar rights exercisable for or convertible into debt securities, or other straight debt or hybrid debt securities, whether subordinated or unsubordinated, secured or unsecured, including renewals and extensions thereof, with maturities ranging from one to one hundred years. FPL may issue long-term debt securities by extending the maturity of short-term securities. FPL may enter into warrants, options, rights, interest rate swaps, currency swaps or other derivative instruments, or other arrangements. FPL may also enter into debt purchase contracts, obligating holders to purchase from FPL, and obligating FPL to sell, debt securities at a future date or dates.

In addition, FPL may enter into forward refunding or forward swap contracts during calendar year 2022. In conjunction with these forward contracts, FPL may issue and sell long-term debt through December 31, 2022, which FPL may commit to deliver under these forward contracts. Moreover, FPL may enter into installment purchase and security agreements, loan agreements, or other arrangements with political subdivisions of the States of Florida, Georgia, Mississippi, or other states, if any, where FPL becomes qualified to do business, and/or pledge debt securities and/or issue guaranties in connection with such political subdivisions' issuance, for the ultimate benefit of FPL, of Revenue Bonds or other "private activity bonds" with maturities ranging from one to one hundred years, bond anticipation notes or commercial paper. Such obligations may or may not bear interest exempt from federal, state or local tax.

Contemplated to be included as long-term or short-term debt securities, as appropriate, are borrowings from banks and other lenders, and obligations pursuant to issuances of letters of credit, obtained under FPL's various credit facilities and other loan agreements, as those may be entered into and amended from time to time. Also contemplated to be included as long-term or short-term debt securities, as appropriate, are borrowings from banks and other lenders, and obligations pursuant to issuances of letters of credit, obtained under credit facilities and other loan agreements or other arrangements, as those may be entered into and amended from time to

time by one or more wholly-owned, special purpose subsidiaries of FPL, with the proceeds of such borrowings to be used solely for the benefit of: (1) FPL's regulated utility operations; (2) short-term and long-term funding of the regulated utility operations of FCG; and (3) FPL's or FCG's customers. In furtherance of the foregoing:

- On February 8, 2013, FPL entered into an amended and restated syndicated revolving credit and letter of credit agreement (as amended, referred to as the 2013 Revolving Credit Agreement) which, as amended, provides for approximately \$2.398 billion of commitments. As of June 30, 2021, approximately \$2.220 billion will expire on February 8, 2026, \$93.825 million will expire on February 8, 2025, \$74.825 million will expire on February 8, 2023 and \$9.375 million will expire on February 8, 2022. Borrowings and letter of credit issuances under the 2013 Revolving Credit Agreement are available for general corporate purposes, including, without limitation, to pay any interest or fees owing under that agreement, provide backup for FPL's self-insurance program covering its and its subsidiaries' operating facilities, and fund the cost of the prompt restoration, reconstruction and/or repair of facilities that may be damaged or destroyed due to the occurrence of any man-made or natural disaster or event or otherwise.
- On April 30, 2019, FPL entered into a \$500 million syndicated revolving credit agreement (referred to as the April 2019 Revolving Credit Agreement) with an expiration date of April 30, 2022. The proceeds of borrowings under the April 2019 Revolving Credit Agreement are available for FPL's general corporate purposes, including to provide additional liquidity in the event of a loss to FPL's operating facilities, including a transmission and distribution property loss.
- On June 24, 2019, FPL (as successor to Gulf by merger) entered into a \$900 million syndicated revolving credit and letter of credit agreement (referred to as the June 2019 Revolving Credit Agreement) with an expiration date of February 8, 2026. The proceeds of borrowings under the June 2019 Revolving Credit Agreement are available for FPL's general corporate purposes, including, without limitation, to pay any interest or fees owing under that agreement, provide backup for FPL's self-insurance program covering its and its subsidiaries' operating facilities, and fund the cost of the prompt restoration, reconstruction and/or repair of facilities that may be damaged or destroyed due to the occurrence of any man-made or natural disaster or event or otherwise.
- Borrowings and/or letter of credit issuances available to FPL under the 2013 Revolving Credit Agreement, the April 2019 Revolving Credit Agreement and the June 2019 Revolving Credit Agreement also can be used to support the purchase of Revenue Bonds that are tendered by individual bond holders and not remarketed prior to maturity.
- On November 24, 2015, FPL entered into a term loan with a commercial bank, which facility was amended and converted on August 25, 2016, to a \$200 million revolving loan credit commitment and has a maturity date of December 30, 2021.
- On November 25, 2015, FPL entered into a term loan with a commercial bank, which facility was amended and converted on November 3, 2016, to a \$100 million revolving loan credit commitment with a maturity date of July 5, 2022.

- On March 31, 2016, FPL entered into a term loan with a commercial bank, which facility was amended and converted on August 26, 2016, to a \$100 million revolving loan credit commitment and has a maturity date of January 28, 2022.
- On September 27, 2016, FPL entered into a revolving credit agreement with a commercial bank which provides a \$150 million commitment and has a maturity date of August 30, 2022.
- On November 30, 2016, FPL entered into a revolving credit agreement with a commercial bank which provides a \$75 million commitment and has a maturity date of August 30, 2022.
- On July 24, 2019, FPL entered into a revolving credit agreement with a commercial bank which provides a \$55 million commitment and has a maturity date of July 24, 2022.
- On September 30, 2019, FPL (as successor to Gulf by merger) entered into a \$300 million term loan agreement with a commercial bank and borrowed the entire amount under the agreement which has a maturity date of September 30, 2021.
- On December 13, 2019, FPL (as successor to Gulf by merger) entered into a \$200 million term loan agreement with a commercial bank and borrowed the entire amount under the agreement which has a maturity date of June 13, 2022.
- On April 27, 2020, FPL (as successor to Gulf by merger) entered into a revolving credit agreement with a commercial bank which provides for a \$100 million commitment and has a maturity date of April 24, 2022.
- On May 31, 2021, FPL entered into a revolving credit agreement with a commercial bank which provides a \$250 million commitment and has a maturity date of December 31, 2021.
- On May 31, 2021, FPL entered into a revolving credit agreement with a commercial bank which provides a \$250 million commitment and has a maturity date of December 31, 2021.
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- On May 31, 2021, FPL entered into a revolving credit agreement with a commercial bank which provides a \$100 million commitment and has a maturity date of December 31, 2021.
- On May 31, 2021, FPL entered into a revolving credit agreement with a commercial bank which provides a \$100 million commitment and has a maturity date of December 31, 2021.
- Borrowings under each of the bilateral credit facilities described above may be used for general corporate purposes.
- In addition, FPL has established an uncommitted credit facility with a bank. The bank may, at its discretion upon the request of FPL, make a short-term loan or loans to FPL in an aggregate amount determined by the bank, which is subject to change at any time. The terms of specific borrowings under the uncommitted credit facility, including maturities, are set at the time borrowing requests are made by FPL. Borrowings under the uncommitted credit facility may be used for general corporate purposes.

Additionally, debt securities may be issued by FPL or its affiliates or subsidiaries in connection with one or more facilities secured by accounts receivable or involving the sale of accounts receivable or interests therein to be used solely for the benefit of FPL's or FCG's regulated utility operations.

Equity securities that may be issued by FPL include preferred stock, preference stock, convertible preferred or preference stock, or warrants, options or rights to acquire such securities, or other similar rights exercisable for or convertible into preferred or preference stock, or purchase contracts obligating holders to purchase such securities, or other equity securities, with such par values, terms and conditions and relative rights and preferences as deemed appropriate by FPL and as are permitted by its Restated Articles of Incorporation, as the same may be amended from time to time.

FPL may also enter into financings, whereby FPL would establish and make an equity investment in one or more special purpose limited partnerships, limited liability companies, statutory trusts or other entities. FPL, or a wholly-owned subsidiary of FPL, would act as or appoint the general partner, managing member, sponsor or other members of each such entity. The entity would offer preferred or debt securities to the public and use the proceeds to acquire debt securities from FPL. FPL would issue debt securities to the entity equal to the aggregate of FPL's equity investment and the amount of preferred or debt securities sold to the public by the entity. FPL may also guarantee, among other things, the distributions to be paid by the affiliated entity to the preferred or debt securities holders. Payments by FPL on the debt securities sold to the entity would be used by that entity to make payments on the preferred or debt securities as well as on FPL's equity investment. Consequently, in the event of such a financing, to avoid double-counting, FPL would only count the total amount of its debt securities issued to the entity, and would not count the equity securities issued by the entity to FPL, the preferred or debt securities issued by the entity to the public, or the related FPL guaranties with respect to such preferred or debt securities issued by the entity to the public, against the total amount of proposed long-term debt and equity securities.

In connection with the issuance (i) by FPL of long-term or short-term debt securities or preferred or preference stock, or (ii) by an affiliated entity of preferred or debt securities, the terms of which preferred or debt securities or stock permit FPL or the affiliated entity (as applicable) to defer principal, interest or other distributions for certain payment periods, FPL may agree to sell additional equity securities and/or long-term or short-term debt securities and to use the proceeds from the sale of those other securities to make principal, interest or other distributions on such preferred or debt securities or stock as to which such principal, interest or other distributions have been deferred. In addition, in connection with the issuance (i) by FPL of long-term or short-term debt securities or preferred or preference stock or (ii) by an affiliated entity of preferred or debt securities, FPL may covenant, pledge or make other commitments in favor of holders of such new stock or preferred or debt securities or the holders of previously-issued stock or preferred or debt securities, providing that such stock or preferred or debt securities will not be acquired (by redemption, purchase, exchange or otherwise), or otherwise satisfied, discharged or defeased, in certain circumstances unless such acquisition (by redemption, purchase, exchange or otherwise), satisfaction, discharge or defeasance is accomplished by (1) the issuance of, or (2) proceeds from the issuance of, a security or securities satisfying the provisions set forth in such covenant, pledge or other commitment.

The exchange of FPL's securities may be by way of an exchange of a security of FPL for another security or securities of FPL or of one of its subsidiaries or affiliates, or the exchange of a security of FPL or of one of its subsidiaries or affiliates for the security or securities of another entity.

The manner of issuance and sale and/or exchange of securities will be dependent upon the type of security being offered, the type of transaction in which the securities are being issued and sold and/or exchanged and market conditions at the time of the issuance and sale and/or exchange.

The short-term securities will have maturities of not more than twelve months and may be secured or unsecured, subordinated or unsubordinated. FPL may enter into warrants, options, rights, interest rate swaps, currency swaps or other derivative instruments, refunding transactions or other arrangements relating to, as well as contracts for the purchase or sale of, short-term securities. Consistent with Securities and Exchange Commission "no-action" letters, FPL may issue and sell commercial paper without compliance with the registration requirements of the Securities Act of 1933, as amended, subject to certain conditions.

The short-term securities are issued to provide funds to temporarily finance portions of FPL's or FCG's construction program and capital commitments and for other corporate purposes. Also, during 2022 and 2023, FPL may need short-term financing for, among other purposes, seasonal fuel requirements, for contingency financing such as fuel adjustment under-recoveries or storm restoration costs, and for the temporary funding of maturing or called long-term debt or equity securities.

The interest rate that FPL could pay on debt securities will vary depending on the type of debt instruments and the terms thereof, including specifically the tenor (i.e., the term) of the debt and whether the debt is secured or unsecured and subordinated or unsubordinated, as well as market conditions. A new series of 50-year variable rate notes was issued by FPL on March 1, 2021, which variable rate is based on the three-month London Interbank Offered Rate minus 0.30%. A new series of 2-year variable rate notes was issued by FPL on May 10, 2021, which variable rate is based on a compounded secured overnight financing rate plus 0.25%. A new series of 25-year variable rate revenue refunding bonds was issued by the Miami-Dade County Industrial Development Authority on May 13, 2021, which proceeds were loaned to FPL under a loan agreement, and which variable rate is established at various intervals by the remarketing agent for such bonds. The dividend rate for preferred or preference stock is similarly affected by the terms of the offering. It is estimated that a new issue of FPL preferred stock as of June 30, 2021, would have carried a dividend yield of approximately 3.75% to 4.25%.

In addition, FPL may from time-to-time issue instruments of guaranty, collateralize debt and other obligations, issue other securities, and arrange for the issuance of letters of credit and guaranties, in any such case to be issued or arranged by FPL or by one or more of its subsidiaries for the benefit of FPL's or FCG's regulated utility operations. FPL confirms that any such

issuances described above will be used in connection with the regulated activities of FPL or FCG, and not the nonregulated activities of its affiliates.

On March 12, 2021, FPL filed its 2021 Rate Case requesting, among other things, authority to consolidate and unify the rates and tariffs applicable to all customers in the former FPL and Gulf service areas. If the Commission approves FPL's request, all Gulf customers will become FPL customers, and Gulf will no longer exist as a separate ratemaking entity effective January 1, 2022. In the event that the Commission declines to approve or postpones FPL's pending request for unified rates in Docket No. 20210015-EI and Gulf remains a standalone ratemaking entity, the regulated operations of Gulf as a separate ratemaking entity will be financed through short-term and long-term borrowings from FPL. These short-term and long-term borrowings by Gulf, which are only relevant in the event the Commission declines or postpones rate unification in Docket No. 20210015-EI, would not count against the authority requested by FPL in the Applicants' application. The interest rate on any short-term or long-term borrowings in respect of the operations of Gulf as a separate ratemaking entity is expected to be a pass-through of FPL's average weighted cost for borrowing these funds and will vary depending on the terms of the debt and whether the debt is secured or unsecured and subordinated or unsubordinated, as well as market conditions.

In addition, FCG seeks authority to finance its working capital and capital expenditure requirements through short-term and long-term borrowings from FPL. The timing of any borrowings made by FCG from FPL will depend on FCG's cash flow projections and other factors impacting FCG's cash and working capital requirements. The amount of short-term borrowings by FCG from FPL during calendar years 2022 and 2023 will be an aggregate principal amount not to exceed \$150 million at any one time. In addition, the amount of long-term borrowings by FCG from FPL during calendar year 2022 will be an aggregate principal amount not to exceed \$300 million. The interest rate on any short-term or long-term borrowings from FPL is expected to be a pass-through of FPL's average weighted cost for borrowing these funds and will vary depending on the term of the debt and whether the debt is secured or unsecured and subordinated or unsubordinated, as well as market conditions. Any borrowings made by FCG from FPL will be unsecured and may be subordinated or unsubordinated. Short-term borrowings from FPL will have maturities not to exceed one year. Long-term borrowings from FPL will have maturities ranging from more than one year to one hundred years.

FPL and FCG will file a consummation report with the Florida Public Service Commission (the Commission) in compliance with Rule 25-8.009, Florida Administrative Code, within 90 days after the end of any fiscal year in which FPL and/or FCG issue securities.

II. Purposes of Issues

A. FPL

It is expected that the net proceeds to be received from the issuance and sale and/or exchange (if there are any net proceeds from an exchange) of the additional long-term debt and

equity securities (with the exception of the proceeds of the issuance and sale of any Revenue Bonds or other "private activity bonds" (whether structured as variable rate demand notes or otherwise) or similar securities which will be used for specific purposes) will be added to FPL's general funds and will be used to finance the acquisition or construction of additional regulated utility facilities and equipment, as well as capital improvements to and maintenance of existing facilities; to acquire (by redemption, purchase, exchange or otherwise), or to otherwise satisfy, discharge or defease, any of its outstanding debt securities or equity securities; to repay all or a portion of any maturing long-term debt obligations; to satisfy FPL's obligations under guaranties; to repay all or a portion of short-term bank borrowings, commercial paper and other short-term debt outstanding at the time of such transactions, and/or for other corporate purposes. Proceeds, if any, may be temporarily invested in short-term instruments pending their application to the foregoing purposes. As of June 30, 2021, approximately \$137 million of FPL's long-term debt will mature during 2021.

In addition, in the event that the Commission declines to approve or postpones FPL's pending request for unified rates in Docket No. 20210015-EI, and Gulf remains a standalone ratemaking entity, FPL plans to use a portion of such proceeds to provide both short-term and long-term funding during 2022 and 2023 for the regulated utility operations of Gulf as a separate ratemaking entity as discussed above.

FPL also plans to use a portion of such proceeds to provide both short-term and long-term funding for the regulated utility operations of FCG. Each loan made by FPL to FCG will consist of one or more tranches. The timing of any loans made by FPL to FCG will be dependent on FCG's cash flow projections and other factors for availability by FCG to meet its cash and working capital requirements. FPL will provide short-term and long-term funding to FCG from (1) surplus funds in the treasury of FPL and (2) proceeds from FPL's borrowings under its credit facilities, FPL's debt securities or FPL's issuance of commercial paper.

FPL maintains a continuous construction program, principally for electric generation, transmission and distribution facilities. FPL's long-range construction program is subject to periodic review and revision. The construction program referred to in the Applicants' application has been necessitated by continued growth in the demand for service on FPL's system and the replacement and improvements required to its existing system. It is manifestly in the public interest for FPL to raise the funds which are required to perform such service. A more detailed description of these projects is provided in the FPL and Gulf 2021-2030 Ten-Year Site Plan on file with the Commission. As of June 30, 2021, FPL estimated that capital expenditures under its 2022-2023 construction program will be approximately \$14.1 billion, including Allowance for Funds Used During Construction (AFUDC). (See Exhibit B attached to the Applicants' Application).

At present, one project with anticipated construction expenditures during the 2022-2023 period involves a certification of need by the Commission under the Florida Electrical Power Plant Siting Act or the Transmission Line Siting Act: the Dania Beach Clean Energy Center, a 1,163 megawatt (summer) natural gas-fired generating unit. The need for the Dania Beach Clean

Energy Center was approved by the Commission in Order No. PSC-2018-0150-FOF-EI issued on March 19, 2018. The estimated construction cost for the Dania Beach Clean Energy Center is \$888 million, including AFUDC and transmission interconnection costs. As of June 30, 2021, development, design and construction costs, including AFUDC and transmission interconnection costs, expended on the Dania Beach Clean Energy Center were approximately \$732 million. A more detailed description of this project is provided in the FPL and Gulf 2021-2030 Ten-Year Site Plan on file with the Commission.

Under future market conditions, the interest rate on new issue long-term debt or the dividend rate on new issue preferred or preference stock of FPL and its subsidiaries may be such that it becomes economically attractive to acquire (by redemption, purchase, exchange or otherwise), or otherwise satisfy, discharge or defease, a portion or all of certain of its or its subsidiaries long-term debt securities or equity securities, providing an opportunity for FPL to reduce interest or dividend expense even after accounting for such other considerations as the (i) redemption or other reacquisition premium, (ii) other associated reacquisition or discharge expenses and (iii) related income tax effects. This reduction would be beneficial to FPL's customers and, with proper regulatory treatment, would not be detrimental to FPL's common shareholder. Other important considerations in making such a decision would include an assessment of anticipated future interest and dividend rates and FPL's ability to raise enough new capital to finance its construction program while concurrently pursuing any refinancing opportunities. FPL might also consider acquiring or otherwise satisfying, discharging or defeasing a portion or all of certain of its or its subsidiaries long-term debt securities or equity securities for reasons other than interest or dividend expense reduction.

Under future market conditions, it may be economical to enter into forward refunding or forward swap contracts. The forward refunding contracts would be for the purpose of refunding long-term debt (including but not limited to refunding Revenue Bonds) which may be issued on FPL's behalf and which can be callable. Under federal tax law, the refunding of Revenue Bonds with tax-exempt bonds issued more than 90 days prior to the redemption or retirement of the outstanding issue is heavily restricted. However, through a forward refunding contract, FPL could lock-in prevailing tax-exempt fixed rates for refunding Revenue Bonds which would be issued 90 days prior to a call date of the outstanding issue. Alternatively, FPL could enter into a forward swap contract, to become effective on a call date of the outstanding issue, to lock-in prevailing tax-exempt fixed rates. Any anticipated savings generated by such forward transactions would be spread over the combined life of the outstanding bonds and the refunding bonds starting with the execution of the forward contract.

FPL confirmed that the capital raised pursuant to the Applicants' application will be used in connection with the regulated activities of FPL and FPL's subsidiaries, including FCG, as described in the Applicants' application, and not the nonregulated activities of its affiliates.

B. Operations of Gulf as a Separate Ratemaking Entity

In the event that the Commission declines to approve or postpones FPL's pending request for unified rates in Docket No. 20210015-EI and Gulf remains a separate ratemaking entity, FPL will cause the proceeds from any borrowings made by Gulf would be used for capital expenditures, working capital requirements, and general corporate purposes related to the regulated utility operations of Gulf.

Gulf maintains a continuous construction program, principally for electric generation, transmission and distribution facilities. Gulf's long-range construction program is subject to periodic review and revision. The construction program referred to in the Applicants' application has been necessitated by continued growth in the demand for service on Gulf's system and the replacement and improvements required to its existing system. A more detailed description of these projects is provided in the FPL and Gulf 2021-2030 Ten-Year Site Plan on file with the Commission. It is manifestly in the public interest for FPL to raise the funds which are required for Gulf to perform such service as a separate ratemaking entity in the event that the Commission declines to approve or postpones FPL's pending request for unified rates in Docket No. 20210015-EI and Gulf remains a separate ratemaking entity. As of June 30, 2021, FPL estimates Gulf's capital expenditures as a separate ratemaking entity under its 2022-2023 construction program to be approximately \$1.3 billion, including AFUDC. (See Exhibit B attached to the Applicants' Application).

At present, none of the planned expenditures in 2022-2023 require a certification of need by the Commission under the Florida Electrical Power Plant Siting Act or the Transmission Line Siting Act.

FPL confirmed that the capital raised pursuant to the Applicants' application would be used in connection with the regulated activities of FPL and FPL's subsidiaries, including the regulated activities of Gulf as a separate ratemaking entity absent the approval of rate unification in Docket No. 20210015-EI, and not the nonregulated activities of its affiliates.

C. FCG

FCG will cause the proceeds from any borrowings made by FCG to be used for capital expenditures, working capital requirements, and general corporate purposes related to FCG's regulated utility operations. As of June 30, 2021, FCG estimated that capital expenditures under its 2022-2023 construction program will be approximately \$136 million, including AFUDC. (See Exhibit B attached to the Applicants' Application).

Although it does not require a certificate of need, the proceeds from the loans made by FPL will be used, in part, for the anticipated construction of a new Liquefied Natural Gas (LNG) Facility in southern Florida in the 2022 period. As approved by the Commission in Order No. PSC-2018-0190-FOF-GU issued April 20, 2018, the new LNG Facility will be capable of providing an additional 10,000 Dth/day of capacity and will include the following: (i) truck loading facilities; (ii) three storage tanks holding a total of 270,000 gallons of LNG; (iii) vaporization equipment; and (iv) other related facilities. The estimated construction cost for the

new LNG Facility is \$58 million. As of June 30, 2021, development, design and construction costs expended on the new LNG Facility were approximately \$17.7 million.

FCG confirmed that the capital raised pursuant to the Applicants' application will be used in connection with its regulated activities, and not the nonregulated activities of its affiliates.

III. Conclusion

Having reviewed the application, it is the finding of this Commission that the transactions described in the application will not impair the ability of FPL and FCG to perform the services of a public utility. These transactions are for such lawful purposes within FPL's and FCG's corporate powers and, as such, the application is granted.

Our approval of the proposed issuance and/or sale of securities does not indicate specific approval of any rates, terms, or conditions associated with the issuance. Such matters are properly reserved for our review within the context of a rate proceeding. Our approval of the issuance of securities constitutes approval only as to the legality of the issue. In approving the subject financing, we retain the right to disallow any of the costs incurred for ratemaking purposes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the application by Florida Power & Light Company and Florida City Gas to issue and sell securities pursuant to Section 366.04, Florida Statutes, and Chapter 25-8, Florida Administrative Code, is approved as set forth herein. It is further

ORDERED that FPL is hereby authorized to issue and sell and/or exchange any combination of long-term debt and equity securities and/or to assume liabilities or obligations as guarantor, endorser or surety in an aggregate amount not to exceed \$7.85 billion during calendar year 2022, for the purposes and in the manner described in the Applicants' application. It is further

ORDERED that FPL is hereby authorized to issue and sell short-term securities in an amount or amounts such that the aggregate principal amount of short-term securities outstanding at the time of and including any such sale shall not exceed \$4.9 billion during calendar years 2022 and 2023, for the purposes and in the manner described in the Applicants' application. It is further.

ORDERED that FCG is hereby authorized to make long-term borrowings from FPL in an aggregate principal amount not to exceed \$300 million during calendar year 2022, for the purposes and in the manner described in the Applicants' application. It is further

ORDERED that FCG is hereby authorized to make short-term borrowings from FPL in

an aggregate principal amount not to exceed \$150 million at any one time during calendar years 2022 and 2023, for the purposes and in the manner described in the Applicants' application. It is further

ORDERED that the Applicants shall file a consummation report in compliance with Rule 25-8.009, Florida Administrative Code, within 90 days of the end of any fiscal year in which it issues any securities authorized by this Order. It is further

ORDERED that this docket shall remain open until May 5, 2023, to monitor the issuance and/or sale of securities until Florida Power & Light Company submits and Commission staff has reviewed the Consummation Report, at which time it shall be closed administratively.

By ORDER of the Florida Public Service Commission this 1st day of November, 2021.

/s/ Adam J. Teitzman

ADAM J. TEITZMAN

Commission Clerk

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413-6770

www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

RPS

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.