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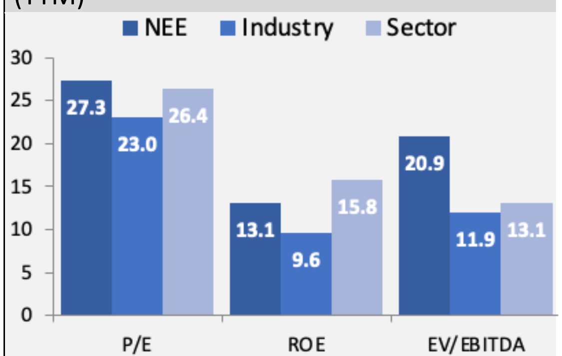
NextEra Energy

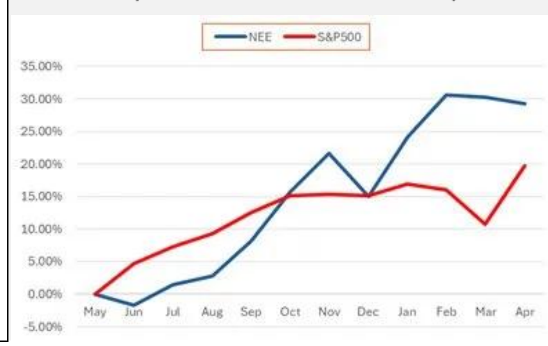
April 19, 2026

Utilities- Independent Power Producer

Stock Rating **BUY**

Target Price	$98.87
DCF Model	$98.87
Price Data	
Current Price	$91.98
52wk Range	$63.64 – 96.20
Consensus 1yr Target	$96.70
Key Statistics	
Market Cap (B)	$191.8
Shares Outstanding (M)	$2,085
Institutional Ownership	83.61%
Beta	0.73
Dividend Yield	2.75%
Est. 5yr Growth	8.5%
Price/Earnings (TTM)	24.3
Price/Earnings (FY1)	22.8
Price/Sales (TTM)	6.3
Price/Book (mrq)	3.1
Profitability	
Operating Margin	26.89%
Profit Margin	25.77%
Return on Assets (TTM)	3.6%
Return on Equity (TTM)	11.3%





Investment Thesis

We assign a BUY rating to NextEra Energy (NEE) with a target price of $98.87, implying 7.5% upside from the current stock price of $91.98. We believe NextEra deserves a premium valuation relative to traditional utilities because it combines the stability of Florida Power & Light with the stronger long-term growth profile of NextEra Energy Resources. This mix provides the company with a dependable earnings base while maintaining meaningful exposure to renewables, storage, and infrastructure development. In our view, NextEra's ability to generate returns above its cost of capital and continue compounding earnings supports a BUY recommendation despite the stock's already strong valuation.

Drivers of Thesis

- **FPL rate base compounding -** FPL's $75B capital deployment plan through 2029 should compound rate based at approximately 9% annually, generating predictable NOPLAT growth under a 10.6% authorized ROE – the primary driver of our near-term earnings forecast.

- **30 GW grandfathered renewables backlog 5.6% Tax Rate-** NEER's contracted backlog is roughly three times its current operating capacity. The IRA's production and investment tax credits compress NEE's effective tax rate to approximately 5.6%, approximately 1,540 bps below the 21% statutory rate, generating ~$1.3B of annual tax credit sales and enabling $2B+ of annual tax equity financing that funds NEER's build-out at a lower cost of capital than debt alone. 1,2

- **High exposure to AI upside with large regulated segment for support-** U.S. electricity demand is projected to grow 3–4% annually through 2030, reversing a decade of stagnation. NEE's regulated transmission investments target >20% CAGR through 2032, and NEER's clean baseload offering positions NEE as a preferred counterparty for hyperscaler power purchase agreements, which we estimate will contribute 200–400 bps of incremental NEER revenue growth annually. [3,4]

Risks to Thesis

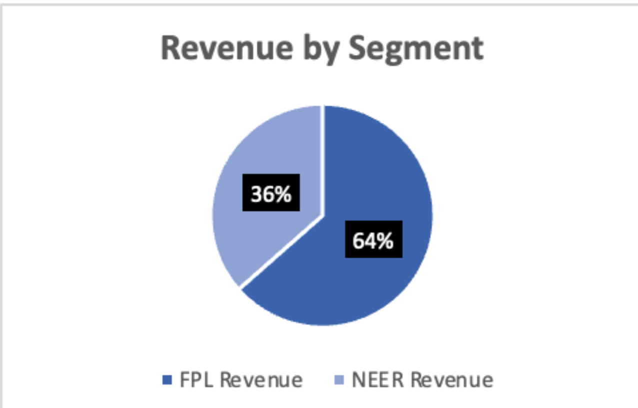
- **OBBBA curtails post-2026 greenfield wind/solar-** New projects that haven't broken ground lose PTC eligibility. NEER's long-term growth beyond backlog makes valuation multiples harder to justify.

- **Interest rate sensitivity on $96B debt-** With target prices falling close to the current price, small increases in WACC (from 6.34 to 7%) compress the DCF price significantly.

- **Non-binding data center commitments-** Large-load requests aren't signed contracts. If buildout slows, the AI/Data center demand thesis weakens.

COMPANY DESCRIPTION

NextEra Energy is the largest U.S. utility by market value and operates through two businesses that matter most to our model: Florida Power & Light (FPL), a regulated electric utility in Florida, and NextEra Energy Resources (NEER), a large developer and operator of renewable generation, battery storage, nuclear generation, and related energy infrastructure. The mix matters because FPL gives the company a stable regulated earnings base while NEER provides the longer-run growth embedded in our forecast. In our model, that combination supports steady cash flow, above-average reinvestment, and a valuation that lands close to fair value rather than deeply discounted.



Florida Power & Light (FPL)

FPL serves approximately 6.1 million customer accounts across Florida's eastern seaboard, generating approximately $17.2B in retail revenues in 2024 and representing roughly 70% of NEE's consolidated revenues. FPL's customer base is growing at approximately 1.9% annually, driven by Florida's population inflows, which support organic rate base growth even before new capital investments. The utility operates under a rate agreement approved by the FPSC, with base rates established through December 2025. In December 2024, FPL filed for a $1.545B base rate increase effective January 2026 and $927M effective January 2027, plus a Solar & Battery Base Rate Adjustment mechanism for 2028–2029. We forecast FPL capex of $10.5B in 2026E, consistent with the 10-K Note 15 projection, driving regulatory capital employed growth of approximately 9%. [1]

FPL's competitive advantage lies in its scale, low-cost generation fleet, and constructive regulatory relationship with the FPSC. The utility's earned regulatory ROE was approximately 11.4% in 2024, near the top of the allowed range, reflecting efficient cost management and favorable weather. [1] We expect FPL to continue earning near the authorized ROE through the forecast period, supported by the reserve amortization mechanism that smooths earnings volatility.

NextEra Energy Resources (NEER)

NEER is the growth engine of the story. This segment includes contracted renewables, clean energy, nuclear generation, pipelines, transmission, gas infrastructure, and customer supply activities. We forecast NEER revenue increasing from about $10.2 billion in 2026E to $15.1 billion in 2029E and $36.6 billion by 2035E. That is where most of the upside in the model comes from, but it is also where execution risk is highest because growth depends on continued project deployment, contracting, and the company's ability to earn acceptable returns on a large capital base.

ROIC & Value Creation Analysis

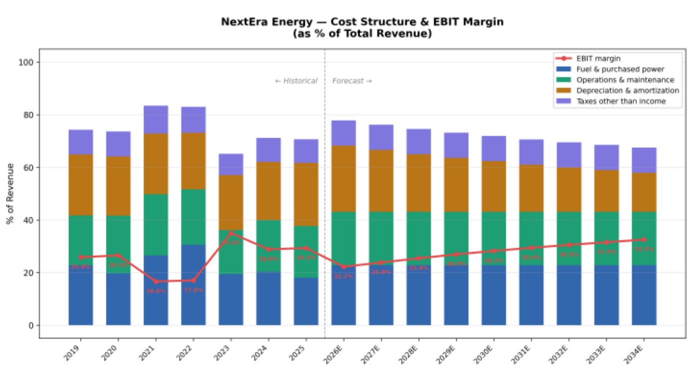
NextEra is not a high-turnover business. Like most utilities and power developers, it is a capital-intensive model where returns are driven more by margin discipline and allowed or contracted economics than by asset-light turnover. Historical ROIC has been volatile, but the direction in the forecast is constructive. We model terminal ROIC at 10.4%, above the 6.34% WACC, which means future investment should create value rather than dilute it.

The bigger point is that valuation depends on management continuing to earn acceptable returns on a very large investment program. If the company can keep expanding regulated rate base at FPL while deploying capital at NEER into projects with solid contracted returns, ROIC can remain above the cost of capital. If those returns compress, the valuation support from the DCF weakens quickly.

Cost Structure Analysis

Our model assumes operating leverage improves gradually over time. Total revenue grows from about $28.0 billion in 2026E to $33.0 billion in 2028E and reaches roughly $66.2 billion by 2035E, while operating profit expands as fixed-cost absorption improves across the platform. The basic idea is straightforward: FPL provides a stable earnings base, and incremental renewable and infrastructure growth at NEER lifts consolidated profitability over time.

NextEra's cost structure is dominated by four main expenses: Fuel and purchased power, operating and maintenance, depreciation and amortization, and taxes other than income taxes. Purchased power and fuel has been the most volatile item, swinging from 19.4% of revenue in 2023 to 30.5% in 2022. This number depends on natural gas prices and wholesale power market conditions. We model this at a flat 22.8% of revenue through the forecast period, which is roughly in line with the historical average. Operating and maintenance costs are driven by total staff numbers as maintenance that should grow with the customer base rather than with revenues providing natural operating leverage. Depreciation is the most important and largest expense line item for the company. This reflects the massive capital deployed in recent years. We forecast depreciation expense to be 4.5% of prior year's PPE. This number is consistent with historical averages for the company. Most importantly however, this depreciation as a % of revenue shrinks over this time. As NEER becomes more prominent, revenues will start to grow at a larger rate than they have in the past. As depreciation becomes less as a percentage of revenue, NextEra shows great operating leverage and is in position to increase their margins even more.



Invested Capital Analysis

Invested capital is the center of the NextEra story. The company is clearly fixed-capital intensive, with net property, plant, and equipment representing the largest piece of the balance sheet. In our forecast, total revenue roughly doubles from 2025 to 2035, but that growth also requires a large amount of reinvestment into generation, transmission, and related infrastructure. This is why the stock should be thought of as a capital allocation story as much as a revenue growth story.

Working capital matters less than fixed capital here. The real question is how much incremental earnings the company can generate for each dollar of new capital deployed. Our forecast assumes that capital intensity remains high, but returns stay strong enough to justify the buildout. That is why terminal ROIC still exceeds WACC.

Intangible capital is not the main driver of value in this model. Value comes primarily from regulated assets, contracted generation, and the company's ability to keep finding projects that can earn returns above its funding cost.

The competitive environment is still challenging. Utilities compete for capital, projects, regulatory approval, and customer demand, while independent power producers and other developers compete for contracted opportunities. The industry is also highly sensitive to interest rates because the business model depends on financing large assets over long periods. For NextEra, that means execution and cost of capital matter just as much as top-line growth.

MARKETS AND COMPETITION

NextEra operates in two different markets. Florida Power & Light competes in a regulated market where the Florida Public Service Commission sets rates. In this market, competition is not about pricing power; it is more about earning regulatory approval to be a provider as well as executing operations efficiently enough to earn a solid return given the base rate. FPL's competitive advantage is being the largest electric utility in Florida. They can spread their fixed costs over a massive customer base which allows for decent margins for a regulated utility. Additionally, Florida's population has grown around 1.5-2% annually over the past few years, driving organic customer growth. [11] Given FPL's massive share of the market combined with Florida's continued population growth, the FPL market appears to be in good shape for the future.

NEER competes in a completely different environment than FPL. They compete in an unregulated renewable energy development market. Differentiation between competitors lies in their ability to execute efficiently as well as being able to secure long-term contracts. NEER has deployed more wind and solar capacity than any other company in North America. This gives NEER competitive advantages ranging from purchasing power on equipment to the ability to take on more complex projects that competitors cannot do. Similar to FPL, the NEER industry outlook appears to be positive. Corporate demand for clean energy has recently accelerated, driven by ESG commitments as well as data center operations. [6] Additionally, the Inflation Reduction Act has provided the company with credits through at least 2032 as incentives for providing renewable energy.

Peer Comparisons

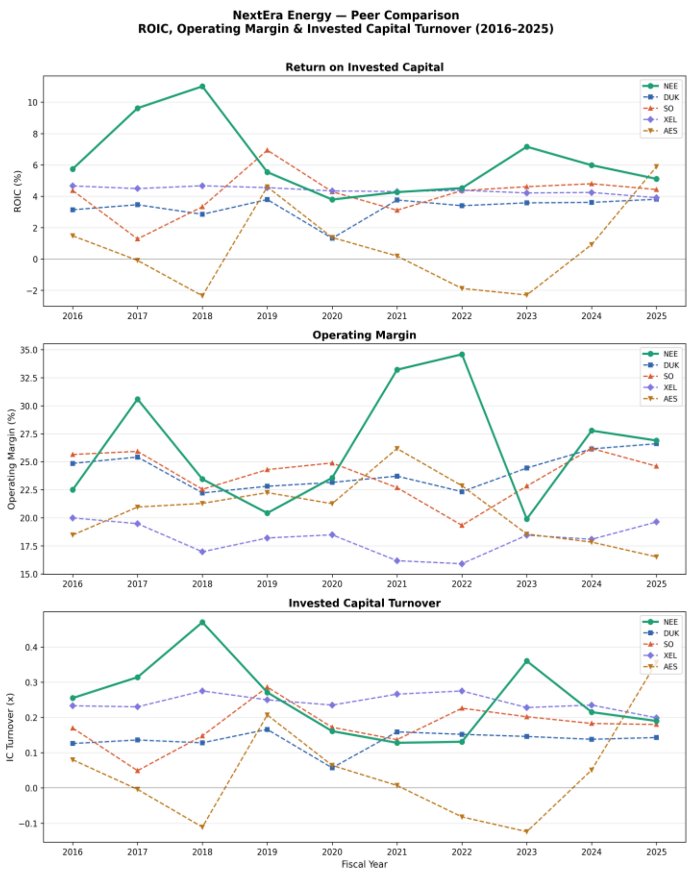
NextEra's closest peers among regulated utilities are Duke Energy, Southern Company, and Xcel Energy. AES Corporation serves as a good competitor for the unregulated renewable energy market.

On operating margin, NextEra has consistently outperformed its peers. In 2025, NEE reported a 26.89% operating margin. [7] This led DUK (26.61%), SO (24.60%) , XEL (19.63%), and AES (16.52%). Of the past five years, they have boasted the highest operating margin in every year except one. This is largely due to their fixed cost base in FPL continuing to improve margins as electricity prices and population grows as well as NEER's contracted renewable energy deals when NEER is locking in revenues that provide for high margins. Other companies such as Xcel and AES don't have it as easily. Xcel operates in multiple states and therefore depends on multiple states regulatory decisions as well as declining populations hurting their margins. AES showcases the lowest margin as they are exposed to international risks as well as having a completely volatile and unregulated business model.

Invested capital turnover highlights the capital intensity challenge that a lot of these utilities' companies have. In 2025, NEE's turnover was 0.19. [7] Essentially, the company only generated $0.19 in revenue for every dollar of invested capital. However, this is not necessarily a sign of being inefficient. Utilities are a very capital-intensive industry due to needing all sorts of property, plant, and equipment. Most notably for NextEra, they are also deploying lots of capital and resources into renewable projects for the NEER segment in order to build up revenues in the future. Therefore, their current invested capital turnover is slightly suppressed. However, it still is quite competitive among its competitors. In 2025, Duke was 0.14, Southern was 0.18, Xcel was 0.20, and AES was 0.36. In 2024 and 2023, NextEra was the highest of the group. NextEra has been able to stay near the top end compared to its competition in terms of invested capital turnover while they continue to invest resources in capital that will be utilized in the future.

ROIC tells the complete story. In 2025, NextEra's ROIC was 5.11%. [7] This was above every single regulated utility. Duke was at 3.81%, Southern was at 4.43%, and Xcel was 3.91%. AES was able to get up to 5.89%, largely due to their higher invested capital turnover. While these may seem low, they are pretty standard for regulated utilities. Utilities require massive investments in PPE that generate moderate returns especially when regulated. In the past ten years, NextEra's ROIC has been the highest among the group in all but two. A slight concern for some investors is the fact that NextEra's ROIC has declined from 11.01% in 2018 to 5.11% in 2025. However, that decline is not driven by margins. It is entirely driven by a lower invested capital turnover that is caused by deploying billions of dollars into new assets. We forecast revenues to catch up soon, forecasting ROIC to grow from 3.71% in 2026 to 10.43% in 2035 as the NEER segment becomes more prominent.

The key differentiator for NextEra is its growth profile. Duke, Southern, and Xcel grow around 5-7% annually due to regulated utilities. NextEra's FPL segment is able to match that, however NEER adds incremental growth that no regulated utility peer can compare to. Our model forecasts total revenues to grow from $27.4 billion in 2025 to over $66 billion in 2035, mostly driven by NEER's growth and ability to obtain contracts well beyond what a regulated utility could get in return.



RECENT DEVELOPMENTS

Recent Earnings Announcement

In 2025, NextEra Energy reported a GAAP EPS of $3.30. [3] Adjusted EPS was reported to be $3.71. The 2025 GAAP EPS was down from 2024 ($3.37), however NextEra still had a very strong year. Management's guidance to start the year was an adjusted EPS of $3.45-$3.70 in which they beat the top end of that estimate. With lower natural gas prices during 2025, this earnings announcement was very impressive.

Looking forward, management is guiding a 2026 adjusted EPS of $3.92 to $4.02. Management also expects to invest between $90 billion to $100 billion through 2032 which is consistent with our models projections.

$90-100 billion Capital Deployment Plan

The most important recent theme for NextEra is not one quarter of reported earnings but the continuation of large-scale capital deployment across regulated and renewable assets. Our model assumes management keeps expanding FPL's regulated base while NEER continues to add contracted renewable and energy infrastructure projects. Those two pieces together drive the forecasted rise in revenue, earnings, and cash flow.

RISKS TO THESIS

First, much of this model and forecasted revenue growth is reliant on NEER. The bullish narrative we have on NextEra is largely driven by AI and data center electricity demand. However, we are uncertain the exact future of data center demand. If data center capital spending slows or if AI efficiency improves to a point where they don't need as much electricity, our NEER investment thesis weakens.

A second risk is interest risk for NextEra. They currently have nearly $96 billion in total debt, making the company very sensitive to interest rate changes. Our WACC of 6.34% assumes a pre-tax cost of debt of 5.5%. Because NextEra has this large portion of debt combined with needing to continue to access the debt market to fund their projects, an increased incremental borrowing rate can be devastating to our WACC and therefore our valuation. Our sensitivity analysis shows that increasing our WACC to just 6.84% lowers our valuation to $80.51. [5]

Additionally, NEE's 2024 effective income tax rate was approximately 5.6%, with renewable energy tax credits reducing the rate by 19.9 percentage points from the 21% statutory level. [1] Our sensitivity analysis shows that an increase in the marginal tax rate from 17.7% to 25% would raise WACC by approximately 40 bps and reduce the implied DCF price by $8–12. [5] The IRA also underpins the $2B+ annual tax equity (differential membership interest) financing that funds approximately 20% of NEER's capital program. A loss of these credits would force greater reliance on higher-cost debt, further pressuring returns.

Debt Maturity Analysis

The 5-year debt maturity schedule is attached below. NextEra Energy does have a lot of obligations in the short term. However, we forecast operating cash flows to exceed the amounts due. For example, in 2026, we forecast $12.668 billion in cash flows from operations which is more than enough to cover their debt payments. In 2027 we forecast $14.283 billion in cash flows from operations which is still more than enough cash generated from operations to cover debt.

Five-Year Debt Maturity Schedule [9]

Fiscal Year	Coupon (%)	Payment ($mil)
2026		$4,140
2027		$10,671
2028		$12,580
2029		$10,864
2030		$7,770
Thereafter		$49,594
Total		$95,619

VALUATION

Revenue Growth Assumptions

Consolidated revenue grows from $27.4B in 2025A to $28.0B in 2026E and reaches $66.2B by 2035CV, a 9.2% CAGR. The forecast is built bottoms-up from FPL and NEER separately because the two segments have very different growth profiles and competitive dynamics and aggregating them hides what is actually driving the model.

FPL revenue grows from $19.9B in 2025A to $31.3B by 2035CV (4.7% CAGR). That pace reflects approximately 1.9% annual customer growth from Florida's continued population inflows, combined with rate base compounding at approximately 9% annually through 2029 as FPL deploys its $75B capital plan under a 10.6% authorized ROE. The January 2026 base rate increase of $1.545B and the January 2027 increase of $927M are embedded in the near-term forecast, with the Solar & Battery Base Rate Adjustment mechanism supporting 2028–2029. FPL revenue grows steadily rather than explosively because rate cases and customer growth, not capital deployment directly, set the top line.

NEER is where the growth story sits. Revenue grows from $7.5B in 2025A to $36.6B by 2035CV, a 17.0% CAGR and nearly 5x expansion. New Contracted Renewables is the single largest driver, compounding from $1.3B to $13.3B across the forecast. Nuclear revenue also scales meaningfully, from $0.7B to $8.2B, benefiting from Section 45U PTCs under the OBBBA that apply asymmetrically to existing nuclear versus wind/solar peers. The forecast assumes NEER converts a meaningful share of its approximately 30 GW grandfathered backlog through the 2026–2029 window while contracting incremental hyperscaler PPAs that add an estimated 200–400 bps of annual NEER revenue growth. By 2035CV, NEER is larger than FPL in revenue terms, and the valuation leans heavily on that crossover actually occurring.

Operating Expense / Margin Assumptions

The cost structure is dominated by four line items: fuel and purchased power, other O&M, depreciation, and non-income taxes. Fuel and purchased power is held flat at 22.8% of revenue, roughly the historical average across a volatile range of 19–30%. This item is largely a pass-through at FPL and is hedged at NEER, so holding it flat is reasonable unless one takes a directional view on natural gas, which we do not. If we changed this number to 25.8%, our valuation would drop down to $82.02 as shown by our sensitivity analysis. Alternatively, fuel and purchased power as a percentage of revenue declining to 19.8% raises our valuation to $115.71. Other O&M is held at 20.3% of revenue, which is consistent with the 20–22% band it has occupied since 2020 and reflects the reality that maintenance scales with customer count and asset base rather than with revenue. Non-income taxes are forecast at 9.56% of revenue, in line with history.

Depreciation is the most important expense line because NEE is a capital-intensive business. D&A is forecast at 4.5% of prior-year net PPE, consistent with the 4.3–5.4% historical range. In absolute terms D&A grows from $6.6B in 2025 to $9.2B by 2035CV, but as a share of revenue it shrinks meaningfully, which is where operating leverage enters the model. As NEER scales and revenue nearly doubles while PPE grows more slowly, the fixed-cost absorption improves.

Consolidated operating margin compresses in 2026E to 24.3% from 30.2% in 2025A (largely a 2025 non-recurring items effect plus the lag between capital deployment and revenue recognition at NEER), then expands to 27.3% by 2035CV as operating leverage materializes. NOPLAT grows from $8.0B in 2025 to $21.3B by 2035CV, a 10.3% CAGR that modestly exceeds revenue growth. The margin expansion is real but not aggressive — if it does not show up, it is the first assumption that breaks.

WACC and Cost of Capital

The estimated WACC is 6.34%, weighted 66.7% equity and 33.3% debt at current market values ($191.6B market cap / $95.6B total debt).

- **Cost of equity:** 7.25%. Built from a 4.33% 10-year Treasury risk-free rate, a 0.73 five-year weekly beta (Bloomberg/FactSet), and a 4.0% equity risk premium — the Kroll recommended ERP reduced by approximately 100 bps to reflect NEE's established regulated utility profile. The beta is well below 1.0 because FPL's regulated cash flows dampen overall equity volatility.
- **After-tax cost of debt:** 4.53%. Pre-tax cost of debt of 5.5% is the yield to maturity on NEE 10-year corporate bonds, above the risk-free rate by an implied 117 bps default premium. The 17.73% marginal tax rate reflects PTC/ITC-driven tax shield on NEE's capital structure rather than the 21% statutory rate.

WACC is the most sensitive single input in the model. At g = 2.5% and WACC = 6.40%, the implied price is $94.77; at WACC = 6.90%, the implied price is $77.61. Each 50 bps of WACC moves the target price by approximately $17. Given NEE carries $96B in total debt and depends on continued capital market access to fund both FPL and NEER, the pre-tax cost of debt assumption is the single line that most warrants skepticism.

Capital Structure

NEE enters the forecast with $95.6B in total debt ($2.6B short-term, $3.5B current portion of LTD, $89.6B long-term) and an implied debt ratio of 45% at the end of 2025. The forecast gradually deleverages the balance sheet by assumption: the debt ratio declines to roughly 37% by 2035 as NOPLAT growth outpaces incremental borrowing. In dollar terms debt still grows, but more slowly than equity and assets.

Capex is forecast at 32.0% of revenue, consistent with the 32–43% historical range and with the roughly $90–100B through-2032 investment program management guided to in the 2025 earnings release. This translates to approximately $8.9B of capex in 2026E rising to $21.2B by 2035CV. FPL's $10.5B 2026E capex (Note 15 in the 10-K) is the near-term anchor; NEER adds incremental capex that is funded in part by $2B+ of annual tax equity financing structured as differential membership interests, which effectively lowers the cost of capital on roughly 20% of NEER's capital program versus debt alone.

The share count grows from 2,083M in 2025 to 2,391M by 2034E, an approximately 1.5% annual dilution rate consistent with NEE's equity issuance history. No share repurchase program is assumed — the capital deployment story and the repurchase story are mutually exclusive for a company of this growth profile, and NEE has been consistently on the issuance side.

Payout Policy Forecasts

The dividend payout ratio is held flat at 75% across the forecast, versus a historical range of roughly 35–115% that has been distorted by GAAP income volatility. The current dividend yield is 2.75%.

EPS follows a non-obvious path: $3.30 in 2025A, dips to $2.08 in 2026E, and then recovers to $8.57 by 2034E. The 2026 dip is driven by the income tax line flipping from an $802M benefit in 2025 to a $659M expense in 2026E as PTC timing normalizes, not by operational deterioration — adjusted EPS (management's metric) is guided to $3.92–$4.02 for 2026 and is in line with our economic view of the business. DPS tracks EPS at the 75% payout, moving from $2.56 in 2025 to $6.65 in 2034E. Because the model is enterprise DCF, the payout ratio affects only the DDM (below) and not the DCF/EP output.

Continuing Value Growth of NOPLAT

Continuing value is built on three steady-state assumptions: NOPLAT growth of 2.50%, terminal ROIC of 10.43%, and WACC of 6.34%. The terminal ROIC exceeds WACC by 409 bps, which is what makes growth value-creating rather than value-destroying in the DCF and generates positive steady-state economic profit.

The 10.43% terminal ROIC requires defending because historical ROIC has been 3.7–11.0% and has trended down from 11.0% in 2018 to 5.5% in 2025. That decline is not a margin story — NOPAT margins have held up — it is an invested capital turnover story, driven by NEE deploying capital faster than revenue has compounded. The forecast assumes revenue catches up as the grandfathered NEER backlog converts to operating assets and hyperscaler PPAs contract the remaining NEER platform. ROIC moves from 3.7% in 2026E through 5.5% in 2029E to 10.4% by 2035CV. If revenue fails to catch up with invested capital — either because hyperscaler demand does not materialize at assumed pricing or because OBBBA phase-outs push NEER growth lower post-backlog — terminal ROIC compresses and the long-duration value in the model erodes quickly.

The 2.50% terminal growth assumption is below expected long-term U.S. nominal GDP and in line with the 3–4% U.S. electricity demand growth outlook through 2030 decelerating to a long-run maintenance pace. The continuing value itself is $420.9B in the DCF form and contributes approximately $242.0B in present value, or roughly 85% of operating value — typical for a capital-intensive compounder, and a reminder that the DCF is fundamentally a story about terminal-period economics.

Valuation Models

Four valuation models were run. The DCF and EP models are mechanically linked and yield identical operating value of $284.7B and identical implied prices of $98.87 per share (consistent with course framework — EP is a reformulation of DCF, not an independent model). After non-operating adjustments (+$2.8B excess cash, +$34.6B other non-operating assets, −$95.6B total debt, −$17.0B other non-operating liabilities, −$6.4B ESOP), equity value is $203.3B across 2,083M shares.

The relative P/E valuation using 2025A EPS ($3.30) implies a price of $83.40. NEE's peer set is internally inconsistent given that regulated utilities (DUK, SO, XEL) lack the NEER growth platform and trade at lower multiples for good reason, while merchant power peers (CEG, VST, NRG) have completely different risk profiles and trade at idiosyncratic multiples. A blended peer P/E therefore cannot price NEE's actual economics.

The DCF/EP price of $98.87 is the basis for the BUY rating. The DDM is used as a cross-check and gives a consistent story. The relative multiples are reported for completeness but not averaged in.

Sensitivity Analysis

The implied share price is most sensitive to WACC and terminal growth. At the base-case g = 2.5%: a 50 bps increase in WACC from 6.40% to 6.90% moves the price from $94.77 to $77.61 (−$17 per 50 bps); a 50 bps decrease from 6.40% to 5.90% moves it to $117.11 (+$22 per 50 bps). Terminal growth has a comparable effect: at WACC = 6.40%, moving g from 2.5% to 3.0% increases the price from $94.77 to $102.97, while moving to 2.0% lowers it to $88.44. Both directions of sensitivity are asymmetric — downside in WACC or upside in g creates sharper moves because the denominator (WACC − g) compresses faster than it expands.

Beyond the quantitative sensitivity, three contingent risks are not fully capturable in the table. First, OBBBA implementation — post-2026 greenfield wind/solar lose PTC eligibility, so anything beyond NEE's existing 30 GW grandfathered backlog becomes economically harder to justify at assumed returns. Second, the hyperscaler data center thesis relies on large-load requests that have not yet converted to signed long-term contracts at assumed pricing; slower AI capex or better AI efficiency both erode the NEER ramp. Third, interest rate sensitivity is asymmetric given the $96B debt stack — a 100 bps increase in the incremental borrowing rate would compress the DCF by substantially more than $17 per share because it affects not just WACC but refinancing economics on existing debt as it rolls.

Conclusion: Disparity to Consensus

Our $98.87 DCF target is 2.2% above the consensus 1-year target of $96.70 and 7.5% above the current price of $91.98. The BUY rating is therefore modestly above consensus, not deeply contrarian — which is appropriate for a stock that the market broadly understands.

KEYS TO MONITOR

The three most important things to monitor are FPL rate-base execution, NEER project economics, and the company's cost of capital. If FPL keeps compounding regulated earnings and NEER continues to deploy capital at solid returns, the DCF can drift higher over time. If either engine slows, the stock likely loses part of its premium.

We would also closely watch the spread between ROIC and WACC. As long as ROIC remains above the cost of capital, growth creates value. If that spread narrows meaningfully, the long-duration upside in the model becomes harder to defend.

Finally, watch NEE's incremental borrowing rate on new debt issuances. Any substantial changes in our cost of debt assumption could change the intrinsic value of the stock.

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NextEra Energy
Revenue Forecast

Fiscal Years Ending Dec. 31	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E
Total Revenue	$ 28,114.00	$ 24,753.00	$ 27,412.00	$ 27,970.87	$ 30,284.35	$ 32,989.37	$ 36,044.22	$ 39,510.11	$ 43,460.79	$ 47,985.25	$ 53,191.12	$ 59,208.75	$ 66,196.29	$ 74,345.86
FPL Revenue														
Residential	$ 11,816.30	$ 10,918.60	$ 12,604.82	$ 11,097.14	$ 11,754.94	$ 12,514.12	$ 13,322.33	$ 14,182.74	$ 15,098.72	$ 16,073.85	$ 17,111.96	$ 18,217.12	$ 19,393.65	$ 20,646.16
Commercial	$ 6,740.59	$ 6,344.05	$ 7,323.80	$ 6,375.51	$ 6,631.55	$ 6,937.28	$ 7,257.10	$ 7,591.67	$ 7,941.66	$ 8,307.79	$ 8,690.79	$ 9,091.46	$ 9,510.59	$ 9,949.05
Industrial	$ 451.56	$ 437.01	$ 504.50	$ 291.60	$ 318.86	$ 349.98	$ 384.15	$ 421.65	$ 462.81	$ 507.99	$ 557.58	$ 612.02	$ 671.76	$ 737.34
Total	$ 18,442.00	$ 17,211.00	$ 19,869.00	$ 17,764.25	$ 18,705.35	$ 19,801.38	$ 20,963.58	$ 22,196.06	$ 23,503.19	$ 24,889.63	$ 26,360.33	$ 27,920.59	$ 29,576.00	$ 31,332.55
NEER Revenue														
New Contracted Renewables	$ 821.29	$ 1,176.90	$ 1,300.17	$ 1,891.68	$ 2,298.56	$ 2,792.95	$ 3,393.68	$ 4,123.62	$ 5,010.56	$ 6,088.27	$ 7,397.78	$ 8,988.95	$ 10,922.37	$ 13,271.64
Clean Energy	$ 4,644.65	$ 3,697.79	$ 3,864.80	$ 4,936.31	$ 5,265.47	$ 5,616.59	$ 5,991.11	$ 6,390.62	$ 6,816.76	$ 7,271.32	$ 7,756.18	$ 8,273.39	$ 8,825.07	$ 9,413.55
Nuclear	$ 1,065.49	$ 776.64	$ 743.72	$ 1,112.17	$ 1,388.97	$ 1,734.67	$ 2,166.39	$ 2,705.57	$ 3,378.94	$ 4,219.90	$ 5,270.16	$ 6,581.81	$ 8,219.90	$ 10,265.69
Other Generation	$ 111.77	$ 42.17	$ 35.03	$ 51.97	$ 64.39	$ 79.77	$ 98.83	$ 122.45	$ 151.70	$ 187.95	$ 232.86	$ 288.50	$ 357.44	$ 442.84
Natural Gas Pipelines	$ 631.76	$ 406.62	$ 274.18	$ 379.52	$ 438.72	$ 507.16	$ 586.28	$ 677.73	$ 783.46	$ 905.67	$ 1,046.96	$ 1,210.28	$ 1,399.08	$ 1,617.33
Transmission	$ 499.33	$ 315.11	$ 301.13	$ 403.59	$ 451.74	$ 505.63	$ 565.95	$ 633.47	$ 709.05	$ 793.64	$ 888.32	$ 994.30	$ 1,112.92	$ 1,245.69
Gas Infrastructure	$ 647.55	$ 477.44	$ 392.75	$ 554.79	$ 654.48	$ 772.10	$ 910.85	$ 1,074.54	$ 1,267.64	$ 1,495.44	$ 1,764.18	$ 2,081.22	$ 2,455.23	$ 2,896.45
Customer Supply & Tracking	$ 1,250.16	$ 649.32	$ 631.22	$ 876.60	$ 1,016.67	$ 1,179.13	$ 1,367.54	$ 1,586.07	$ 1,839.51	$ 2,133.44	$ 2,474.35	$ 2,869.73	$ 3,328.29	$ 3,860.12
Total	$ 9,672.00	$ 7,542.00	$ 7,543.00	$ 10,206.62	$ 11,579.00	$ 13,187.99	$ 15,080.64	$ 17,314.06	$ 19,957.60	$ 23,095.63	$ 26,830.79	$ 31,288.17	$ 36,620.29	$ 43,013.31

Income Statement

Fiscal Years Ending Dec. 31	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**	**2035E**
Operating revenues	28,114	24,753	27,412	27,970.87	30,284.35	32,989.37	36,044.22	39,510.11	43,460.79	47,985.25	53,191.12	59,208.75	66,196.29
Total operating expenses - net	(18,282)	(17,626)	(19,392)	(21,759)	(22,639)	(24,661)	(26,944)	(29,535)	(32,489)	(35,871)	(39,762)	(44,261)	(49,484)
Fuel, purchased power and interchange	(5,457)	(5,029)	(4,944)	(6,375)	(6,902)	(7,519)	(8,215)	(9,005)	(9,905)	(10,936)	(12,123)	(13,494)	(15,087)
Other operations and maintenance	(4,681)	(4,857)	(5,399)	(5,682)	(6,152)	(6,702)	(7,322)	(8,026)	(8,829)	(9,748)	(10,806)	(12,028)	(13,448)
Depreciation and amortization	(5,879)	(5,462)	(6,580)	(7,029)	(7,115)	(7,231)	(7,381)	(7,568)	(7,796)	(8,071)	(8,399)	(8,787)	(9,244)
Storm cost amortization	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization excluding storm cost amortization	-	-	-	-	-	-	-	-	-	-	-	-	-
Disallowed storm costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of the fiber-optic telecommunications business	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes other than income taxes and other - net	(2,265)	(2,278)	(2,469)	(2,673)	(2,894)	(3,153)	(3,445)	(3,776)	(4,153)	(4,586)	(5,083)	(5,658)	(6,326)
Impairment charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition-related	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes other than income taxes and other	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains / losses on disposal of businesses / assets - net	405	352	260	575	622	678	740	812	893	986	1,093	1,216	1,360
Operating income / loss	10,237	7,479	8,280	6,786	8,268	9,006	9,840	10,786	11,865	13,100	14,521	16,164	18,072
Total other income / deductions - net	(2,949)	(1,442)	(3,750)	(2,738)	(2,564)	(2,473)	(2,382)	(2,290)	(2,194)	(2,056)	(1,908)	(1,747)	(1,661)
Interest expense	(3,324)	(2,235)	(4,572)	(3,963)	(3,891)	(3,919)	(3,961)	(4,021)	(4,098)	(4,158)	(4,238)	(4,341)	(4,561)
Benefits associated with differential membership interests - net	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other - net	(190)	253	267	265	286	312	341	374	411	454	503	560	626
Other - net excluding gains / losses on disposal of assets - net	(315)	90	88	133	144	157	172	188	207	228	253	282	315
Equity in earnings / losses of equity method investees	(648)	(246)	(184)										
Other - net excluding equity in earnings / losses of equity method investees	333	336	272	200	217	236	258	282	311	343	380	423	473
Other than temporary impairment losses on securities held in nuclear decommissioning funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-
Others - net	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains / losses on disposal of assets - net	125	163	179	131	141	154	168	185	203	224	248	277	309
Gain / loss associated with Maine fossil	-	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for equity funds used during construction	161	198	181	165	179	195	213	233	256	283	314	349	391
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on NEP deconsolidation	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in unrealized losses on equity securities held in NEER's nuclear decommissioning funds - net	159	107	107	50	54	58	64	70	77	85	94	105	117
Revaluation of contingent consideration	-	-	-	-	-	-	-	-	-	-	-	-	-
Other net periodic benefit income	245	235	267	283	306	333	364	399	439	485	537	598	669
Loss on sale of natural gas-fired generating assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Income / loss before income taxes	7,288	6,037	4,530	4,049	5,703	6,533	7,458	8,496	9,671	11,044	12,613	14,417	16,411
Income tax expense / benefit	(1,006)	(339)	802	(659)	713	777	849	931	1,024	1,131	1,253	1,395	1,560
Income / loss from continuing operations	6,282	5,698	5,332	3,390	6,417	7,310	8,307	9,427	10,695	12,175	13,867	15,812	17,970
Gain from discontinued operations, net of income taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income / loss	6,282	5,698	5,332	3,390	6,417	7,310	8,307	9,427	10,695	12,175	13,867	15,812	17,970
Net income attributable to noncontrolling interests	1,028	1,248	1,503	917	993	1,082	1,182	1,296	1,425	1,573	1,744	1,941	2,171
Net income / loss attributable to NextEra Energy, Inc.	7,310	6,946	6,835	4,307	7,410	8,392	9,489	10,723	12,120	13,748	15,611	17,754	20,141
Per share													
Basic	4	3	3	2.01	3.41	3.80	4.24	4.73	5.27	5.90	6.61	7.42	
Continuing operations	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-
Diluted	4	3	3										
Continuing operations	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-
Weighted average shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Basic	2026	2053	2083	2,145	2,175	2,206	2,237	2,268	2,299	2,330	2,360	2,391	-

NextEra Energy

Common Size Income Statement

Fiscal Years Ending Dec. 31	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	
Operating revenues	100	100	100	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Total operating expenses - net	**-65.03**	**-71.21**	**-70.74**	-77.79%	-74.75%	-74.75%	-74.75%	-74.75%	-74.75%	-74.75%	-74.75%	-74.75%	-74.75%	74.75%
Fuel, purchased power and interchange	-19.41	-20.32	-18.04	-22.79%	-22.79%	-22.79%	-22.79%	-22.79%	-22.79%	-22.79%	-22.79%	-22.79%	-22.79%	22.79%
Other operations and maintenance	-16.65	-19.62	-19.7	-20.31%	-20.31%	-20.31%	-20.31%	-20.31%	-20.31%	-20.31%	-20.31%	-20.31%	-20.31%	20.32%
Depreciation and amortization	**-20.91**	**-22.07**	**-24**	-25.13%	-23.50%	-21.92%	-20.48%	-19.15%	-17.94%	-16.82%	-15.79%	-14.84%	-13.96%	22.09%
Storm cost amortization	-	-	-											
Depreciation and amortization excluding storm cost amortization	-	-	-											
Disallowed storm costs	-	-	-											
Gain on sale of the fiber-optic telecommunications business	-	-	-											
Taxes other than income taxes and other - net	**-8.06**	**-9.2**	**-9.01**	-9.56%	-9.56%	-9.56%	-9.56%	-9.56%	-9.56%	-9.56%	-9.56%	-9.56%	-9.56%	9.56%
Impairment charges	-	-	-											
Acquisition-related	-	-	-											
Taxes other than income taxes and other	-	-	-											
Gains / losses on disposal of businesses / assets - net	1.44	1.42	0.95	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%	2.05%
Operating income / loss	36.41	30.21	30.21	24.26%	27.30%	27.30%	27.30%	27.30%	27.30%	27.30%	27.30%	27.30%	27.30%	27.30%
Total other income / deductions - net	**-10.49**	**-5.83**	**-13.68**	-3.77%	-3.72%	-3.43%	-5.27%	-4.48%	-2.99%	-3.14%	-3.03%	-1.98%	-1.40%	-0.03%
Interest expense	-11.82	-9.03	-16.68	-9.51%	-8.84%	-7.95%	-7.06%	-5.89%	-4.82%	-4.08%	-3.80%	-2.62%	-1.72%	-0.06%
Benefits associated with differential membership interests - net	-	-	-											
Total other - net	**-0.68**	**1.02**	**0.97**	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.94%
Other - net excluding gains / losses on disposal of assets - net	**-1.12**	**0.36**	**0.32**	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%
Equity in earnings / losses of equity method investees	-2.3	-0.99	-0.67											0.24%
Other - net excluding equity in earnings / losses of equity method investees	**1.18**	**1.36**	**0.99**	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%
Other than temporary impairment losses on securities held in nuclear decommissioning funds	-	-	-											
Interest income	-	-	-											
Others - net	-	-	-											
Gains / losses on disposal of assets - net	0.44	0.66	0.65	0.47%	0.47%	0.47%	0.47%	0.47%	0.47%	0.47%	0.47%	0.47%	0.47%	0.47%
Gain / loss associated with Maine fossil	-	-	-											
Allowance for equity funds used during construction	0.57	0.8	0.66	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%
Interest income	-	-	-											
Gain on NEP deconsolidation	-	-	-											
Change in unrealized losses on equity securities held in NEER's nuclear decommissioning funds - net	0.57	0.43	0.39	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Revaluation of contingent consideration	-	-	-											
Other net periodic benefit income	0.87	0.95	0.97	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%
Loss on sale of natural gas-fired generating assets	-	-	-											
Income / loss before income taxes	25.92	24.39	16.53	14.47%	18.83%	19.80%	20.69%	21.50%	22.25%	23.02%	23.71%	24.35%	24.79%	23.54%
Income tax expense / benefit	-3.58	-1.37	2.93	-2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%
Income / loss from continuing operations	22.34	23.02	19.45	12.12%	21.19%	22.16%	23.05%	23.86%	24.61%	25.37%	26.07%	26.71%	27.15%	21.18%
Gain from discontinued operations, net of income taxes	-	-	-											
Net income / loss	22.34	23.02	19.45	12.12%	21.19%	22.16%	23.05%	23.86%	24.61%	25.37%	26.07%	26.71%	27.15%	21.18%
Net income attributable to noncontrolling interests	3.66	5.04	5.48	3.28%	3.28%	3.28%	3.28%	3.28%	3.28%	3.28%	3.28%	3.28%	3.28%	3.28%
Net income / loss attributable to NextEra Energy, Inc.	26	28.06	24.93	15.40%	24.47%	25.44%	26.33%	27.14%	27.89%	28.65%	29.35%	29.98%	30.43%	24.46%

NextEra Energy

Balance Sheet

Fiscal Years Ending Dec. 31	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Total assets	$ 177,489	$ 190,144	$ 212,721	$ 213,937	$ 218,731	$ 225,024	$ 232,450	$ 241,155	$ 250,420	$ 261,328	$ 274,119	$ 291,325	$ 311,295
Total current assets	$ 15,361	$ 11,951	$ 13,584	$ 11,919	$ 12,774	$ 14,200	$ 15,856	$ 17,788	$ 19,154	$ 20,889	$ 23,060	$ 27,982	$ 33,751
Cash and cash equivalents	$ 2,690	$ 1,487	$ 2,812	$ 1,915	$ 2,026	$ 2,580	$ 3,253	$ 4,069	$ 4,162	$ 4,441	$ 4,935	$ 7,920	$ 11,439
Customer receivables, net of allowances	$ 3,609	$ 3,336	$ 4,018	$ 3,636	$ 3,937	$ 4,289	$ 4,686	$ 5,136	$ 5,650	$ 6,238	$ 6,915	$ 7,697	$ 8,606
Other receivables	$ 944	$ 1,180	$ 1,733	$ 1,119	$ 1,211	$ 1,320	$ 1,442	$ 1,580	$ 1,738	$ 1,919	$ 2,128	$ 2,368	$ 2,648
Materials, supplies and fossil fuel inventory	$ 2,106	$ 2,214	$ 2,420	$ 2,294	$ 2,483	$ 2,705	$ 2,956	$ 3,240	$ 3,564	$ 3,935	$ 4,362	$ 4,855	$ 5,428
Regulatory assets	$ 1,460	$ 1,417	$ 433	$ 839	$ 909	$ 990	$ 1,081	$ 1,185	$ 1,304	$ 1,440	$ 1,596	$ 1,776	$ 1,986
Pension													
Deferred clause and franchise expenses													
Other													
Derivatives													
Other excluding derivatives													
Securitized storm-recovery costs													
Other excluding securitized storm-recovery costs													
Derivatives	$ 1,730	$ 879	$ 997	$ 997	$ 997	$ 997	$ 997	$ 997	$ 997	$ 997	$ 997	$ 997	$ 997
Assets held for sale				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contract assets	$ 1,487	$ 252		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ 1,335	$ 1,186	$ 1,171	$ 1,119	$ 1,211	$ 1,320	$ 1,442	$ 1,580	$ 1,738	$ 1,919	$ 2,128	$ 2,368	$ 2,648
Deferred income taxes													
Other excluding deferred income taxes and contract assets													
Total other assets	$ 162,128	$ 178,193	$ 199,137	$ 202,019	$ 205,957	$ 210,824	$ 216,594	$ 223,368	$ 231,267	$ 240,439	$ 251,059	$ 263,342	$ 277,544
Total property, plant and equipment - net	$ 125,776	$ 138,852	$ 156,197	$ 158,119	$ 160,694	$ 164,020	$ 168,173	$ 173,249	$ 179,360	$ 186,644	$ 195,266	$ 205,426	$ 217,365
Electric plant in service and other property													
Nuclear fuel													
Construction work in progress													
Accumulated depreciation and amortization													
Total other asset	$ 36,352	$ 39,341	$ 42,940	$ 43,900	$ 45,263	$ 46,804	$ 48,421	$ 50,119	$ 51,907	$ 53,795	$ 55,793	$ 57,916	$ 60,180
Special use funds	$ 8,698	$ 9,800	$ 10,954	$ 11,173	$ 11,397	$ 11,624	$ 11,857	$ 12,094	$ 12,336	$ 12,583	$ 12,834	$ 13,091	$ 13,353
Investment in equity method investees	$ 6,156	$ 6,118	$ 5,528	$ 5,639	$ 5,751	$ 5,866	$ 5,984	$ 6,103	$ 6,225	$ 6,350	$ 6,477	$ 6,606	$ 6,739
Prepaid benefit costs	$ 2,112	$ 2,496	$ 2,868	$ 2,611	$ 2,717	$ 2,959	$ 3,233	$ 3,544	$ 3,899	$ 4,305	$ 4,771	$ 5,311	$ 5,938
Regulatory assets	$ 4,801	$ 4,828	$ 5,639	$ 5,808	$ 5,982	$ 6,162	$ 6,347	$ 6,537	$ 6,733	$ 6,935	$ 7,143	$ 7,358	$ 7,578
Purchased power agreement termination													
Pension													
Other													
Securitized storm-recovery costs													
Other excluding securitized storm-recovery costs													
Deferred clause expenses													
Other excluding deferred clause expenses													
Unamortized loss on reacquired debt													
Other excluding unamortized loss on reacquired debt													
Other	$ 14,585	$ 16,099	$ 17,951	$ 18,669	$ 19,416	$ 20,192	$ 21,000	$ 21,840	$ 22,714	$ 23,622	$ 24,567	$ 25,550	$ 26,572
Derivatives	$ 1,790	$ 1,774	$ 1,998	$ 1,998	$ 1,998	$ 1,998	$ 1,998	$ 1,998	$ 1,998	$ 1,998	$ 1,998	$ 1,998	$ 1,998
Other excluding derivatives	$ 12,795	$ 14,325	$ 15,953	$ 16,671	$ 17,418	$ 18,194	$ 19,002	$ 19,842	$ 20,716	$ 21,624	$ 22,569	$ 23,552	$ 24,574
Goodwill	$ 5,091	$ 4,866	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849
Other excluding goodwill	$ 7,704	$ 9,459	$ 11,104	$ 11,822	$ 12,569	$ 13,345	$ 14,153	$ 14,993	$ 15,867	$ 16,775	$ 17,720	$ 18,703	$ 19,725
Other investments					$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total liabilities, redeemable noncontrolling interests and equity	$ 177,489	$ 190,144	$ 212,721	$ 213,937	$ 218,731	$ 225,024	$ 232,450	$ 241,155	$ 250,420	$ 261,328	$ 274,119	$ 291,325	$ 311,295
Total liabilities	$ 118,465	$ 129,283	$ 146,242	$ 146,611	$ 149,801	$ 154,266	$ 159,615	$ 165,964	$ 172,555	$ 180,419	$ 189,743	$ 202,996	$ 218,474
Total current liabilities	$ 27,963	$ 25,355	$ 22,817	$ 24,581	$ 26,393	$ 28,836	$ 31,513	$ 34,473	$ 36,877	$ 39,653	$ 42,867	$ 46,786	$ 51,342
Commercial paper	$ 4,650	$ 1,670	$ 1,955	$ 1,955	$ 1,955	$ 1,955	$ 1,955	$ 1,955	$ 1,955	$ 1,955	$ 1,955	$ 1,955	$ 1,955
Other short-term debt	$ 255	$ 217	$ 608	$ 608	$ 608	$ 608	$ 608	$ 608	$ 608	$ 608	$ 608	$ 608	$ 608
Current maturities of long-term debt	$ 6,901	$ 8,061	$ 3,500	$ 4,348	$ 5,207	$ 6,085	$ 6,996	$ 7,952	$ 8,071	$ 8,231	$ 8,435	$ 8,874	$ 9,390
Accounts payable	$ 8,504	$ 6,982	$ 7,583	$ 8,486	$ 8,829	$ 9,618	$ 10,508	$ 11,519	$ 12,671	$ 13,990	$ 15,507	$ 17,262	$ 19,299
Customer deposits	$ 638	$ 694	$ 709	$ 727	$ 787	$ 858	$ 937	$ 1,027	$ 1,130	$ 1,248	$ 1,383	$ 1,539	$ 1,721
Accrued interest and taxes	$ 970	$ 1,016	$ 1,185	$ 1,329	$ 1,383	$ 1,507	$ 1,646	$ 1,805	$ 1,985	$ 2,192	$ 2,429	$ 2,704	$ 3,023
Derivatives	$ 845	$ 1,073	$ 1,113	$ 1,113	$ 1,113	$ 1,113	$ 1,113	$ 1,113	$ 1,113	$ 1,113	$ 1,113	$ 1,113	$ 1,113
Notes payable													
Margin cash deposits													
Other	$ 4,860	$ 5,363	$ 5,808	$ 5,594	$ 6,057	$ 6,598	$ 7,209	$ 7,902	$ 8,692	$ 9,597	$ 10,638	$ 11,842	$ 13,239
Accrued construction-related expenditures	$ 1,861	$ 2,346	$ 2,966	$ 2,238	$ 2,423	$ 2,639	$ 2,884	$ 3,161	$ 3,477	$ 3,839	$ 4,255	$ 4,737	$ 5,296
Other excluding accrued construction-related expenditures	$ 2,999	$ 3,017	$ 2,842	$ 3,357	$ 3,634	$ 3,959	$ 4,325	$ 4,741	$ 5,215	$ 5,758	$ 6,383	$ 7,105	$ 7,944
Regulatory liabilities	$ 340	$ 279	$ 356	$ 420	$ 454	$ 495	$ 541	$ 593	$ 652	$ 720	$ 798	$ 888	$ 993
Deferred clause and franchise revenues													
Derivatives													
Pension													
Other													
Liabilities associated with assets held for sale				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total other liabilities and deferred credits	$ 90,502	$ 103,928	$ 123,425	$ 122,030	$ 123,407	$ 125,430	$ 128,102	$ 131,490	$ 135,678	$ 140,766	$ 146,876	$ 156,210	$ 167,132
Long-term debt	$ 61,405	$ 72,385	$ 89,556	$ 86,965	$ 86,775	$ 86,930	$ 87,450	$ 88,357	$ 89,680	$ 91,455	$ 93,728	$ 98,604	$ 104,335
Asset retirement obligations	$ 3,403	$ 3,671	$ 3,669	$ 4,744	$ 4,821	$ 4,921	$ 5,045	$ 5,197	$ 5,381	$ 5,599	$ 5,858	$ 6,163	$ 6,521
Deferred income taxes	$ 10,142	$ 11,749	$ 12,359	$ 12,650	$ 12,856	$ 13,122	$ 13,454	$ 13,860	$ 14,349	$ 14,932	$ 15,621	$ 16,434	$ 17,389
Other													
Regulatory liabilities	$ 10,049	$ 10,635	$ 11,474	$ 11,608	$ 12,568	$ 13,691	$ 14,958	$ 16,397	$ 18,036	$ 19,914	$ 22,074	$ 24,572	$ 27,471
Accrued asset removal costs													
Asset retirement obligation regulatory expense difference													
Other													
Pension													
Other excluding pension													
Derivatives	$ 2,741	$ 2,008	$ 2,148	$ 2,148	$ 2,148	$ 2,148	$ 2,148	$ 2,148	$ 2,148	$ 2,148	$ 2,148	$ 2,148	$ 2,148
Other	$ 2,762	$ 3,480	$ 4,219	$ 3,916	$ 4,240	$ 4,619	$ 5,046	$ 5,531	$ 6,085	$ 6,718	$ 7,447	$ 8,289	$ 9,267
Deferral related to differential membership interests - VIEs				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other excluding deferral related to differential membership interests - VIEs				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Redeemable noncontrolling interests	$ 1,256	$ 401	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total equity	$ 57,768	$ 60,460	$ 66,479	$ 67,326	$ 68,931	$ 70,758	$ 72,835	$ 75,192	$ 77,865	$ 80,909	$ 84,376	$ 88,329	$ 92,821
Total common shareholders' equity	$ 47,468	$ 50,101	$ 54,608	$ 67,326	$ 68,931	$ 70,758	$ 72,835	$ 75,192	$ 77,865	$ 80,909	$ 84,376	$ 88,329	$ 92,821
Common stock	$ 21	$ 21	$ 21										
Additional paid-in capital	$ 17,365	$ 17,260	$ 19,494										
Retained earnings	$ 30,235	$ 32,946	$ 35,102										
Accumulated other comprehensive income (loss)	$ (153)	$ (126)	$ (9)										
Noncontrolling interests	$ 10,300	$ 10,359	$ 11,871										

NextEra Energy

Common Size Balance Sheet

Fiscal Years Ending Dec. 31	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Total assets	**100**	**100**	**100**	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Total current assets	**8.65**	**6.29**	**6.39**	5.57%	5.84%	6.31%	6.82%	7.38%	7.65%	7.99%	8.41%	9.61%	10.84%
Cash and cash equivalents	1.52	0.78	1.32	0.90%	0.93%	1.15%	1.40%	1.69%	1.66%	1.70%	1.80%	2.72%	3.67%
Customer receivables, net of allowances	2.03	1.75	1.89	1.70%	1.80%	1.91%	2.02%	2.13%	2.26%	2.39%	2.52%	2.64%	2.76%
Other receivables	0.53	0.62	0.81	0.52%	0.55%	0.59%	0.62%	0.66%	0.69%	0.73%	0.78%	0.81%	0.85%
Materials, supplies and fossil fuel inventory	1.19	1.16	1.14	1.07%	1.14%	1.20%	1.27%	1.34%	1.42%	1.51%	1.59%	1.67%	1.74%
Regulatory assets	**0.82**	**0.75**	**0.2**	0.39%	0.42%	0.44%	0.47%	0.49%	0.52%	0.55%	0.58%	0.61%	0.64%
Pension	-	-	-										
Deferred clause and franchise expenses	-	-	-										
Other	**-**	**-**	**-**										
Derivatives	-	-	-										
Other excluding derivatives	**-**	**-**	**-**										
Securitized storm-recovery costs	-	-	-										
Other excluding securitized storm-recovery costs	-	-	-										
Derivatives	0.97	0.46	0.47	0.47%	0.46%	0.44%	0.43%	0.41%	0.40%	0.38%	0.36%	0.34%	0.32%
Assets held for sale	-	-	-										
Contract assets	0.84	0.13	-										
Other	**0.75**	**0.62**	**0.55**	0.52%	0.55%	0.59%	0.62%	0.66%	0.69%	0.73%	0.78%	0.81%	0.85%
Deferred income taxes	-	-	-										
Other excluding deferred income taxes and contract assets	-	-	-										
Total other assets	**91.35**	**93.71**	**93.61**	94.43%	94.16%	93.69%	93.18%	92.62%	92.35%	92.01%	91.59%	90.39%	89.16%
Total property, plant and equipment - net	**70.86**	**73.02**	**73.43**	73.91%	73.47%	72.89%	72.35%	71.84%	71.62%	71.42%	71.23%	70.51%	69.83%
Electric plant in service and other property	-	-	-										
Nuclear fuel	-	-	-										
Construction work in progress	-	-	-										
Accumulated depreciation and amortization	-	-	-										
Total other asset	**20.48**	**20.69**	**20.19**	20.52%	20.69%	20.80%	20.83%	20.78%	20.73%	20.59%	20.35%	19.88%	19.33%
Special use funds	4.9	5.15	5.15	5.22%	5.21%	5.17%	5.10%	5.02%	4.93%	4.81%	4.68%	4.49%	4.29%
Investment in equity method investees	3.47	3.22	2.6	2.64%	2.63%	2.61%	2.57%	2.53%	2.49%	2.43%	2.36%	2.27%	2.16%
Prepaid benefit costs	1.19	1.31	1.35	1.22%	1.24%	1.32%	1.39%	1.47%	1.56%	1.65%	1.74%	1.82%	1.91%
Regulatory assets	**2.7**	**2.54**	**2.65**	2.71%	2.74%	2.74%	2.73%	2.71%	2.69%	2.65%	2.61%	2.53%	2.43%
Purchased power agreement termination	-	-	-										
Pension	-	-	-										
Other	**-**	**-**	**-**										
Securitized storm-recovery costs	-	-	-										
Other excluding securitized storm-recovery costs	**-**	**-**	**-**										
Deferred clause expenses	-	-	-										
Other excluding deferred clause expenses	**-**	**-**	**-**										
Unamortized loss on reacquired debt	-	-	-										
Other excluding unamortized loss on reacquired debt	-	-	-										
Other	**8.22**	**8.47**	**8.44**	8.73%	8.88%	8.97%	9.03%	9.06%	9.07%	9.04%	8.96%	8.77%	8.54%
Derivatives	1.01	0.93	0.94	0.93%	0.91%	0.89%	0.86%	0.83%	0.80%	0.76%	0.73%	0.69%	0.64%
Other excluding derivatives	**7.21**	**7.53**	**7.5**	7.79%	7.96%	8.09%	8.17%	8.23%	8.27%	8.27%	8.23%	8.08%	7.89%
Goodwill	2.87	2.56	2.28	2.27%	2.22%	2.15%	2.09%	2.01%	1.94%	1.86%	1.77%	1.66%	1.56%
Other excluding goodwill	4.34	4.97	5.22	5.53%	5.75%	5.93%	6.09%	6.22%	6.34%	6.42%	6.46%	6.42%	6.34%
Other investments	-	-	-										
Total liabilities, redeemable noncontrolling interests and equity	**100**	**100**	**100**	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Total liabilities	**66.74**	**67.99**	**68.75**	68.53%	68.49%	68.56%	68.67%	68.82%	68.91%	69.04%	69.22%	69.68%	70.18%
Total current liabilities	**15.75**	**13.33**	**10.73**	11.49%	12.07%	12.81%	13.56%	14.30%	14.73%	15.17%	15.64%	16.06%	16.49%
Commercial paper	2.62	0.88	0.92	0.91%	0.89%	0.87%	0.84%	0.81%	0.78%	0.75%	0.71%	0.67%	0.63%
Other short-term debt	0.14	0.11	0.29	0.28%	0.28%	0.27%	0.26%	0.25%	0.24%	0.23%	0.22%	0.21%	0.20%
Current maturities of long-term debt	3.89	4.24	1.65	2.03%	2.38%	2.70%	3.01%	3.30%	3.22%	3.15%	3.08%	3.05%	3.02%
Accounts payable	4.79	3.67	3.56	3.97%	4.04%	4.27%	4.52%	4.78%	5.06%	5.35%	5.66%	5.93%	6.20%
Customer deposits	0.36	0.36	0.33	0.34%	0.36%	0.38%	0.40%	0.43%	0.45%	0.48%	0.50%	0.53%	0.55%
Accrued interest and taxes	0.55	0.53	0.56	0.62%	0.63%	0.67%	0.71%	0.75%	0.79%	0.84%	0.89%	0.93%	0.97%
Derivatives	0.48	0.56	0.52	0.52%	0.51%	0.49%	0.48%	0.46%	0.44%	0.43%	0.41%	0.38%	0.36%
Notes payable	-	-	-										
Margin cash deposits	-	-	-										
Other	**2.74**	**2.82**	**2.73**	2.61%	2.77%	2.93%	3.10%	3.28%	3.47%	3.67%	3.88%	4.06%	4.25%
Accrued construction-related expenditures	1.05	1.23	1.39	1.05%	1.11%	1.17%	1.24%	1.31%	1.39%	1.47%	1.55%	1.63%	1.70%
Other excluding accrued construction-related expenditures	1.69	1.59	1.34	1.57%	1.66%	1.76%	1.86%	1.97%	2.08%	2.20%	2.33%	2.44%	2.55%
Regulatory liabilities	**0.19**	**0.15**	**0.17**	0.20%	0.21%	0.22%	0.23%	0.25%	0.26%	0.28%	0.29%	0.30%	0.32%
Deferred clause and franchise revenues	-	-	-										
Derivatives	-	-	-										
Pension	-	-	-										
Other	-	-	-										
Liabilities associated with assets held for sale	-	-	-										
Total other liabilities and deferred credits	**50.99**	**54.66**	**58.02**	57.04%	56.42%	55.74%	55.11%	54.53%	54.18%	53.87%	53.58%	53.62%	53.69%
Long-term debt	34.6	38.07	42.1	40.65%	39.67%	38.63%	37.62%	36.64%	35.81%	35.00%	34.19%	33.85%	33.52%
Asset retirement obligations	1.92	1.93	1.72	2.22%	2.20%	2.19%	2.17%	2.16%	2.15%	2.14%	2.14%	2.12%	2.09%
Deferred income taxes	5.71	6.18	5.81	5.91%	5.88%	5.83%	5.79%	5.75%	5.73%	5.71%	5.70%	5.64%	5.59%
Other	-	-	-										
Regulatory liabilities	**5.66**	**5.59**	**5.39**	5.43%	5.75%	6.08%	6.44%	6.80%	7.20%	7.62%	8.05%	8.43%	8.82%
Accrued asset removal costs	-	-	-										
Asset retirement obligation regulatory expense difference	-	-	-										
Other	**-**	**-**	**-**										
Pension	-	-	-										
Other excluding pension	-	-	-										
Derivatives	1.54	1.06	1.01	1.00%	0.98%	0.95%	0.92%	0.89%	0.86%	0.82%	0.78%	0.74%	0.69%
Other	**1.56**	**1.83**	**1.98**	1.83%	1.94%	2.05%	2.17%	2.29%	2.43%	2.57%	2.72%	2.85%	2.98%
Deferral related to differential membership interests - VIEs	-	-	-										
Other excluding deferral related to differential membership interests - VIEs	-	-	-										
Redeemable noncontrolling interests	0.71	0.21	0										
Total equity	**32.55**	**31.8**	**31.25**	31.47%	31.51%	31.44%	31.33%	31.18%	31.09%	30.96%	30.78%	30.32%	29.82%
Total common shareholders' equity	**26.74**	**26.35**	**25.67**	31.47%	31.51%	31.44%	31.33%	31.18%	31.09%	30.96%	30.78%	30.32%	29.82%
Common stock	0.01	0.01	0.01										
Additional paid-in capital	9.78	9.08	9.16										
Retained earnings	17.03	17.33	16.5										
Accumulated other comprehensive income (loss)	-0.09	-0.07	0										
Noncontrolling interests	5.8	5.45	5.58										

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Forecasted Cash Flow Statement

Fiscal Years Ending Dec. 31	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2032E**	**2033E**	**2034E**	**2035E**
Net cash flow provided by operating activities										
Noncontrolling net income/loss	$ 3,389.78	$ 6,416.92	$ 7,309.93	$ 8,306.84	$ 9,427.23	$ 10,694.70	$ 12,174.90	$ 13,866.59	$ 15,812.14	$ 17,970.15
Depreciation and amortization	$ 7,028.87	$ 7,115.35	$ 7,231.25	$ 7,380.89	$ 7,567.79	$ 7,796.18	$ 8,071.19	$ 8,398.97	$ 8,786.97	$ 9,244.16
Changes in customer receivables	$ 381.79	$ (300.75)	$ (351.65)	$ (397.13)	$ (450.57)	$ (513.59)	$ (588.18)	$ (676.76)	$ (782.29)	$ (908.38)
Change in other recievables	$ 614.17	$ (92.54)	$ (108.20)	$ (122.19)	$ (138.64)	$ (158.03)	$ (180.98)	$ (208.23)	$ (240.71)	$ (279.50)
Change in regulatory assets (current)	$ (406.13)	$ (69.40)	$ (81.15)	$ (91.65)	$ (103.98)	$ (118.52)	$ (135.73)	$ (156.18)	$ (180.53)	$ (209.63)
Change in materials and supplies	$ 126.39	$ (189.71)	$ (221.81)	$ (250.50)	$ (284.20)	$ (323.96)	$ (371.01)	$ (426.88)	$ (493.45)	$ (572.98)
Change in other current assets	$ 52.17	$ (92.54)	$ (108.20)	$ (122.19)	$ (138.64)	$ (158.03)	$ (180.98)	$ (208.23)	$ (240.71)	$ (279.50)
Change in prepaid benefits	$ 256.93	$ (105.58)	$ (242.65)	$ (274.03)	$ (310.91)	$ (354.39)	$ (405.87)	$ (466.99)	$ (539.81)	$ (626.82)
Change in regulatory assets (long term)	$ (169.17)	$ (174.25)	$ (179.47)	$ (184.86)	$ (190.40)	$ (196.11)	$ (202.00)	$ (208.06)	$ (214.30)	$ (220.73)
Change in other long term assets	$ (718.04)	$ (746.76)	$ (776.63)	$ (807.70)	$ (840.01)	$ (873.61)	$ (908.55)	$ (944.89)	$ (982.69)	$ (1,021.99)
Change in accounts payable	$ 902.97	$ 343.15	$ 788.62	$ 890.61	$ 1,010.45	$ 1,151.78	$ 1,319.06	$ 1,517.72	$ 1,754.38	$ 2,037.15
Change in customer deposits	$ 18.24	$ 60.15	$ 70.33	$ 79.43	$ 90.11	$ 102.72	$ 117.64	$ 135.35	$ 156.46	$ 181.68
Change in accrued interest and taxes	$ 144.47	$ 53.76	$ 123.55	$ 139.53	$ 158.30	$ 180.45	$ 206.65	$ 237.78	$ 274.85	$ 319.15
Change in other current liabilities	$ 514.50	$ 277.62	$ 324.60	$ 366.58	$ 415.91	$ 474.08	$ 542.94	$ 624.70	$ 722.12	$ 838.50
Change in accrued construction liabilities	$ (728.33)	$ 185.08	$ 216.40	$ 244.39	$ 277.27	$ 316.05	$ 361.96	$ 416.47	$ 481.41	$ 559.00
Change in regulatory liabilities (Current)	$ 63.56	$ 34.70	$ 40.58	$ 45.82	$ 51.99	$ 59.26	$ 67.87	$ 78.09	$ 90.26	$ 104.81
Change in asset retirement obligations	$ 1,074.56	$ 77.27	$ 99.76	$ 124.60	$ 152.26	$ 183.34	$ 218.52	$ 258.67	$ 304.79	$ 358.16
Change in deferred income taxes	$ 290.50	$ 206.05	$ 266.03	$ 332.26	$ 406.04	$ 488.90	$ 582.73	$ 689.77	$ 812.79	$ 955.09
Change in regulatory liabilities (long term)	$ 133.91	$ 960.10	$ 1,122.58	$ 1,267.76	$ 1,438.35	$ 1,639.53	$ 1,877.65	$ 2,160.44	$ 2,497.32	$ 2,899.83
Change in other long term liabilities	$ (303.08)	$ 323.89	$ 378.70	$ 427.68	$ 485.23	$ 553.09	$ 633.42	$ 728.82	$ 842.47	$ 978.25
Cash flow from Operating activities	$ 12,668.06	$ 14,282.50	$ 15,902.57	$ 17,356.14	$ 19,023.59	$ 20,943.86	$ 23,201.24	$ 25,817.15	$ 28,861.49	$ 32,326.42
Net cash flows provided by investing activities:										
Change in Derivative assets (Current)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capex	$ (8,950.68)	$ (9,690.99)	$ (10,556.60)	$ (11,534.15)	$ (12,643.24)	$ (13,907.45)	$ (15,355.28)	##########	##########	$(21,182.81)
Change in special use funds	$ (219.08)	$ (223.46)	$ (227.93)	$ (232.49)	$ (237.14)	$ (241.88)	$ (246.72)	$ (251.65)	$ (256.69)	$ (261.82)
Change in Investment in equity method invest	$ (110.56)	$ (112.77)	$ (115.03)	$ (117.33)	$ (119.67)	$ (122.07)	$ (124.51)	$ (127.00)	$ (129.54)	$ (132.13)
Change in goodwill	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Change in derivative assets (Long term)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Change in derivative liabilities (Current)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Change in derivative liabilities (Long term)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cash flow from investing activities	$ (9,280.32)	$ (10,027.23)	$ (10,899.56)	$ (11,883.97)	$ (13,000.05)	$ (14,271.40)	$ (15,726.51)	##########	##########	$(21,576.76)
Net cash flows provided by financing activities:										
Change in commercial paper	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Change in other short term debt	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Change in current maturities of long term debt	$ 848.27	$ 858.23	$ 878.63	$ 910.86	$ 956.11	$ 119.08	$ 159.80	$ 204.50	$ 438.90	$ 515.75
Change in long term debt	$ (2,590.65)	$ (190.34)	$ 155.49	$ 519.50	$ 906.75	$ 1,323.15	$ 1,775.61	$ 2,272.21	$ 4,876.72	$ 5,730.55
Share repurchases	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Dividends	$ (2,542.33)	$ (4,812.69)	$ (5,482.45)	$ (6,230.13)	$ (7,070.42)	$ (8,021.03)	$ (9,131.18)	##########	##########	$(13,477.61)
Cash flow from financing activities	$ (4,284.72)	$ (4,144.79)	$ (4,448.33)	$ (4,799.77)	$ (5,207.57)	$ (6,578.79)	$ (7,195.77)	$ (7,923.24)	$ (6,543.48)	$ (7,231.31)
Beginning cash	$ 2,812.00	$ 1,915.03	$ 2,025.50	$ 2,580.19	$ 3,252.59	$ 4,068.57	$ 4,162.23	$ 4,441.20	$ 4,935.30	$ 7,920.28
Change in cash	$ (896.97)	$ 110.48	$ 554.69	$ 672.41	$ 815.97	$ 93.66	$ 278.97	$ 494.10	$ 2,984.98	$ 3,518.35
Ending cash	$ 1,915.03	$ 2,025.50	$ 2,580.19	$ 3,252.59	$ 4,068.57	$ 4,162.23	$ 4,441.20	$ 4,935.30	$ 7,920.28	$ 11,438.63

NextEra Energy
Value Driver Estimation

Fiscal Years Ending Dec. 31	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035CV
NOPLAT:													
Operating Revenues	$ 28,114	$ 24,753	$ 27,412	$ 27,971	$ 30,284	$ 32,989	$ 36,044	$ 39,510	$ 43,461	$ 47,985	$ 53,191	$ 59,209	$ 66,196
Operating Expenses													
Fuel, purchase power and interchange	$ (5,457)	$ (5,029)	$ (4,944)	$ (6,375)	$ (6,902)	$ (7,519)	$ (8,215)	$ (9,005)	$ (9,905)	$ (10,936)	$ (12,123)	$ (13,494)	$ (15,087)
Other operations and maintenance	$ (4,681)	$ (4,857)	$ (5,399)	$ (5,682)	$ (6,152)	$ (6,702)	$ (7,322)	$ (8,026)	$ (8,829)	$ (9,748)	$ (10,806)	$ (12,028)	$ (13,448)
Depreciation and amortization	$ (5,879)	$ (5,462)	$ (6,580)	$ (7,029)	$ (7,115)	$ (7,231)	$ (7,381)	$ (7,568)	$ (7,796)	$ (8,071)	$ (8,399)	$ (8,787)	$ (9,244)
Taxes other than income taxes	$ (2,265)	$ (2,278)	$ (2,469)	$ (2,673)	$ (2,894)	$ (3,153)	$ (3,445)	$ (3,776)	$ (4,153)	$ (4,586)	$ (5,083)	$ (5,658)	$ (6,326)
Less: Total Operating Expenses	$ (18,282)	$ (17,626)	$ (19,392)	$ (21,759)	$ (23,064)	$ (24,604)	$ (26,363)	$ (28,375)	$ (30,684)	$ (33,341)	$ (36,411)	$ (39,968)	$ (44,104)
Operating Ebit	$ 9,832	$ 7,127	$ 8,020	$ 6,212	$ 7,221	$ 8,385	$ 9,682	$ 11,135	$ 12,777	$ 14,644	$ 16,781	$ 19,241	$ 22,092
Estimated Operating tax rate	8.03%	8.03%	8.03%	8.03%	8.03%	8.03%	8.03%	8.03%	8.03%	8.03%	8.03%	8.03%	8.03%
Estimated Operating taxes	$ 789	$ 572	$ 644	$ 499	$ 579	$ 673	$ 777	$ 894	$ 1,025	$ 1,175	$ 1,347	$ 1,544	$ 1,773
Change in DTLs Net	$ 1,070	$ 1,607	$ 610	$ 291	$ 206	$ 266	$ 332	$ 406	$ 489	$ 583	$ 690	$ 813	$ 955
Less: Estimated operating cash taxes	$ (281)	$ (1,035)	$ 34	$ 208	$ 373	$ 407	$ 445	$ 488	$ 536	$ 592	$ 657	$ 731	$ 818
NOPLAT:	$ 10,113	$ 8,162	$ 7,986	$ 6,004	$ 6,847	$ 7,978	$ 9,237	$ 10,648	$ 12,241	$ 14,052	$ 16,124	$ 18,510	$ 21,274
Invested Capital (IC):													
Plus: Operating Current Assets (CA):													
Cash and cash equivalents or normal cash (2% of sales)	$ 562	$ 495	$ 548	$ 559	$ 606	$ 660	$ 721	$ 790	$ 869	$ 960	$ 1,064	$ 1,184	$ 1,324
Customer receivables, net of allowance	$ 3,609	$ 3,336	$ 4,018	$ 3,636	$ 3,937	$ 4,289	$ 4,686	$ 5,136	$ 5,650	$ 6,238	$ 6,915	$ 7,697	$ 8,606
Other receivables	$ 944	$ 1,180	$ 1,733	$ 1,119	$ 1,211	$ 1,320	$ 1,442	$ 1,580	$ 1,738	$ 1,919	$ 2,128	$ 2,368	$ 2,648
Materials, supplies, and fossil fuel inventory	$ 2,106	$ 2,214	$ 2,420	$ 2,294	$ 2,483	$ 2,705	$ 2,956	$ 3,240	$ 3,564	$ 3,935	$ 4,362	$ 4,855	$ 5,428
Regulatory assets	$ 1,460	$ 1,417	$ 433	$ 839	$ 909	$ 990	$ 1,081	$ 1,185	$ 1,304	$ 1,440	$ 1,596	$ 1,776	$ 1,986
Total Operating Current Assets	$ 8,681	$ 8,642	$ 9,152	$ 8,447	$ 9,146	$ 9,963	$ 10,885	$ 11,932	$ 13,125	$ 14,492	$ 16,064	$ 17,881	$ 19,991
Less: Non-interest bearing current liabilities:													
Accounts payable	$ 8,504	$ 6,982	$ 7,583	$ 8,486	$ 8,829	$ 9,618	$ 10,508	$ 11,519	$ 12,671	$ 13,990	$ 15,507	$ 17,262	$ 19,299
Accrued construction-related expenditures	$ 1,861	$ 2,346	$ 2,966	$ 2,238	$ 2,423	$ 2,639	$ 2,884	$ 3,161	$ 3,477	$ 3,839	$ 4,255	$ 4,737	$ 5,296
Customer deposits	$ 638	$ 694	$ 709	$ 727	$ 787	$ 858	$ 937	$ 1,027	$ 1,130	$ 1,248	$ 1,383	$ 1,539	$ 1,721
Accrued Taxes	$ 173	$ 181	$ 211	$ 237	$ 246	$ 268	$ 293	$ 321	$ 353	$ 390	$ 432	$ 481	$ 538
Regulatory liabilities	$ 340	$ 279	$ 356	$ 420	$ 454	$ 495	$ 541	$ 593	$ 652	$ 720	$ 798	$ 888	$ 993
Total Operating Working Capital	$ 5,847	$ 6,802	$ 6,480	$ 4,787	$ 5,552	$ 6,048	$ 6,608	$ 7,243	$ 7,968	$ 8,797	$9,751	$10,855	$ 12,136
Total property, plant and equipment - net	$125,776	$138,852	$156,197	$ 158,119	$ 160,694	$ 164,020	$ 168,173	$ 173,249	$ 179,360	$ 186,644	$195,266	$ 205,426	$ 217,365
Regulatory assets	$ 4,801	$ 4,828	$ 5,639	$ 5,808	$ 5,982	$ 6,162	$ 6,347	$ 6,537	$ 6,733	$ 6,935	$ 7,143	$ 7,358	$ 7,578
Regulatory liabilities	$ 10,049	$ 10,635	$ 11,474	$ 11,608	$ 12,568	$ 13,691	$ 14,958	$ 16,397	$ 18,036	$ 19,914	$ 22,074	$ 24,572	$ 27,471
Total Fixed Capital	$120,528	$133,045	$150,362	$ 152,319	$ 154,109	$ 156,491	$ 159,561	$ 163,389	$ 168,057	$ 173,665	$180,335	$ 188,212	$ 197,471
Goodwill	$ 5,091	$ 4,866	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849
Total Intangible Capital	$ 5,091	$ 4,866	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849	$ 4,849
Total invested Capital	$131,466	$144,713	$161,691	$ 161,955	$ 164,510	$ 167,388	$ 171,018	$ 175,481	$ 180,873	$ 187,311	$194,936	$ 203,916	$ 214,456
Free Cash Flow (FCF):													
NOPLAT	$ 10,113	$ 8,162	$ 7,986	$ 6,004	$ 6,847	$ 7,978	$ 9,237	$ 10,648	$ 12,241	$ 14,052	$ 16,124	$ 18,510	$ 21,274
Change in IC	$ 11,075	$ 13,247	$ 16,977	$ 265	$ 2,554	$ 2,878	$ 3,630	$ 4,463	$ 5,392	$ 6,438	$ 7,624	$ 8,980	$ 10,541
FCF	$ (962)	$ (5,085)	$ (8,991)	$ 5,739	$ 4,293	$ 5,100	$ 5,607	$ 6,185	$ 6,849	$ 7,614	$ 8,500	$ 9,530	$ 10,733
Return on Invested Capital (ROIC):													
NOPLAT	$ 10,113	$ 8,162	$ 7,986	$ 6,004	$ 6,847	$ 7,978	$ 9,237	$ 10,648	$ 12,241	$ 14,052	$ 16,124	$ 18,510	$ 21,274
Beginning IC	$120,391	$131,466	$144,713	$ 161,691	$ 161,955	$ 164,510	$ 167,388	$ 171,018	$ 175,481	$ 180,873	$187,311	$ 194,936	$ 203,916
ROIC	8.40%	6.21%	5.52%	3.71%	4.23%	4.85%	5.52%	6.23%	6.98%	7.77%	8.61%	9.50%	10.43%
Economic Profit (EP):													
Beginning IC	$ 120,391	$ 131,466	$ 144,713	$ 161,691	$ 161,955	$ 164,510	$ 167,388	$ 171,018	$ 175,481	$ 180,873	$ 187,311	$ 194,936	$ 203,916
x (ROIC - WACC)	2.06%	-0.13%	-0.82%	-2.63%	-2.11%	-1.49%	-0.82%	-0.12%	0.63%	1.43%	2.27%	3.15%	4.09%
EP	$ 2,477	$ (177)	$ (1,193)	$ (4,252)	$ (3,425)	$ (2,456)	$ (1,380)	$ (200)	$ 1,110	$ 2,579	$ 4,243	$ 6,145	$ 8,340

NextEra Energy
Weighted Average Cost of Capital (WACC) Estimation

Cost of Equity:		*ASSUMPTIONS:*	
Risk-Free Rate	4.33%	10-Year Treasury yield as of 4/10/25	
Beta	0.73	Bloomberg/FactSet 5-year weekly beta	
Equity Risk Premium	4.00%	Kroll recommended ERP, - 1% for established utility	
Cost of Equity	**7.25%**		
Cost of Debt:			
Risk-Free Rate	4.33%	10-Year Treasury yield as of 4/10/25	
Implied Default Premium	1.17%		
Pre-Tax Cost of Debt	5.50%	YTM on NEE 10-year corporate bond	
Marginal Tax Rate	18%		
After-Tax Cost of Debt	**4.53%**		

		MV Weights
Market Value of Common Equity:		
Total Shares Outstanding	2083	
Current Stock Price	$91.98	
MV of Equity	**191,594.34**	66.71%
Market Value of Debt:		
Short-Term Debt	2563	
Current Portion of LTD	3500	
Long-Term Debt	89556	
PV of Operating Leases		
MV of Total Debt	**95,619.00**	33.29%
Market Value of the Firm	**287,213.34**	100.00%

Estimated WACC	6.34%

NextEra Energy

Discounted Cash Flow (DCF) and Economic Profit (EP) Valuation Models

Key Inputs:

CV Growth of NOPLAT	2.50%
CV Year ROIC	10.43%
WACC	6.34%
Cost of Equity	7.25%

Fiscal Years Ending Dec. 31	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035CV
DCF Model:										
Free Cash Flow (FCF)	$ 5,739.13	$ 4,292.75	$ 5,100.21	$ 5,606.61	$ 6,185.00	$ 6,848.66	$ 7,613.68	$ 8,499.55	$ 9,529.89	$ 10,733.46
Continuing Value (CV)										$ 420,943.19
PV of FCF	$5,396.82	$ 3,795.94	$ 4,240.95	$ 4,383.97	$ 4,547.77	$ 4,735.40	$ 4,950.37	$ 5,196.73	$ 5,479.16	$ 242,019.06

Value of Operating Assets:	$ 284,746.16
Non-Operating Adjustments	
Excess Cash	$ 2,812.00
Other Non-operating assets	$ 34,620.00
Total Debt	$ (95,619.00)
Other Non-Operating Liabilities	$ (16,957.00)
ESOP	$ (6,350.74)
Value of Equity	$ 203,251.42
Shares Outstanding	$ 2,083.00
Intrinsic Value of Last FYE	$ 97.58
Implied Price as of Today	$ 98.87

NextEra Energy

Relative Valuation Models

Ticker	Company	Price	EPS 2025	EPS 2026E	P/E 25	P/E 26	Est. 5yr EPS gr.	PEG 25	Tangible P/B	P/S
CEG	Constellation Energy	$291.72	$9.39	$13.64	31.07	21.39	22.6	1.37	18.23	3.93
AES	AES Corporation	$14.40	$2.34	$2.38	6.15	6.05	2.3	2.71	0.90	0.84
XEL	Xcel Energy	$81.46	$3.80	$4.54	21.44	17.94	9.4	2.29	5.09	3.42
SO	Southern Company	$97.17	$4.30	$4.92	22.60	19.75	7.6	2.96	6.07	3.63
DUK	Duke Energy	$131.60	$6.31	$7.16	20.86	18.38	6.6	3.18	8.23	3.15
VST	Vistra Corp	$155.89	$2.18	$11.17	71.51	13.96	82.9	0.86	9.74	3.16
NRG	NRG Energy Inc	$160.30	$8.24	$11.22	19.45	14.29	18.1	1.08	10.02	1.19
ETR	Entergy Corp	$114.61	$3.91	$4.93	29.31	23.25	12.2	2.41	7.16	4.06
				Average	27.80	16.88		2.11	8.18	2.92
NEE	NextEra Energy	$91.98	$3.00	2.079643943	30.7	44.2	10.0	3.1	4.60	7.25

Implied Relative Value:

P/E (EPS25)	**$ 83.39**
P/E (EPS26)	**$ 35.09**
PEG (EPS25)	**$ 63.24**
PEG (EPS26)	**$ 35.84**
P/B	**$ 196.34**
P/Tangible BV	**$ 163.62**

NextEra Energy

Valuation of Options Granted under ESOP

Current Stock Price	$91.98
Risk Free Rate	4.33%
Current Dividend Yield	2.75%
Annualized St. Dev. of Stock Returns	40.00%

Range of Outstanding Options	Number of Shares	Average Exercise Price	Average Remaining Life (yrs)	B-S Option Price	Value of Options Granted
Range 1	154	60.08	5.00	$ 41.22	$ 6,351
Total	154	$ 60.08	5.00	$ 51.20	**$ 6,351**

Key Management Ratios

Fiscal Years Ending Dec. 31	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Liquidity Ratios:													
Current Ratio:													
Measures a company's ability to pay all its short-term liabilities with its current assets	54.93%	47.13%	59.53%	48.49%	48.40%	49.24%	50.31%	51.60%	51.94%	52.68%	53.79%	59.81%	65.74%
Quick Ratio:													
Measures company's abilitiy to pay short-term debts with liquid assets, excluding inventory.	47.40%	38.40%	48.93%	39.16%	38.99%	39.86%	40.94%	42.20%	42.28%	42.76%	43.62%	49.43%	55.17%
Operating Cash Flow Ratio:													
Measures how well current liabilities are covered by cash generated from operations.	40.41%	52.30%	54.72%	51.54%	54.11%	55.15%	55.08%	55.18%	56.79%	58.51%	60.23%	61.69%	62.96%
Asset-Management Ratios:													
Accounts Receivable Turnover:	7.79	7.42	6.82	7.69	7.69	7.69	7.69	7.69	7.69	7.69	7.69	7.69	7.69
Measures the number of times a company collects its average accounts receivable balance in a year													
Total Asset Turnover:	17.69%	13.95%	14.42%	13.15%	14.16%	15.08%	16.02%	17.00%	18.02%	19.16%	20.35%	21.60%	22.72%
Measures a company's ability to generate sales from its total assets (Beginning)													
Accounts Payable Turnover	1.19	1.42	1.36	1.42	1.48	1.48	1.48	1.48	1.48	1.48	1.48	1.48	1.48
Measures how quickly a company pays its suppliers													
Financial Leverage Ratios:													
Debt Ratio:	41.25%	43.30%	44.95%	43.88%	43.22%	42.47%	41.73%	41.00%	40.06%	39.13%	38.20%	37.77%	37.36%
Measures total assets financed by debt													
Debt to Equity Ratio:	126.73%	136.18%	143.83%	139.43%	137.16%	135.08%	133.19%	131.49%	128.83%	126.38%	124.12%	124.58%	125.28%
Measures relative proportion of debt and equity used to finance assets.													
Interest Coverage Ratio:													
Measures how easily a company can pay interest on its outstanding debt from operating earnings.	3.08	3.35	1.81	1.71	2.12	2.30	2.48	2.68	2.90	3.15	3.43	3.72	3.96
Profitability Ratios:													
Return on Equity:													
Measures returns generated for every dollar of beginning SOE	15.13%	12.02%	11.30%	6.48%	11.01%	12.17%	13.41%	14.72%	16.12%	17.66%	19.29%	21.04%	22.80%
Return on Assets:													
Measures how efficiently assets generate profit	4.60%	3.91%	3.59%	2.02%	3.46%	3.84%	4.22%	4.61%	5.03%	5.49%	5.97%	6.48%	6.91%
Gross Profit Margin	36.41%	30.21%	30.21%	24.26%	27.30%	27.30%	27.30%	27.30%	27.30%	27.30%	27.30%	27.30%	27.30%
Measures profitability from core operations before interest and taxes													
Payout Policy Ratios:													
Dividend Payout Ratio:	60.20%	74.32%	87.77%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%
Measures % of NI paid out as dividends													
Share Buyback Yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Measures return to shareholders through share repurchases													
Total Payout Ratio ((Divs. + Repurchases)/NI)													
Measures total % of NI returned to shareholders through dividends and share buybacks	60.20%	74.32%	87.77%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%

NextEra Energy

Sensitivity Tables

CV Growth of NOPLAT

Depreciation & amortization as % of prior year's Net PPE

98.87	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%
1.5%	115.61	122.21	130.34	140.59	153.90	171.89	197.56
2.5%	100.94	106.56	113.47	122.19	133.50	148.81	170.64
3.5%	89.39	94.29	100.32	107.91	117.78	131.11	150.14
4.5%	81.83	86.33	91.88	98.87	107.95	120.22	137.73
5.5%	75.37	79.57	84.74	91.25	99.71	111.15	127.47
6.5%	69.87	73.84	78.72	84.88	92.87	103.68	119.09
7.5%	65.23	69.03	73.70	79.59	87.25	97.59	112.36

WACC

Other operations and maintenance as % of revenue

$ 98.87	4.8%	5.3%	5.8%	6.3%	6.8%	7.3%	7.8%
12.8%	273.70	213.70	171.82	140.99	117.38	98.74	83.69
15.3%	249.86	194.28	155.50	126.95	105.09	87.84	73.91
17.8%	226.02	174.87	139.18	112.91	92.80	76.94	64.13
20.3%	202.17	155.45	122.85	98.87	80.51	66.04	54.36
22.8%	178.33	136.03	106.53	84.83	68.23	55.14	44.58
25.3%	154.49	116.61	90.21	70.79	55.94	44.24	34.80
27.8%	130.64	97.19	73.88	56.75	43.65	33.34	25.02

Fuel, purchased power, and interchange as % of revenue

Operating Cash Tax Ra

98.87	19.8%	20.8%	21.8%	22.8%	23.8%	24.8%	25.8%
5.03%	122.17	116.37	110.57	104.78	98.98	93.18	87.38
6.03%	120.02	114.28	108.54	102.80	97.07	91.33	85.59
7.03%	117.86	112.19	106.51	100.83	95.16	89.48	83.80
8.03%	115.71	110.09	104.48	98.86	93.25	87.63	82.02
9.03%	113.56	108.00	102.45	96.89	91.34	85.78	80.23
10.03%	111.40	105.91	100.41	94.92	89.43	83.93	78.44
11.03%	109.25	103.82	98.38	92.95	87.52	82.09	76.65

Beta

Risk Premium

98.87	0.40	0.50	0.60	0.73	0.80	0.90	1.00
2.50%	178.42	163.79	150.85	136.12	129.02	119.73	111.33
3.00%	166.57	150.85	137.18	121.88	114.59	105.15	96.70
3.50%	155.84	139.34	125.19	109.58	102.24	92.80	84.41
4.00%	146.09	129.02	114.59	98.87	91.54	82.19	73.96
4.50%	137.18	119.73	105.15	89.45	82.19	73.00	64.95
5.00%	129.02	111.33	96.70	81.10	73.96	64.95	57.12
5.50%	121.52	103.68	89.08	73.67	66.65	57.85	50.25

Pre-tax Cost of Debt

Marginal Tax Rate

98.87	3.00%	4.00%	5.00%	5.50%	6.00%	7.00%	8.00%
10.00%	129.00	112.82	99.22	93.20	87.62	77.63	68.94
12.50%	130.49	114.48	100.97	94.99	89.43	79.46	70.77
15.00%	132.00	116.17	102.77	96.82	91.29	81.35	72.66
17.73%	133.68	118.06	104.78	98.87	93.37	83.46	74.78
20.00%	135.10	119.66	106.50	100.62	95.15	85.28	76.61
22.50%	136.68	121.45	108.42	102.59	97.16	87.32	78.67
25.00%	138.29	123.28	110.39	104.61	99.22	89.43	80.80

Risk-Free Rate

Equity Risk Premium

98.87	2.83%	3.33%	3.83%	4.33%	4.83%	5.33%	5.83%
2.50%	229.74	189.97	159.79	136.12	117.08	101.42	88.34
3.00%	199.63	167.23	142.03	121.88	105.40	91.69	80.10
3.50%	175.19	148.30	126.95	109.58	95.20	83.08	72.75
4.00%	154.97	132.30	113.98	98.87	86.20	75.42	66.16
4.50%	137.97	118.61	102.72	89.45	78.21	68.57	60.21
5.00%	123.4863	106.7546	92.84523	81.10461	71.06628	62.38837	54.8146
5.50%	110.9975	96.40025	84.12635	73.66632	64.64925	56.79867	49.90435