

Visibility Improved, Guidance Did Not, and Dominion Stayed Contested

1 KEY RESULTS VS. CONSENSUS			
Metric	Reported	Year Ago	vs. Year Ago
Revenue (vs. consensus)	\$8.090B	\$8.87B	-8.8%
Net income (adjusted)	\$2.592B	\$2.348B	+10.4%
Diluted EPS (adjusted)	\$1.24	\$1.13	+9.7%
SEGMENT EARNINGS			
FPL net income	\$1.620B	\$1.463B	+10.7%
Energy Resources EPS contribution	\$0.59	\$0.53	+11.3%
Operating cash flow (9M)	\$12.322B	\$9.986B	+23.4%
Backlog (vs. Q2)	36.7 GW	35.1 GW	+4.6%

2 | GUIDANCE AND OUTLOOK

Management reaffirmed 2026 adjusted EPS guidance of \$3.92-\$4.02, still targeting the high end, with weak Q4 wind of 90% to 95% of the long-term average already contemplated. The long-term framework was unchanged: 8%+ adjusted EPS CAGR through 2032 and extending through 2035, and 9%+ including Dominion. Dividend growth guidance held at approximately 10% through 2026, then 6% through 2028. FPL full-year capital investment moved to approximately \$12B from a \$12B to \$13B range. The \$12B to \$17B equity funding range through 2032 was retained.

3 | EARNINGS ANALYSIS

EARNINGS BEAT, REVENUE MISSED. Adjusted EPS rose 9.7% to \$1.24, ahead of the approximately \$1.18 to \$1.19 consensus range, while revenue of \$8.090 billion rose 1.6% but missed the \$8.87 billion consensus. FPL and Energy Resources each contributed \$0.06 of the \$0.11 consolidated increase, partly offset by a \$0.01 corporate drag, so the growth was broad across the two principal businesses rather than concentrated in one segment.

WEATHER FLATTERED THE COMPARISON. Energy Resources' existing portfolio contributed \$0.05 of its \$0.06 EPS growth as wind resource recovered to 101% of the long-term average from 90% a year earlier, and new investments added \$0.09, offset by \$0.04 from customer supply and \$0.04 from financing and capital-recycling comparisons. GAAP EPS of \$2.28 is not the recurring run rate: it includes \$2.246 billion of after-tax gains on non-qualifying hedges that adjusted earnings exclude.

FUNDING NEEDS KEEP GROWING. Nine-month operating cash flow rose 23.4% to \$12.322 billion, but FPL capital spending and Energy Resources investments totaled \$27.204 billion, up approximately 43.1%, leaving operating cash flow less net investing outflows at negative \$14.664 billion before \$3.907 billion of dividends. Net financing inflows of \$17.522 billion funded most of the gap, reported debt rose to \$113.9 billion, and the \$12 billion to \$17 billion equity funding range through 2032 was retained.

VISIBILITY IS NOT YET VALUE. Federal hubs moved from negotiation to definitive agreements covering approximately 16.5 GW with \$5.7 billion of initial funding, at roughly 50% of the adjusted EPS of owning equivalent facilities and no NextEra capital, yet the hubs stay out of backlog until PPAs are executed. Guidance was not raised, and Virginia's proposed Dominion conditions, including dividend restrictions and a 6-year residential base-rate freeze, could constrain the 9%+ combined growth framework. The standalone 8%+ case strengthened; how much of the growth shareholders capture remains unresolved.

4 | KEY READ-THROUGHS

MERGER APPROVAL AND MERGER VALUE ARE BECOMING DISTINCT RISKS
Dominion Energy (D) | Negative | High event-driven significance
SCC staff testimony on October 19 recommended denying the Dominion merger as filed, while identifying conditions under which staff would not oppose it; the governor requested a 6-year base-rate freeze and larger rebates. Dividend restrictions, bill credits and a lower equity capitalization can dilute the benefits behind the 9%+ growth framework.

A DIRECTLY IDENTIFIED PIPELINE PARTNERSHIP PROVIDES CLEANER EXPOSURE
Chesapeake Utilities (CPK) | Positive | High strategic relevance
NextEra disclosed a joint venture with Chesapeake to develop a \$1.2 billion, 97-mile intrastate gas pipeline in South Florida. Chesapeake's subsidiary retains 51% ownership and will construct, manage and operate the project, while NextEra takes 49% and shares the funding responsibility. Construction is expected to begin in the first half of 2028, with service in 2030.

CAPITAL-LIGHT DEVELOPMENT CAN STILL BE CAPITAL-INTENSIVE FOR THE EQUIPMENT SUPPLY CHAIN
GE Vernova (GEV), Siemens Energy (ENR) | Positive | High relevance to the gas equipment businesses
The federal hubs combine approximately 16.5 GW, definitive agreements and \$5.7 billion of initial funding. Project funding can support turbine deposits, generators and electrical systems without equivalent investment on NextEra's balance sheet, so demand converts into equipment procurement even though NextEra puts no capital in. GE Vernova has an existing development framework with NextEra; no hub vendor was identified.

STORAGE IS BECOMING AN INITIAL LOAD-SERVING SOLUTION, NOT JUST A RENEWABLES ADD-ON
Fluence Energy (FLNC), Tesla (TSLA) | Positive | High business relevance
NextEra originated 2.4 GW of battery storage, approximately 65% of total renewables and storage additions. FPL said its initial large-load additions primarily require battery storage because existing gas and nuclear can supply the supporting energy, so procurement need not wait for new plants. Management identified a potential 6 to 11 GW of hub storage.