(1) FOURTH QUARTER & FULL-YEAR 2024 EARNINGS CONFERENCE CALL

Mark Eidelman:

Thank you, Jamie.

Good morning, everyone, and thank you for joining our fourth-quarter and full-year 2024 financial results conference call for NextEra Energy.

With me this morning are John Ketchum, Chairman, President and Chief Executive Officer of NextEra Energy, Brian Bolster, Executive Vice President and Chief Financial Officer of NextEra Energy, Armando Pimentel, President and Chief Executive Officer of Florida Power & Light Company, Rebecca Kujawa, President and Chief Executive Officer of NextEra Energy Resources, and Mark Hickson, Executive Vice President of NextEra Energy.

John will start with opening remarks and then Brian will provide an overview of our results. Our executive team will then be available to answer your questions.

(2) SAFE HARBOR STATEMENT AND NON-GAAP FINANCIAL INFORMATION

We will be making forward-looking statements during this call based on current expectations and assumptions which are subject to risks and uncertainties. Actual results could differ materially from our forward-looking statements if any of our key assumptions are incorrect or because of other factors discussed in today's earnings news release, in the comments made during this conference call, in the risk factors section of the accompanying presentation, or in our latest reports and filings with the Securities and Exchange Commission, each of which can be found on our website www.NextEraEnergy.com. We do not undertake any duty to update any forward-looking statements.

Today’s presentation also includes references to non-GAAP financial measures. You should refer to the information contained in the slides accompanying today’s presentation for definitional information and reconciliations of historical non-GAAP measures to the closest GAAP financial measure.

With that, I will turn the call over to John.

John Ketchum:

(3) NEXTERA ENERGY – OPENING REMARKS

Thanks, Mark, and good morning everyone.

NextEra Energy had strong operational and financial performance in 2024, delivering full year adjusted earnings per share of $3.43, up over 8% from 2023, once again at the high-end of our adjusted EPS expectations range. Since 2021, we have delivered compound annual growth in adjusted EPS of over 10%, which is the highest among all top-10 power companies. In fact, if you look over the last 5, 10, 15 and 20 years, you will see the same absolute and relative performance.

Our consistent financial outperformance is due, first and foremost, to the efforts and execution by our team. I couldn't be more proud of how our team has continued to deliver, and I firmly believe that our track record of execution positions us to lead the build out of energy infrastructure across the country in the coming years.

NextEra Energy offers a unique value proposition with two strong businesses that we believe are strategically well positioned to meet the growing needs of our customers with outstanding prospects for future growth. FPL is the largest electric utility in the U.S., and Energy Resources is the world's leader in renewables and storage. Together, we operate the largest natural gas-fired generation fleet in the country, are one of the largest nuclear operators in the U.S. and are widely viewed as an industry leader in transmission. We are one of the top five infrastructure investors in the U.S. and we have invested more than $150 billion in our nation's energy infrastructure over the last decade building everything from nuclear uprates, natural gas pipelines and natural gas-fired generation to battery storage and renewables. Over the next four years alone, we plan to invest roughly $120 billion across the country, which would allow us to grow our combined fleet to roughly 121 gigawatts.

FPL and Energy Resources individually have executed well, delivering value for our customers and shareholders. We have one of the sector's strongest balance sheets and, between the two companies, we placed into service approximately 8.7 gigawatts of new renewables and storage projects in 2024.

Let me start by giving you an update on each of our businesses and then provide you with some comments on the state of our industry.

(4) FPL – OPENING REMARKS

FPL continued to deliver what we believe is the best customer value proposition in one of the fastest growing states in the U.S. As we approach our 100-year anniversary at FPL, our vision remains the same: to continue making smart capital investments for the benefit of our customers, be an industry leader on costs, and deliver high reliability and outstanding customer service while keeping bills as low as possible for our customers.

In 2024, we continued to see the fruits of that smart capital spend. For nearly two decades, FPL has invested in building a stronger, smarter and more storm-resilient grid. The performance of our system demonstrates that FPL's hardening, undergrounding, automation and smart grid investments are providing significant benefits to our customers. Our investments in smart grid technology enabled us to avoid more than 2.7 million outages in 2024. And those investments paid off, as our team responded exceptionally well in response to Hurricanes Debby, Helene and Milton.

We are able to deliver this performance and keep our bills 40% below the national average because of our focus on capital and operating efficiency and innovation. FPL continued to make smart capital investments in low-cost solar generation and battery storage, further reducing our overall fuel cost. During the year, we placed into service more than 2.2 gigawatts of new, cost-effective solar and we expect to add more than 15 gigawatts by 2033. When combined with generation modernizations, these additions have saved customers more than $16 billion since 2001.

We also continued to focus on running the business more efficiently. In 2024, we improved upon our best-in-class non-fuel O&M cost per customer, which was already 70% better than the industry's national average, saving customers over $3 billion per year versus an average-performing utility.

Innovation has been one of the keys to our operating efficiency. FPL is the only utility in the nation to remotely operate its fossil fleet. Our Fleet Control Center is one of the world's largest monitoring and diagnostic centers and the first in the industry to remotely operate a more than 20-gigawatt natural gas combined cycle fleet from a single location, providing real-time troubleshooting with engineering, maintenance and operations support and delivering world-class predictive analytics and diagnostics. This is just one example of the innovative efforts by FPL to reduce costs for our customers, while continuing to provide exceptional service.

Late last year, FPL filed a test year letter with the Florida Public Service Commission to initiate a rate proceeding for new rates beginning in January 2026. The stability of multi-year rate plans has allowed FPL to focus on efficiency in the business, which is critical to keeping customer bills as low as possible, and has enabled FPL to maintain a strong balance sheet, which allows for consistent access to the capital markets. We look forward to the opportunity to showcase our long-term track record of providing low bills and high reliability for Floridians and our plans to build an even more resilient energy future for Florida.

We believe FPL is strategically well positioned as Florida remains one of the fastest growing states in the U.S. with a population growth rate that is expected to grow 60% more than the national average by 2030. We plan to meet Florida’s long-term growth outlook with investments in generation, transmission and distribution infrastructure, which we believe will further enhance our best-in-class customer value proposition.

(5) ENERGY RESOURCES – OPENING REMARKS

Energy Resources had another record year of new renewables and storage origination, adding more than 12 gigawatts to our backlog, which includes approximately 3.3 gigawatts since our last call – a sign of the momentum of demand for new generation and renewables and storage in particular. These additions to our backlog increased 30% from the 9 gigawatts we originated in 2023, our second-best year ever. To put that into context, 12 gigawatts is the size of a large utility in the U.S.

Energy Resources also had a record year in solar origination and a record year in battery storge origination, again demonstrating the strong demand for renewables and storage because they are low cost and can be deployed now.

Focusing for a moment on battery storage, we have deployed more than 3.4 gigawatts in total and currently have more than 7.2 gigawatts in our backlog. Our extensive portfolio of existing operating sites, which have excess transmission capacity, and our nearly 30 gigawatts of stand-alone storage interconnection queue positions, means we can dramatically speed up our deployments – a distinct competitive advantage that no one else in this industry has.

We also continue to be a leader in serving data center customers, with our total renewables portfolio, including assets in operation and in backlog, at 8.3 gigawatts. However, one point that I believe is being overlooked is that power demand is everywhere, across all sectors and increasingly across utilities, municipalities and electric cooperatives, as our 12-gigawatt year of backlog additions reflects. And as demand for power increases across all customer classes as we advance our domestic economic agenda, so does the potential price of power unless we bring new generation online quickly to meet that demand. Customers of all types are looking for low-cost ways to meet their growing power needs while reducing their exposure to higher power prices over time. Given the current power demand environment, it is more important than ever to unleash all forms of electric generation starting with renewables, which are ready now, as I will discuss more in a minute.

There is no better example of this than our own portfolio. We have originated more than 3 gigawatts in three of the last five quarters, and assuming we achieve the midpoint of our development expectations range, Energy Resources will be operating a roughly 75-gigawatt renewables portfolio by the end of 2027, which would be larger than the installed renewables capacity of all but 7 countries.

In 2024, we continued to demonstrate our leadership as the supplier of choice for buyers of new generation. We announced two framework agreements with two Fortune 50 companies that have the potential to develop renewables and storage projects totaling up to 10.5 gigawatts between now and 2030, as well as a joint development agreement with Entergy. When combined, our announced framework agreements total up to a potential 15 gigawatts, demonstrating our unique position in the market and our customers' confidence in our ability to help meet the nation's need for power.

And we are not sitting still as we think about our value proposition for our customers. We are constantly looking to make sure we have the most comprehensive solution set. That is why, today, we are pleased to announce a framework agreement with GE Vernova where we will partner to build natural gas-powered generation solutions. This agreement has the potential to support multiple gigawatts for data centers, the reshoring of manufacturing, and the electrification of industry, as well as serve investorowned utilities, municipalities, cooperatives, and commercial and industrial customers. Nobody has built more gas-fired generation over the last decade than NextEra Energy and nobody has sold more gas turbines than GE Vernova.

This collaboration brings together the nation's leading operator of natural gas-fired generation in NextEra Energy and the world's leader in natural gas and electrification technology in GE Vernova to jointly develop opportunities that we believe will enable significantly more renewables to meet growing power demand by pairing low-cost renewables for energy with gas-fired generation for capacity. Over the next four years, the companies plan to collaborate to identify key locations on the energy grid that would benefit from new generation. GE Vernova will incorporate its world-class natural gas generation technologies and critical electrification solutions, while leveraging its financial services capabilities. NextEra Energy expects to provide customers with integrated renewable, storage, and gas-fired generation solutions for large loads – something we can uniquely deliver with our scale, experience, technology, and unmatched development skills.

This framework agreement is just another example of why we believe Energy Resources has the most comprehensive power generation business in the world and is better positioned than ever to capitalize on long-term growth prospects.

Before I turn it over to Brian, I want to take a moment to make some comments regarding the industry as we look to the years ahead. The need to add to the country's power infrastructure is no longer in doubt. Our industry's mandate is to deliver new generation and capacity solutions at the lowest cost possible in order for the U.S. to achieve the new administration's energy dominance agenda. As a leading American energy producer, this is an agenda that we support and believe we are well positioned to deliver on.

(6) NextEra Energy – Industry Remarks

At NextEra Energy, we know all forms of energy will be required to meet that mandate. If we don't build new generation to keep up with increasing demand for electricity, power prices are going to go up. Or, perhaps worse, new technology or manufacturing load won't be able to connect to the grid which would slow economic growth and we could miss opportunities to further our leadership in AI. Renewables and storage are ready now to meet that demand and will help lower power prices. Gas-fired generation is moving forward but won't be available at scale until 2030 and then, only in certain pockets of the U.S. In addition, gas-fired generation is more expensive than it's been, with costs having more than doubled over the last five years due to the limited supply of gas turbines, a constrained supply chain and much higher EPC costs.

Nuclear continues to be a much longer-term option in our opinion due to first-of-a-kind risks and uncertainty, with nearer term opportunities centered on recommissioning and uprate projects. Nuclear plants across the country are already serving existing demand and there are only a few nuclear plants that can be recommissioned in the near term in an economic way. We are continuing to make progress in evaluating the recommissioning of our Duane Arnold nuclear plant in Iowa. Recently, we filed notice with the Nuclear Regulatory Commission to request a licensing change – an important first step in establishing the regulatory pathway to restore the facility's Operating License and potentially restart plant operations as early as the end of 2028. While this is just one part of our broader efforts with regulators, government officials, potential customers, and other stakeholders, we are encouraged by the positive responses we have received so far from all parties involved. We also continue to evaluate alternatives such as SMRs. However, due to the risks and uncertainty, the practical reality is we are unlikely to add multiple gigawatts of new nuclear to the grid over the next decade.

That means we need renewables and storage to meet demand that is here today and, as we move towards the next decade, we can supplement renewables and storage with natural gas-fired generation and, to a more limited extent, nuclear given the time it will take to develop and build. We know this because we have experience across the entire energy value chain.

Our mission is to provide our customers with the lowest cost, most reliable energy no matter where they are located. We've been doing it for decades in Florida and across the country and are positioned to keep doing it for years to come. Our scale and experience tells us that all forms of power generation and capacity will be needed as the U.S. tries to keep up with demand. And that same scale and experience also tells us that renewables and storage should continue to be a critical source of new energy and capacity across the country because they are lowest cost and can be deployed now.

With that, let me turn it over to Brian who will review the 2024 results in more detail.

Brian Bolster:

(7) FPL – FOURTH QUARTER & FULL-YEAR 2024 RESULTS

Thanks, John. Let's begin with FPL's detailed results.

For the full year 2024, FPL's adjusted earnings per share increased 12 cents versus 2023.

(8) FPL – FOURTH QUARTER & FULL-YEAR 2024 DRIVERS

The principal driver of FPL's 2024 full-year performance was regulatory capital employed growth of approximately 10%. We continue to expect FPL's average annual growth in regulatory capital employed to be roughly 10% over the four-year term of our current rate agreement, which runs through 2025.

For the full year 2024, FPL's reported ROE for regulatory purposes will be approximately 11.4%. During the full year 2024, we used $328 million of reserve amortization, leaving FPL with a year-end 2024 balance of $895 million.

FPL's capital expenditures were approximately $1.8 billion in the fourth quarter, bringing its full-year capital investments to a total of roughly $8.2 billion.

(9) FPL – Florida Economy & Customer Characteristics

Key indicators show that the Florida economy remains strong and Florida's population continues to be one of the fastest growing in the country. Its GDP is now roughly $1.7 trillion, an increase of approximately 7% over last year.

For the fourth quarter of 2024, FPL's retail sales increased 1.1% from the prior year on a weather-normalized basis, driven primarily by continued strong customer growth. In the fourth quarter of 2024, we added nearly 119,000 customers as compared to the prior year comparable quarter, bringing our total customer accounts to over 6 million.

For full-year 2024, FPL's retail sales increased 1.9% from the prior year on a weather-normalized basis, also driven primarily by the strong customer growth in our service territory.

(10) FPL – 2025 Rate Proceeding

As John mentioned, FPL is preparing to file a base rate case proposal that would cover the four years, beginning 2026 through 2029, and provide customers longer-term visibility to the cost of electricity.

As a reminder, for the period 2022 through the end of 2025, FPL plans to invest approximately $36 billion, with additional significant investments expected in 2026 and beyond to continue to meet the growing needs of Florida's economy. This capital will allow FPL to continue delivering outstanding value for Florida customers by keeping reliability high and fuel and other costs as low as possible.

While the benefits of building a stronger, smarter grid and a cleaner, more efficient generation fleet are passed along regularly to customers through higher service reliability and lower bills, we must periodically seek recovery for these long-term investments through base rates.

While the details are still being finalized, we expect the proposal to include base rate adjustments of approximately $1.55 billion starting in January of 2026 and $930 million starting in January of 2027. We also expect the proposal to request support for continued deployment of low-cost generation and capacity additions and the continuation of our Solar and Battery Base Rate Adjustment, or SoBRA mechanism, to recover the revenue requirements of these cost-effective projects.

FPL plans to propose an ROE midpoint at 11.9%, with an allowed ROE band of plus or minus 1%. The 11.9% estimated cost of equity reflects appreciably higher interest rates and other capital market factors we have experienced since our last rate case and which we expect to continue during the term of the proposed four-year rate plan. FPL also expects to propose maintaining FPL's longstanding equity ratio approved in prior base rate cases, which is intended to keep it in a position to continue to access capital as needed through 2029.

We continue to believe that a strong balance sheet, which starts with an appropriate equity layer and which supports strong credit ratings, remains critical to ensure FPL maintains uninterrupted access to the capital markets even in times of significant market disruption. It also allows us to attract capital to support the investments FPL is making to further improve the value we offer customers.

FPL estimates that its proposal, along with projections for fuel and other costs, will grow a typical residential customer bill by an average annual rate of approximately 2.5% from January 2025 through 2029.

If the full amount of the requests were granted under our proposal, and assuming other utilities experience bill increases only at their historical rates of increase, we expect FPL's typical customer bills would continue to remain significantly lower than the national average through 2029. To put this proposal in context, it would result in a typical customer bill in January 2026 that is nearly 21% less than it was in real terms 20 years ago, even with our proposed base rate increases.

We look forward to the opportunity to present the details of our case and expect to make our formal filing, with testimony and required detailed data, in February. The timeline for the proceeding will ultimately be determined by the Commission, but we currently expect that we will have hearings in the third quarter, and a final Commission decision in the fourth quarter in time for new rates to go into effect in January 2026.

We are open to the possibility of resolving our rate request through a fair settlement agreement. During the course of the past 22 years, FPL has entered into five multi-year settlement agreements that have provided customers with a high degree of rate stability and certainty and helped FPL execute to deliver its best-in-class customer value proposition. Our core focus will be to pursue a fair and objective review of our case that supports continued execution of our successful strategy for customers, and we plan to continue to provide updates throughout the process.

(11) ENERGY RESOURCES – FOURTH QUARTER & FULL-YEAR 2024 RESULTS

Now let's turn to Energy Resources, which reported full-year adjusted earnings growth of more than 13% year-over-year.

(12) ENERGY RESOURCES – ADJUSTED EPS CONTRIBUTION DRIVERS

For the full-year, contributions from new investments increased by 48 cents per share reflecting continued growth of demand for our renewables and storage portfolio. Contributions from our existing clean energy assets increased by 3 cents per share, primarily reflecting improved wind resource during the year and the impact of certain revenue and PTC escalation benefits inherent in our existing assets. Contributions from our gas infrastructure businesses decreased by 8 cents per share, most of which was recognized in the second quarter. As we discussed at the time, a combination of higher depletion expense related to an expectation for lower production, certain non-recurring items, and the sale of the Texas pipeline portfolio resulted in lower relative earnings in that quarter. Contributions since that time have been effectively flat, consistent with the expectations we provided in the second quarter. Our customer supply and trading business, which you will recall had strong earnings in 2023, decreased results by 4 cents per share, driven by normalization of origination activity and margins, which is consistent with our expectations. Other impacts decreased results by 24 cents per share year-over-year. This decline reflects higher interest costs of 13 cents per share, nearly half of which is new borrowing to support our build and half of which reflects increased borrowing costs on existing debt.

(13) ENERGY RESOURCES – DEVELOPMENT HIGHLIGHTS

Energy Resources again, for the third year in a row, delivered our best year ever for origination, adding more than 12 gigawatts of new renewables and battery storage projects to our backlog, which includes approximately 3.3 gigawatts since our last call. Our 2024 origination performance reflects continued strong demand from power and commercial and industrial customers looking for the least cost alternative to serve load and meet increasing demand.

Our renewables backlog now stands at more than 25 gigawatts, after taking into account roughly 2.4 gigawatts of new projects placed into service since our third quarter call. We believe our more than 25-gigawatt backlog provides terrific visibility into Energy Resources' ability to deliver attractive growth in the years ahead.

(14) NEXTERA ENERGY – FOURTH QUARTER & FULL-YEAR

Turning now to the consolidated results for NextEra Energy. For the full year, adjusted earnings per share from our Corporate & Other segment decreased by 1 cent per share year-over-year.

We successfully supported the growth in our underlying businesses from our strong operating cash flows and grew 2024 cash flow from operations by more than 17%, well in excess of adjusted earnings. We also continue to focus on protecting our project economics at Energy Resources, as well as minimizing the cost of refinancing at the parent. We now have $28.5 billion of interest rate hedges in place. To put this all in perspective, NextEra Energy's sensitivity for an immediate 50 basis point upward shift in the yield curve has, on average, 1 to 3 cents of expected adjusted EPS impact in 2025, 2026 and 2027, which is equivalent to less than 1% of our adjusted EPS expectations. This sensitivity, of course, assumes we do not implement other offsetting initiatives including, among others, our normal process of cost reductions and capital efficiency opportunities. As a reminder, the current interest rate environment is taken into account in our financial expectations.

Overall, our funding plans for 2024 through 2027 remain consistent with the information we shared previously.

(15) NEXTERA ENERGY EXPECTATIONS

For each of the last 15 years, NextEra Energy has met or exceeded its financial expectations, which is a record we are proud of.

And once again, our long-term financial expectations remain unchanged. We will be disappointed if we are not able to deliver financial results at or near the top end of our adjusted EPS expectations ranges in 2025, 2026 and 2027.

From 2023 to 2027 we continue to expect that our average annual growth in operating cash flow will be at or above our adjusted EPS compound annual growth rate range. And we also continue to expect to grow our dividends per share at roughly 10% per year through at least 2026, off a 2024 base.

As always, our expectations assume our caveats.

That concludes our prepared remarks and with that we will open the line for questions.