CREDIT OPINION
21 November 2025

Update

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RATINGS

NextEra Energy, Inc.

Domicile	Juno Beach, Florida, United States
Long Term Rating	Baa1
Type	LT Issuer Rating - Dom Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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NextEra Energy, Inc.

Update to credit analysis

Summary

NextEra Energy, Inc.'s (NEE, Baa1 stable) credit profile reflects its size and scale, particularly its industry leading positions in the regulated utility and renewable energy sectors, as well as a historically solid financial profile. Its principal utility subsidiary, Florida Power and Light Company (FPL), is the foundation of NEE's credit quality and one of the largest and financially strongest regulated electric utilities in the US. FPL accounts for roughly 70% of NEE's consolidated EBITDA and makes up the majority of NEE's regulated business. Most of NEE's remaining EBITDA is generated by NextEra Energy Resources LLC (NEER), which holds the largest private portfolio of renewable power projects in North America. NEER is the principal subsidiary of NextEra Energy Capital Holdings, Inc. (NEECH, Baa1 stable), an intermediate holding company and the principal debt financing vehicle for NEE's businesses outside of the Florida utility. NEER also owns a majority 52.5% interest in XPLR Infrastructure, LP (XPLR), formerly NextEra Energy Partners, a limited partnership that owns long-term contracted clean energy projects with stable cash flow.

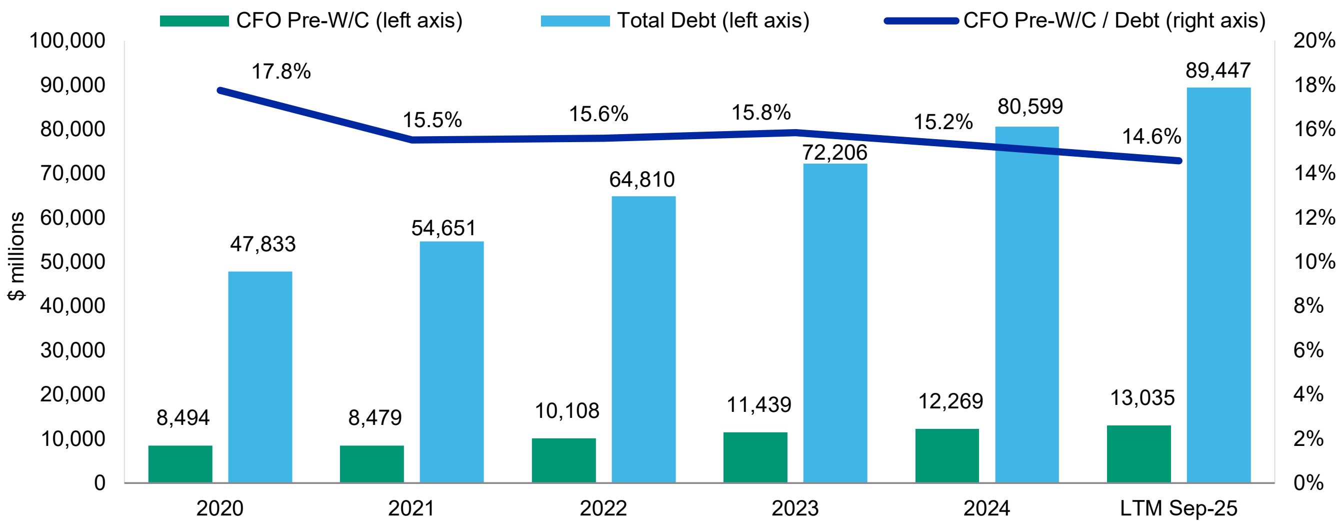
NEE's financial profile is currently weaker than historical levels mainly due to higher leverage used to fund strong growth in its renewable business. For the 12-months ended 30 September 2025, NEE's consolidated ratio of cash flow from operations pre-working capital changes (CFO pre-W/C) to debt was 14.6%, including the proportional consolidation of its ownership interest in XPLR Infrastructure (XPLR, Ba1 stable). NEE's financial metrics, although relatively stable, are lower than historical levels when CFO pre-W/C to debt was in the 17-18% range prior to 2021.

NEE utilizes a substantial amount of non-recourse project level debt to finance some of its projects. Debt service on the project debt has a senior claim on the project cash flows, which results in a degree of structural subordination for NEECH's corporate debt. We view these projects as a core part of NEE's overall business and growth prospects and expect that NEE, as the sponsor, will continue to support financially healthy projects. We note the size and diversity of NEER's portfolio of renewable projects with no one project being overly material to NEE's consolidated financial results. Moreover, we recognize the flexibility that the non-recourse debt offers management, should a project become challenged and the fact that contracted revenue remain stable and supportive of debt, even during times when utility rates may be pressured by customer affordability concerns (e.g., COVID-19 pandemic). When excluding the non-recourse project debt from our ratio calculations, financial metrics improve such that we estimate NEE's ratio of CFO pre-W/C to debt would be over 17% for the LTM period.

NEE's credit is also constrained by an elevated level of holding company debt, approximately 48% of consolidated debt, which includes the proportional consolidation of XPLR's debt, as of 30 September 2025. NEE's percentage of holding company debt remains one of the highest among regulated utility holding company peers and remains a constraint on the

credit quality of the entire corporate family, including FPL. NEE is also exposed to physical climate risks from extreme weather events such as hurricanes and tropical storms that periodically affect FPL's service territory. However, the Florida regulatory and legislative environments have a history of credit supportiveness during and in the aftermath of such events.

Exhibit 1
Historical CFO pre-WC, Total Debt and ratio of CFO pre-W/C to Debt



All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
Source: Moody's Financial Metrics™

Credit strengths

» Large size and leading position in the regulated utility and renewable energy sectors

» FPL's strong credit quality is the foundation of NEE's credit profile

» Continued focus on growing regulated assets strengthens business risk profile

» NEER's higher risk profile is mitigated by long-term power contracts largely with investment grade counterparties

Credit challenges

» Financial metrics are lower than historical levels but are expected to remain stable

» Holding company debt percentage is one of the highest in the sector, constraining the ratings of the entire corporate family

» Large annual negative free cash flow balances continue at NEECH due to elevated investments that require substantial debt financing

» Geographic concentration in Florida with high risk of storm events

» Aggressive acquisition appetite primarily for regulated assets as well as renewables

Rating outlook

NEE's stable outlook reflects our expectation that FPL will continue to maintain a strong financial profile while operating within a highly supportive Florida regulatory environment; NEER's renewable asset portfolio will maintain its steady operating performance; major construction projects will be executed on time and within budget; and the company will continue to have strong access to the capital markets. The stable outlook considers our expectation that NEE's current financial profile will remain consistent. The stable outlook also incorporates our view that any M&A transactions, if executed, will be financed in a manner that maintains a financial profile that supports current credit quality.

Factors that could lead to an upgrade

An upgrade of NEE is unlikely in the near future due to the high percentage of holding company debt, elevated capital project investments financed with substantial debt, single state concentration of its principal utility that is exposed to extreme weather events, and the company's relatively aggressive M&A appetite. Longer term, NEE could be upgraded if there is material debt reduction at NEECH such that the percentage of holding company debt declines substantially as a percentage of total debt and consolidated financial metrics improve such that NEE's consolidated ratio of CFO pre-W/C to debt, inclusive of project non-recourse debt, is sustained above 17% and its ratio of CFO pre-W/C to debt, excluding of project non-recourse debt, is sustained above 20%.

Factors that could lead to a downgrade

NEE could be downgraded if its business risk profile deteriorates meaningfully, such that its regulated operations are less than 70% of consolidated results or if the long-term contracted nature of its renewable business deteriorates in terms of tenor or counterparty credit quality. A downgrade could occur if the regulatory environment deteriorates in Florida, such that there is a less supportive outcomes on FPL rate cases including delays in cost recovery; or there are adverse tax or environmental policy developments that negatively affect NEER's renewable energy business. NEE could also be downgraded if its consolidated ratio of CFO pre-W/C to debt, inclusive of project non-recourse debt, is sustained below 14% or its ratio of CFO pre-W/C to debt, excluding of project non-recourse debt, is sustained below 17%, or if its holding company level debt increases from current levels (roughly 48% as of 30 September 2025). A downgrade of FPL could lead to a downgrade of NEE, due to the importance of the utility to the parent.

Key indicators

Exhibit 2

NextEra Energy, Inc.

	2020	2021	2022	2023	2024	LTM Sep-25
CFO Pre-W/C + Interest / Interest	5.1x	7.1x	15.0x	4.2x	5.9x	4.8x
CFO Pre-W/C / Debt	17.8%	15.5%	15.6%	15.8%	15.2%	14.6%
CFO Pre-W/C – Dividends / Debt	11.9%	9.9%	10.3%	10.5%	9.8%	9.2%
Debt / Capitalization	47.1%	49.9%	52.2%	50.5%	51.8%	52.6%

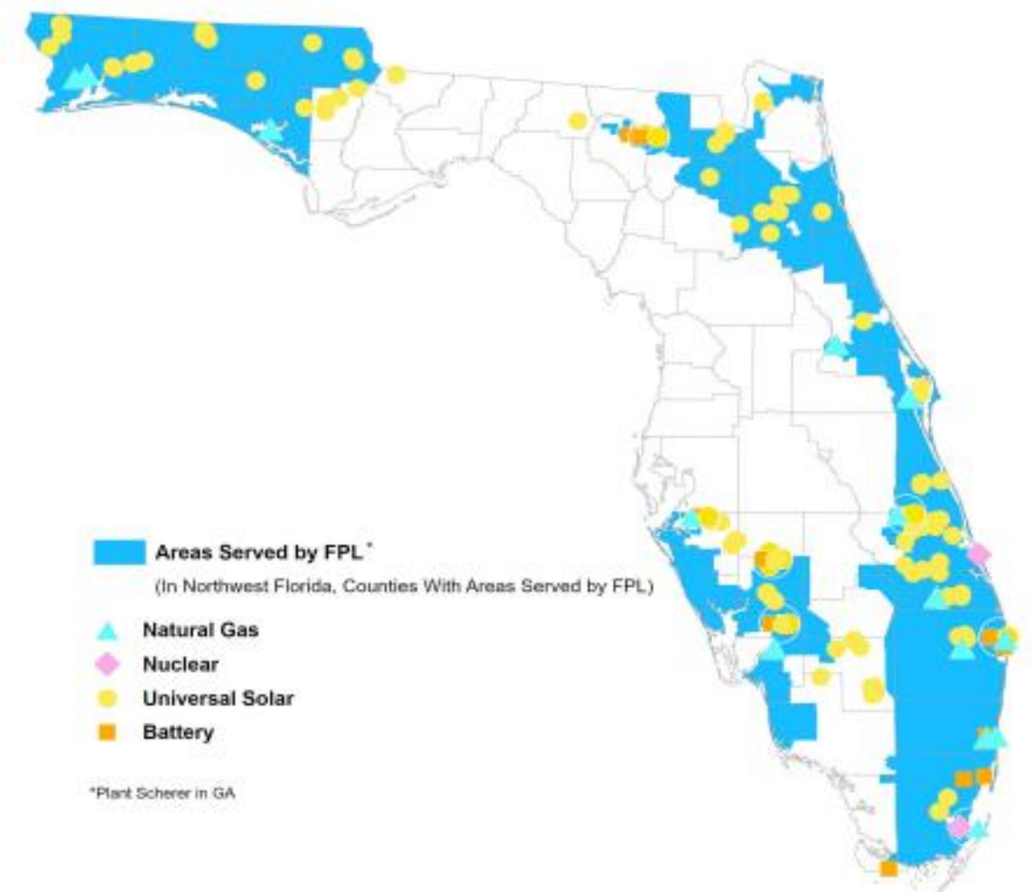
All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
Source: Moody's Financial Metrics™

Profile

Headquartered in Juno Beach, Florida, NextEra Energy, Inc. (NEE) is one of the largest holding companies in our global regulated utility rated universe. NEE's principal operating utility, Florida Power & Light Company (FPL, A1 stable) is one of the largest vertically integrated regulated utilities in the US and serves more than 6 million customer accounts or an estimated 12 million residents across more than half of the state of Florida. FPL typically accounts for roughly 70% of NEE's consolidated EBITDA.

NEE is also the holding company of NextEra Energy Capital Holdings, Inc. (NEECH, Baa1 stable), which is the principal debt financing entity for the businesses outside of the Florida utility and an intermediate holding company of NextEra Energy Resources (NEER). NEER is an intermediate holding company for NEE's independent power projects as well as its ownership interests in natural gas pipelines, and through a subsidiary also has majority ownership interest (currently 52.5%) in the limited partnership, XPLR Infrastructure Partners, LP (XPLR, formerly NextEra Energy Partners, LP, Ba1 stable). NEER's other subsidiaries include NextEra Energy Transmission (NEET), which holds FERC regulated electric transmission assets. NEE has no debt of its own but provides an unconditional guarantee of debt that resides at NEECH.

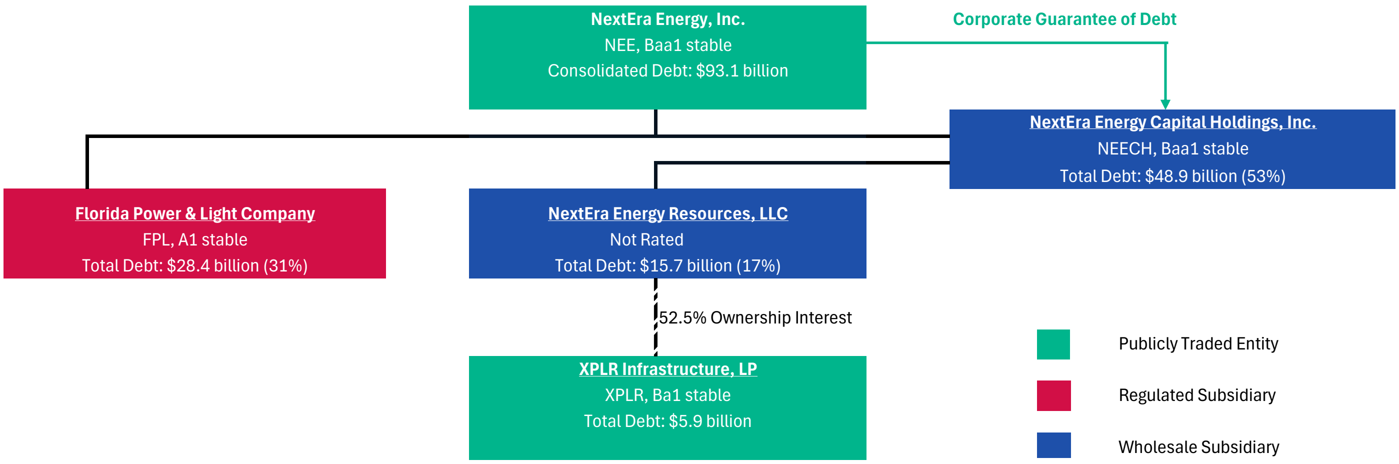
Exhibit 3
Map of NEE's regulated utility service area



Source: Company filings

Detailed credit considerations

Exhibit 4
Organizational Chart



Gulf Power was legally merged into FPL on 1 January 2021.
All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
Source: Moody's Financial Metrics™ and Company filings

FPL's strong credit quality remains the foundation of NEE's credit profile

FPL is NEE's principal subsidiary and "crown jewel" as it is one of the financially strongest regulated electric utilities in the US, forming the foundation of NEE's credit quality. At the same time, FPL's geographic concentration in Florida exposes NEE to the state's economic cycles, weather events such as severe storms and hurricanes, and any significant changes to the political and regulatory environment. A rarity among US regulated electric utilities, FPL's fast growing population within its service territory generates organic sales and load growth, as well as new investment opportunities that provide steady rate base expansion with earnings and cash flow growth potential.

The regulatory environment for investor-owned utilities in Florida remains highly credit supportive. In its last several rate proceedings, FPL has been able to achieve multiyear rate settlements which provide a high degree of rate certainty and have supported the company's credit quality. They have included timely recovery of rate base investments, including generation, and grid hardening to combat extreme weather events, while also addressing the impacts of storm restoration costs, as needed.

On 20 November 2025, the FPSC approved FPL's four-year rate settlement agreement with multiple intervenors that was filed with state regulators in August. The agreement was in response to the utility's multi-year rate case application filed with the FPSC in February which requested a $1.545 billion increase in electric rates in 2026, based on a rate base of $75.1 billion for a projected test year ending 31 December 2026, and an incremental $927 million increase in 2027, based on a rate base of $80.8 billion for a projected test year ending 31 December 2027. The increases are premised upon an authorized return on equity (ROE) midpoint of 11.9% and an equity ratio of approximately 59.6%, consistent with historical levels. The company is also requesting SoBRA mechanism adjustments to rate revenues as 4,470 MW of solar and battery projects are completed and go into service in 2028 and 2029. An FPSC decision is expected by the end of November with new rates effective 1 January 2026.

FPL's last rate case outcome was also a multiyear rate settlement agreement unanimously approved by the FPSC on 26 October 2021. The settlement was based on a forward test year, approving an up to $1.5 billion base rate revenue increase over the four-year period 2022-25. The multiyear base revenue increase included a $692 million increase on 1 January 2022 and a $560 million increase on 1 January 2023. FPL is also eligible to receive base rate increases for the addition of up to 894 megawatts annually of new solar generation through a SoBRA mechanism in each of 2024 and 2025, up to $140 million each year. The multistep nature of the rate increase mitigates some of the immediate rate effect on customers. The authorized revenue increase included the majority of FPL's initial request filed by the company on 12 March 2021 for up to approximately $2 billion based on an allowed ROE of 11.5% and maintenance of its 60% equity ratio. The revenue increase supports FPL's long-term investments to upgrade its infrastructure, including for resiliency and grid hardening, in response to increasing occurrences of climate change related extreme weather events, such as hurricanes.

The settlement was premised on an allowed return on equity (ROE) of 10.6%, up from 10.55% previously, and the continuation of an equity ratio that FPL has consistently maintained at about 60%. The allowed ROE range is 9.7%-11.7%, which allows FPL to effectively earn up to an 11.7% return. The company has been able to achieve earned ROE's towards the upper end of its authorized ROE range through strong customer and sales growth as well as continued improvements in operating efficiency. Since the settlement, beginning in September 2022, owing to the rise in US treasury rates, the FPSC approved an increase in FPL's authorized ROE range to 9.8%-11.8% with a midpoint of 10.8%.

Financial profile is supportive of credit quality but is weaker than historical levels

NEE's typically solid financial profile is currently weaker than historical levels mainly due to higher leverage incurred to fund strong growth in its renewable business. For the 12-months ended 30 September 2025, NEE's consolidated ratio of cash flow from operations pre-working capital changes (CFO pre-W/C) to debt was 14.6%, including the proportional consolidation of its ownership interest in XPLR. NEE's financial metrics, although relatively stable, are lower than historical levels when CFO pre-W/C to debt was in the 17-18% range prior to 2021.

NEE utilizes a substantial amount of non-recourse project level debt to finance some of its projects. Debt service on the project debt has a senior claim on the project cash flows, which results in a degree of structural subordination for NEECH's corporate debt. We view these projects as a core part of NEE's overall business and growth prospects and expect that NEE, as the sponsor, will continue to support financially healthy projects. We note the size and diversity of NEER's portfolio of renewable projects with no one project being overly material to NEE's consolidated financial results. When excluding the non-recourse project debt from our ratio calculations, financial metrics improve such that we estimate NEE's ratio of CFO pre-W/C to debt would be over 17% for the LTM period.

Holding company leverage remains elevated and constrains the credit profile of the entire corporate family

We estimate NEE's holdco debt as a percentage of consolidated debt as of 30 September 2025 to be roughly 48%, including the proportional consolidation of its ownership in XPLR. Although NEE's holdco debt is down from approximately 50% at the end of 2022, the percentage of holding company debt remains one of the highest within the regulated utility sector, and is a constraint on the credit quality of the entire corporate family. This is reflected in the relatively wide, three notch differential between the ratings of NEE and its principal utility subsidiary, FPL.

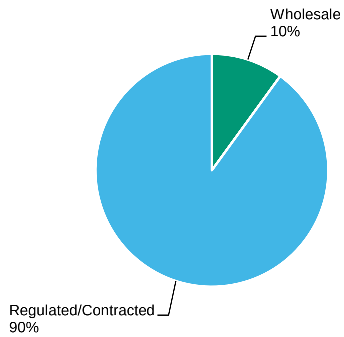
The holding company's debt includes $3.5 billion of debentures related to equity units issued in 2024. These securities trigger the mandatory issuance of new equity in three years from the time of issuance. As has been the case historically, we expect NEE to use the proceeds from the new equity to pay down holding company debt. When taking a forward view on the conversion of these equity units and assuming the company pays off debt with the proceeds as it has done historically with previous equity units, NEE's holdco debt would fall to approximately 44% of consolidated debt, including the proportional consolidation of its ownership in XPLR.

Since the Gulf Power acquisition in 2019, NEE has continued to pursue regulated utility acquisitions but has not made any material acquisitions since that time. Instead, NEE has executed relatively small acquisitions including FERC regulated transmission assets such as Trans Bay Cable LLC in 2019 and GridLiance Holdco (unrated) in 2020.

NEER has a higher risk profile than FPL, although mitigated by long term contracts, and maintains strong growth potential

NEER, which accounts for roughly 30% of NEE's EBITDA, continues to modestly increase the contracted portion, currently over 70%, of its large portfolio of renewable assets and we expect this to continue. At the same time, NEE's regulated and contracted assets combined to account for over 90% of adjusted EBITDA.

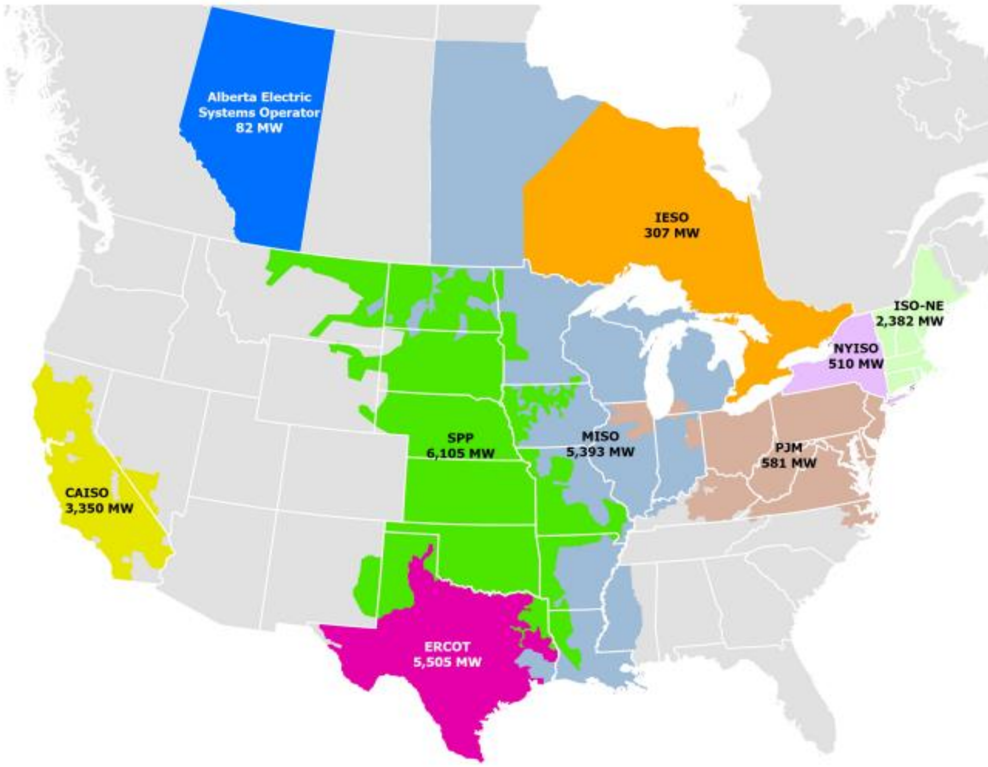
Exhibit 5
NextEra's 2024 business mix based on adjusted EBITDA



Regulated assets include FPL, FERC regulated transmission assets and pipelines.
Source: Company filings

NEER has a large, diverse portfolio of generation assets, and is the largest owner of wind and solar generation in North America. Continued demand for renewable energy provides NEER with growth opportunities to sell renewable power under long-term contracts, primarily to investment grade counterparties that are attracted to the generally low cost of renewable power, or are seeking to satisfy environmental mandates, make progress on carbon transition or meet customer preferences. Like other countries globally, over the long-term we expect the US to continue to progress towards carbon free generation with renewable energy and battery storage continuing to be in high demand. The long term revenue visibility from contracted, predominantly renewable assets, which entail no fuel risk or commodity price exposure, is in contrast to the typically higher risk associated with unregulated power companies that are exposed to wholesale merchant power sales as well as challenged coal plants. Although NEER continues to invest heavily in the development of new projects, which entail execution risk, NEER has a strong track record of completing projects on time and within budget.

Exhibit 6
NEER generation capacity by region



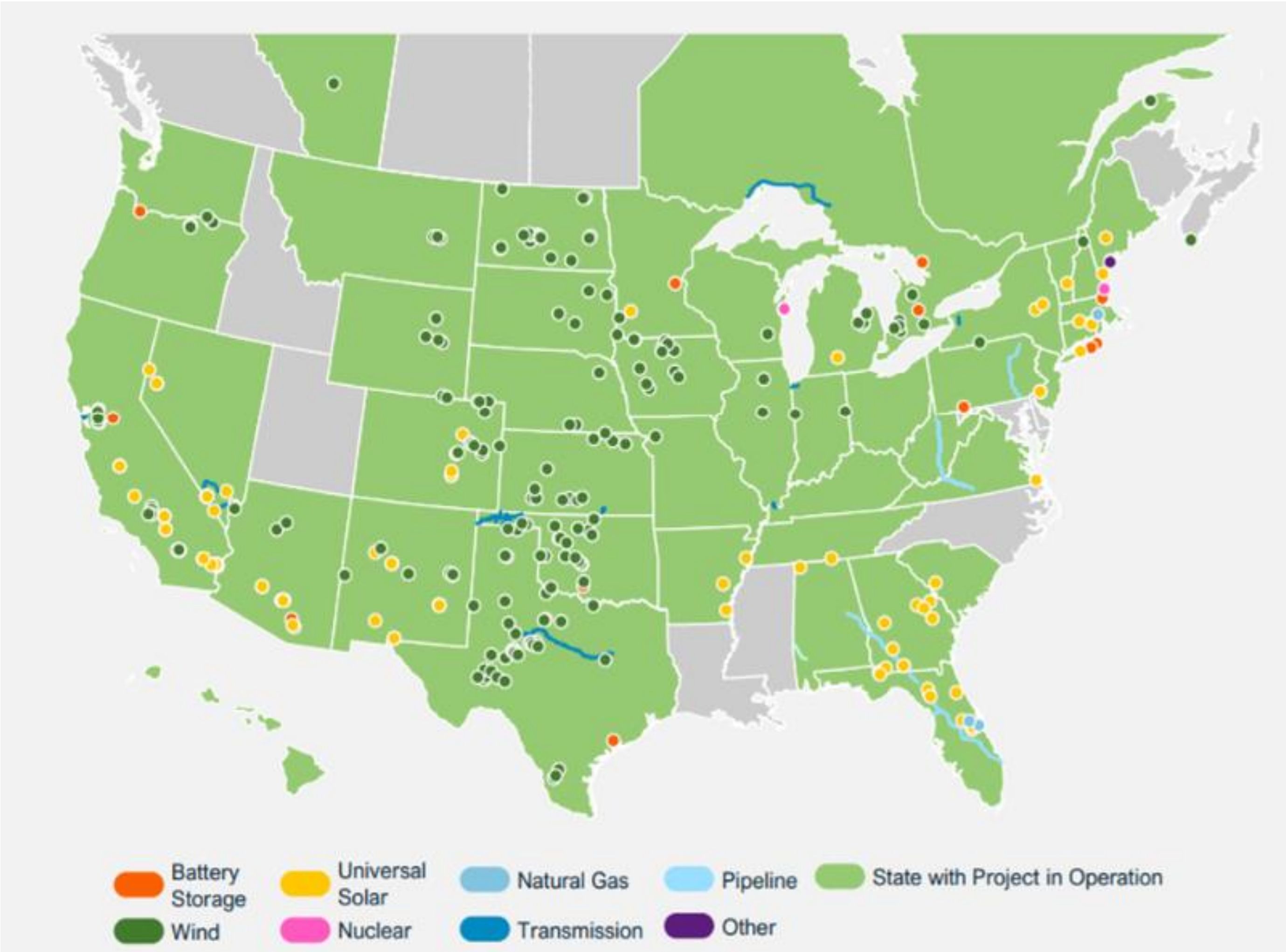
Source: Company filings

NEER continues its efforts to contract with large, creditworthy corporations, further diversifying its customer base, in addition to regulated utilities and public power companies such as municipal and co-operative utilities.

NEER's large size and scale provides strong benefits related to portfolio diversification

As of 30 September 2025, NEER owned a diverse portfolio of renewable energy and battery storage capacity with roughly 44.7 GW of capacity, including its proportional ownership of XPLR's portfolio, in North America. NEER, excluding XPLR, has direct ownership interests in 117 wind projects in 20 states, and 4 Canadian provinces, with approximately 17.6 GW of net capacity, over 74 solar projects in 24 states with roughly 8.1 GW of net capacity, over 50 battery storage projects, excluding distributed generation, with approximately 4.3 GW of net capacity and other assets, including nuclear and gas power plants, with approximately 4.6 GW of net capacity. NEER's proportional ownership in XPLR's portfolio of approximately 94 wind, solar and battery storage projects added another 5.3 GW of net capacity.

Exhibit 7
Portfolio is diversified across North America



Source: Company Filings

The assets are either unlevered or have been financed through tax equity partnerships or non-recourse project debt financing. The use of non-recourse project debt provides NEER with financial flexibility which allows the company to walk away from non-performing projects without recourse to the project's creditors. However, as a market leader in renewable energy, we expect NEER's portfolio of projects to collectively perform well and we do not expect the company to often be in position to relinquish its ownership of a project due to sustained poor performance. At the same time, due to the large number of projects within NEER's portfolio, poor performance of any single project will not have a material impact on NEECH or parent, NEE's financial performance, a credit positive.

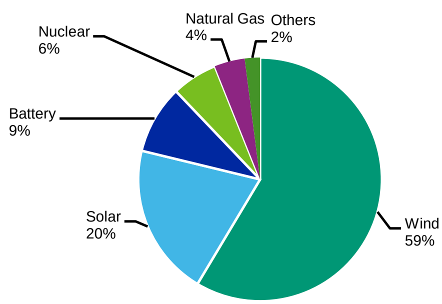
NEER's cash flow continues to increase as new generation capacity is constructed and long-term contracts are added. NEER generally manages the construction of renewable projects to make the most of the federal tax credits available. The company's capital expenditures remain elevated due to continued high demand for renewables. As such, NEER has grown its renewable capacity from approximately 16 GW in 2016 to approximately 37 GW in 2024. Moreover, NEER believes the company has the opportunity to develop 36.5 - 46.5 GW of new renewables and storage through 2027.

Exhibit 8
NEER's development program remains elevated with over 29 GW in its backlog of signed contracts (MW)

	2024-2025 COD & Backlog	2024-2025 Expectations	2026-2027 Backlogs	2026-2027 Expectations	2024-2027 Expectations
Wind	2.9	3.5 - 4.4	2.1	5.5 - 7.1	9.0 - 11.5
Solar	6.6	7.4 - 8.3	8.8	11.1 - 14.1	18.5 - 22.4
Energy Storage	3.0	2.6 - 3.5	5.9	5.2 - 7.2	7.8 - 10.7
Wind Repowering	0.8	0.6 - 0.9	1.0	0.6 - 1.0	1.2 - 1.9
Total	13.3	14.1 - 17.1	17.8	22.4 - 29.4	36.5 - 46.5
Build-Own-Transfer	0.4				

Source: Company filings

Exhibit 9
NEER's generation fuel mix based on MW (Includes XPLR)



Source: Company filings

As part of NEE's strategy to strengthen its overall business risk profile, NEER has been investing in FERC regulated gas pipelines and electric transmission assets, which diversifies its portfolio beyond renewable projects. Additionally, the company continues to grow its investments in energy storage, which is an emerging technology growth area in the renewable sector and will support further growth in wind and solar energy installation.

Support from Florida's regulatory framework during severe storms is important to credit quality

FPL's service territory is solely in the state of Florida, primarily along the coast and panhandle, which means the utility is vulnerable to severe storm related event risk. Since utilities in Florida are vulnerable to storm and hurricane activity, the regulatory framework to address costs related to extreme weather events has been an important factor supporting FPL's credit quality during storm affected years. The company can and has petitioned for recovery of storm damage costs in excess of its storm reserve that is collected through a storm surcharge. Securitization legislation for the recovery of storm-related costs is also in place in Florida, if necessary.

During 2024, FPL's service territory was impacted by several hurricanes including Debby, Helene and Milton. In December 2024, the FPSC approved FPL's request to collect a surcharge to recover eligible storm costs and replenish the storm reserve totaling approximately $1.2 billion for the 12-months beginning in January 2025 and is subject to refund based on an FPSC prudence review. In 2024, FPL completed a previous 12-month interim storm restoration surcharge that began in April 2023 for eligible storm restoration costs and the replenishment of the storm reserve of approximately $1.3 billion, primarily related to Hurricanes Ian and Nicole which impacted FPL's service area in 2022.

In late June 2019, the governor of Florida signed Senate Bill 796 into law, which required investor-owned utilities (IOUs) to submit storm protection plans to the FPSC that detail how the IOUs will harden their grids and make them more resilient during extreme weather events like hurricanes. The law was credit positive for the state's utilities because it allows them to grow rate base through increased investments and obtain timely recovery, all in an effort to maintain customer reliability.

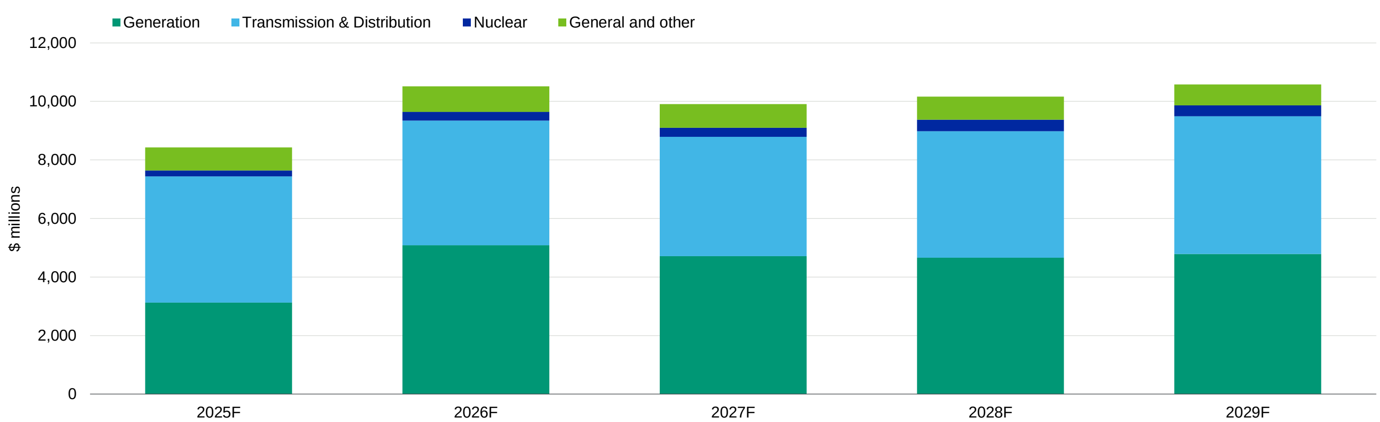
Following the legislation, in October 2019, the FPSC implemented a Storm Protection Plan (SPP) Cost Recovery Clause. The mechanism allows for the recovery of new transmission and distribution storm hardening investments, which includes costs for hardening of overhead transmission and distribution lines, undergrounding of certain distribution lines and vegetation management; to strengthen the electric utility infrastructure for the purposes of reducing restoration costs and outage times associated with extreme weather events not already included in base rates. This demonstrated that Florida regulators support proactive management of physical risks arising from climate change, which is expected to cause storms to be more frequent and powerful over the long term, as well as the maintenance of electric system reliability.

In April 2022, the FPSC approved FPL's last storm protection plan, consisting of investments of about $14.5 billion to upgrade its grid infrastructure from 2023-2032, including about $7 billion for undergrounding power lines. FPL is spending approximately $5-6 billion on transmission and distribution storm hardening investments from 2022 - 2025 with timely recovery through the SPP recovery mechanism and base rates. In March 2025, FPL filed a petition with the FPSC for approval of its 2024 SPP true-up amounts. This filing includes adjustments based on actual costs incurred during 2024 and projected costs for 2025.

FPL's service territory is among the few areas nationwide that continues to exhibit significant customer growth, benefiting from migration into the state that has increased the number of FPL's retail customers (average number of customer accounts up roughly 1.9% in 2024). Growth in the service territory has also necessitated additional investments in the utility's infrastructure to maintain safety and reliability, and on which FPL will earn a return.

FPL expects to invest approximately $49.6 billion of new capital from 2025-2029. About 44% of the roughly $9.9 billion of FPL's average annual capital expenditures over the next few years will be used towards updating its transmission and distribution network including grid hardening and reliability investments. About 12% of the projected spending is earmarked towards modernizing its existing generation portfolio by increasing its cleaner, more fuel-efficient power generation. About 33% of the investments will go towards new generation capacity which will include natural gas as well as solar power.

Exhibit 10
FPL's elevated capital expenditures will continue to grow rate base and cash flow

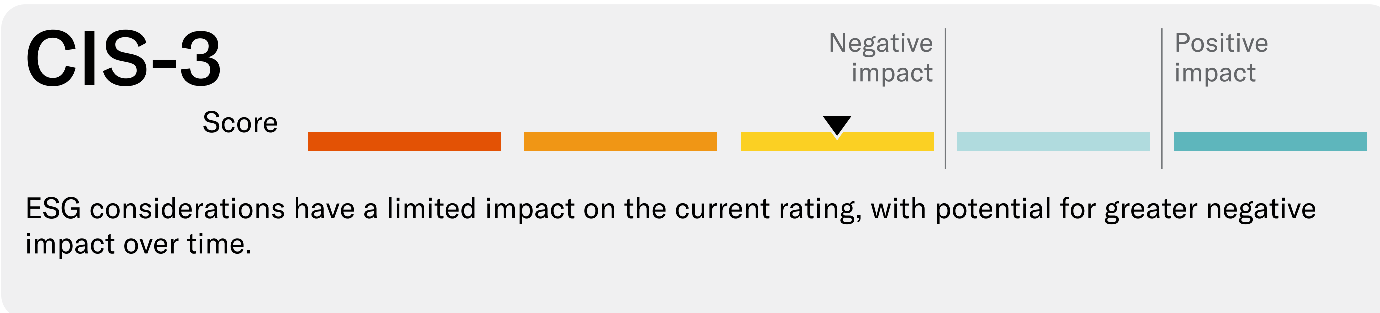


Source: Company filings

ESG considerations

NextEra Energy, Inc.'s ESG credit impact score is CIS-3

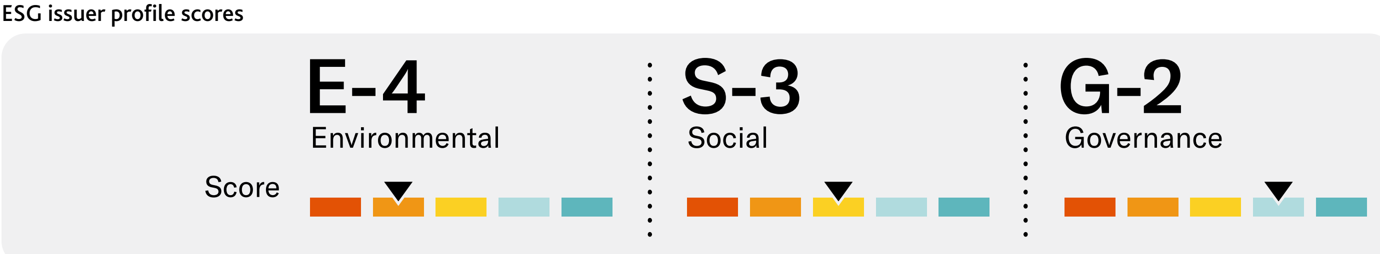
Exhibit 11
ESG credit impact score



Source: Moody's Ratings

NEE's **CIS-3** indicates that ESG considerations have a limited impact on the current credit rating with potential for greater negative impact over time. Physical climate risks from a service territory prone to hurricanes and tropical storms drives the high environmental risk score. Governance risk and exposure to demographic and social trends, such as a less supportive regulatory environment and customer affordability concerns, could weaken credit quality over the long-term.

Exhibit 12
ESG issuer profile scores



Source: Moody's Ratings

Environmental

NEE's **E-4** issuer profile score largely reflects high physical climate risks resulting from hurricanes and tropical storms in its core Florida market. NEE's carbon transition risk is not considered a material risk because it has a diverse portfolio of generation with minimal coal, growing renewable energy resources, and a supportive regulatory framework. The company's nuclear generation fleet adds risks of waste management and pollution. While NEE has not had any problems with its nuclear fleet or nuclear waste to date, it remains an inherent risk for nuclear operators in the industry. The fossil fuel generation is balanced by NEER's ownership of the largest portfolio of renewable power projects in North America.

Social

NEE's **S-3** issuer profile score considers the operation of nuclear generation which heightens the risk of responsible production, while demographics and societal trends may increase public concern over environmental, social, or affordability issues that could lead to adverse regulatory or political intervention. NEE's social risks are somewhat offset by FPL's low customer rates that are below the national average, strong customer and load growth, as well as the robust and independent regulatory framework in which it operates. The regulatory framework provides strong assurance that the company will be able to recover storm costs from customers, even where these can be politically controversial.

Governance

NEE's **G-2** issuer profile score is broadly in line with other utility holding companies. The company's financial policy is to maintain the capital structure of its utility, FPL, established in its regulatory rate constructs with any dividends distributed to the parent offset by sufficient equity injections to maintain the utilities' target capital structure. NEE's governance score also incorporates a board structure and policies with a relatively low number of independent directors; and additional organizational complexity with its majority-owned affiliate, XPLR.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Additional ESG considerations

NEE is strongly positioned for carbon transition within the utility sector because of its minimal coal exposure and substantial ownership of modernized and efficient natural gas-fired generation assets. In June 2022, NEE announced its Real Zero decarbonization plan with the goal to be completely carbon emissions-free by no later than 2045. NEE has reduced its carbon dioxide emissions rate for decades and, as of 2024, has achieved a 61% reduction, compared to a 2005 adjusted baseline.

FPL's limited coal exposure only relates to legacy Gulf Power's 25% share of Scherer Unit 3 (215 MW), expected to be retired in 2028, since its 50% ownership of the Daniel coal plant in Mississippi (500 MW) was retired from service in January 2024.

FPL owns approximately 24 GW of natural gas generation out of a total owned generation capacity of approximately 36.4 GW. FPL continues to invest in renewable energy where solar generation assets are typically included in rate base and in rates on a timely basis through the SOBRA cost recovery mechanism.

As part of NEE's Real Zero goal, FPL plans to continue the transformation of its generation mix, reaching 36% decarbonization by 2025; 52% by 2030; 62% by 2035; 83% by 2040; and culminating in 100% decarbonization by no later than 2045.

As mentioned above, FPL's regulated utility service territories are along the coasts of Florida, making it vulnerable to storm related event risk. As such, regulatory treatment to address storm costs has and will continue to be an important factor supporting the credit quality of FPL, particularly since climate change is expected to make storms more severe and more frequent. Securitization legislation for the recovery of excessive storm-related costs is also in place in Florida, although FPL has not pursued securitization financing for storm costs in recent years. We expect FPL will have to deal with severe storm activity periodically going forward and continued favorable regulatory treatment will be important in supporting credit quality.

As a holding company of predominantly regulated utilities and a large renewable energy developer and operator, one of NEE's primary goals is to provide customers with affordable, reliable and clean energy to power their homes and businesses, which are important social factors. From a governance perspective, policies that result in a strong financial position are important for managing the company's businesses, environmental and social risks, particularly amid the group's elevated capital expenditure program.

Liquidity analysis

NEE's corporate family of companies have sufficient liquidity, with FPL maintaining the strongest liquidity profile, primarily due to its robust cash flow generation and strong access to the capital markets. As has been the case historically, NEECH's liquidity is somewhat constrained as NEER continues an elevated growth capital investment program, with the need to periodically repay/refinance a substantial amount of maturing debt, and the potential for material contingent calls related to its hedging and marketing activities. However, NEECH has demonstrated an ability to manage its liquidity profile effectively, primarily through strong access to bank and debt capital markets.

For the 12-months ended 30 September 2025, consolidated NEE generated about $12 billion of cash flow from operations, had approximately $24 billion in capital expenditures, and made distributions of $4.6 billion. The shortfall in funding cash outflows through internally generated cash flow was supplemented with short-term borrowings, long-term debt issuances, asset sales and equity issuances of $2 billion. Going forward, we expect the company will continue to use short and long-term debt borrowings, as well as capital recycling through asset sales and equity issuances, to supplement internal cash flow generation to finance its elevated capital investment program and dividend distributions.

As of 30 September 2025, FPL had net available liquidity of about $5.1 billion, which included $75 million of cash on hand. The company has access to $3.3 billion of revolving bank credit facilities that also backstop its commercial paper (CP) program under which $0.9 billion was outstanding. The credit facilities also support about $1.57 billion of variable rate pollution control revenue bonds in the event the bonds are put back to the company and not remarketed. FPL's next debt maturities include $600 million of first mortgage bonds due December 2025 and $500 million senior unsecured notes due in May 2026.

NEECH's liquidity profile is impacted by NEER's elevated capital investment program, particularly due to continued growth and development of new renewable power projects, which typically results in substantial negative free cash flow, which continues to be significant. Consistent with the company's historical financial policies, NEECH largely finances its negative free cash flow through a combination of project finance debt, tax equity, long and short-term debt borrowings, equity units and with proceeds from projects sold (outright or equity interests) to third parties.

As of 30 September 2025, NEECH had nearly $10.9 billion of net available liquidity, which included $2.3 billion of cash; $11.4 billion of availability on its revolving credit facilities, net of about $3.5 billion of commercial paper borrowings. NEECH's $10.5 billion bank revolving line of credit facility backstops its CP program. NEECH also has $4.3 billion of letter of credit facilities with $3.6 billion of letters of credit outstanding. The LC facilities are only available for the issuance of letters of credit. The commitments are laddered, with the vast majority terminating in 2030. NEECH does not have a material adverse change clause in its bank credit facilities, although it does have one financial maintenance covenant of a maximum consolidated debt-to-capitalization ratio that it does not disclose. The company has indicated that it was in compliance as of 30 September 2025. NEECH's next significant debt maturities include $1.6 billion and $0.3 billion of debentures due in January 2026 and December 2026, respectively.

Rating methodology and scorecard factors

We use our global Regulated Electric and Gas Utilities rating methodology as the primary methodology for analyzing NextEra Energy, Inc.

Exhibit 13

Methodology scorecard factors

NextEra Energy, Inc.

Regulated Electric and Gas Utilities Industry	Current LTM 9/30/2025		Moody's 12-18 Month Forward View	
Factor 1 : Regulatory Framework (25%)	**Measure**	**Score**	**Measure**	**Score**
a) Legislative and Judicial Underpinnings of the Regulatory Framework	A	A	A	A
b) Consistency and Predictability of Regulation	Aa	Aa	Aa	Aa
Factor 2 : Ability to Recover Costs and Earn Returns (25%)				
a) Timeliness of Recovery of Operating and Capital Costs	A	A	A	A
b) Sufficiency of Rates and Returns	A	A	A	A
Factor 3 : Diversification (10%)				
a) Market Position	Aa	Aa	Aa	Aa
b) Generation and Fuel Diversity	A	A	A	A
Factor 4 : Financial Strength (40%)				
a) CFO pre-WC + Interest / Interest (3 Year Avg)	4.4x	Baa	4x - 4.5x	Baa
b) CFO pre-WC / Debt (3 Year Avg)	14.8%	Baa	14%-15%	Baa
c) CFO pre-WC – Dividends / Debt (3 Year Avg)	9.5%	Baa	8%-10%	Baa
d) Debt / Capitalization (3 Year Avg)	52.5%	Baa	50%-54%	Baa
Rating:				
Scorecard-Indicated Outcome Before Notching Adjustment		A3		A3
HoldCo Structural Subordination Notching	-2	-2	-2	-2
a) Scorecard-Indicated Outcome		Baa2		Baa2
b) Actual Rating Assigned		Baa1		Baa1

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Source: Moody's Financial Metrics™ and Moody's Ratings forecasts

Appendix

Exhibit 14

Peer comparison

NextEra Energy, Inc.

	NextEra Energy, Inc. Baa1 Stable			Berkshire Hathaway Energy A3 Stable			Duke Energy Corporation Baa2 Stable			Sempra Baa2 Negative			Dominion Energy, Inc. Baa2 Negative		
(in $ millions)	FY Dec-23	FY Dec-24	LTM Sep-25	FY Dec-23	FY Dec-24	LTM Jun-25	FY Dec-23	FY Dec-24	LTM Jun-25	FY Dec-23	FY Dec-24	LTM Jun-25	FY Dec-23	FY Dec-24	LTM Sep-25
Revenue	28,114	24,753	26,299	25,602	25,920	26,165	29,060	30,357	31,271	16,720	13,185	13,336	14393	14459	15813
CFO Pre-W/C	11,439	12,269	13,035	7,238	8,490	8,609	11,638	10,821	11,793	4,554	5,181	5,366	5386	4201	6619
Total Debt	72,206	80,599	89,447	57,429	57,656	59,163	81,350	85,128	88,288	31,528	34,389	37,131	45378	41353	48152
CFO Pre-W/C + Interest / Interest	4.2x	5.9x	4.8x	3.9x	4.1x	4.1x	4.5x	4.0x	4.1x	3.8x	4.6x	4.4x	3.9x	3.0x	4.2x
CFO Pre-W/C / Debt	15.8%	15.2%	14.6%	12.6%	14.7%	14.6%	14.3%	12.7%	13.4%	14.4%	15.1%	14.5%	11.9%	10.2%	13.7%
CFO Pre-W/C – Dividends / Debt	10.5%	9.8%	9.2%	11.9%	14.4%	14.3%	10.4%	8.9%	9.7%	7.2%	9.3%	9.2%	7.0%	4.7%	8.5%
Debt / Capitalization	50.5%	51.8%	52.6%	48.1%	47.6%	47.3%	57.5%	57.5%	57.8%	44.7%	43.2%	44.6%	56.5%	51.7%	53.5%

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 15
Moody's–adjusted cash flow reconciliation
NextEra Energy, Inc.

(in $ millions)	2020	2021	2022	2023	2024	LTM Sep-25
FFO	**8,727.5**	**8,751.4**	**10,058.0**	**11,780.8**	**12,494.0**	**13,281.7**
+/- Other	(234.0)	(272.0)	50.0	(342.0)	(225.0)	(247.0)
CFO Pre-WC	**8,493.5**	**8,479.4**	**10,108.0**	**11,438.8**	**12,269.0**	**13,034.7**
+/- ΔWC	(560.0)	(951.0)	(1,914.0)	(346.0)	725.0	(1,244.0)
CFO	**7,933.5**	**7,528.4**	**8,194.0**	**11,092.8**	**12,994.0**	**11,790.7**
- Div	2,787.1	3,066.3	3,400.7	3,883.8	4,408.0	4,820.7
- Capex	13,504.4	16,010.2	19,166.4	24,803.0	24,290.0	23,510.0
FCF	**(8,358.0)**	**(11,548.0)**	**(14,373.0)**	**(17,594.0)**	**(15,704.0)**	**(16,540.0)**
(CFO Pre-W/C) / Debt	17.8%	15.5%	15.6%	15.8%	15.2%	14.6%
(CFO Pre-W/C - Dividends) / Debt	11.9%	9.9%	10.3%	10.5%	9.8%	9.2%
FFO / Debt	18.2%	16.0%	15.5%	16.3%	15.5%	14.8%
RCF / Debt	12.4%	10.4%	10.3%	10.9%	10.0%	9.5%
Revenue	17,997.0	17,069.0	20,956.0	28,114.0	24,753.0	26,299.0
Interest Expense	2,094.5	1,386.6	723.0	3,532.2	2,501.0	3,438.3
Net Income	2,396.7	3,267.3	3,431.7	6,641.6	6,577.0	6,752.3
Total Assets	127,516.0	140,773.0	158,763.0	177,179.0	189,705.0	203,915.0
Total Liabilities	90,212.5	102,764.0	118,748.9	128,094.4	136,989.3	145,178.8
Total Equity	37,303.5	38,009.0	40,014.1	49,084.6	52,715.7	58,736.2

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
Source: Moody's Financial Metrics™

Ratings

Exhibit 16

Category	Moody's Rating
NEXTERA ENERGY, INC.	
Outlook	Stable
Issuer Rating	Baa1
NEXTERA ENERGY CAPITAL HOLDINGS, INC.	
Outlook	Stable
Senior Unsecured	Baa1
Bkd Jr Subordinate	Baa2
Bkd Commercial Paper	P-2
FLORIDA POWER & LIGHT COMPANY	
Outlook	Stable
Issuer Rating	A1
First Mortgage Bonds	Aa2
Senior Secured Shelf	(P)Aa2
Senior Unsecured	A1
Commercial Paper	P-1
Other Short Term	P-1
XPLR INFRASTRUCTURE OPERATING PARTNERS, LP	
Outlook	Stable
Bkd Senior Unsecured	Ba1/LGD4
GULF POWER COMPANY	
Outlook	No Outlook
Senior Unsecured	A1
XPLR INFRASTRUCTURE, LP	
Outlook	Stable
Corporate Family Rating	Ba1
Speculative Grade Liquidity	SGL-1

Source: Moody's Ratings

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