



Florida Power & Light Company, 700 Universe Blvd, Juno Beach FL. 33408-0420

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION

13 MAR 15 PM 4: 01

DIVISION OF
ACCOUNTING & FINANCE

March 15, 2013

Mr. John Slemkewicz
Public Utilities Supervisor
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Dear Mr. Slemkewicz:

Enclosed is Florida Power & Light Company's Rate of Return Surveillance Report to the Florida Public Service Commission for January 2013. This report was prepared using a thirteen month average and year-end rate base and adjustments consistent with Docket No. 120015-EI, Order No. PSC-13-0023-S-EI. The required rate of return was calculated using the return on common equity as authorized in the aforementioned docket and order.

This report also includes a pro forma adjustment to net operating income which reflects the annual effect of revenue normalization due to abnormal weather conditions. The pro forma return on common equity is 11.19%.

This report was prepared consistent with the guidelines provided in Commission Form PSC/AFA 14.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Stamm', written over a horizontal line.

Sol L Stamm
Director of Regulatory Accounting

Enclosures

Copy: J. R. Kelly, Office of Public Counsel

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
EARNINGS SURVEILLANCE REPORT SUMMARY
JANUARY, 2013

SCHEDULE 1: PAGE 1 OF 1

| | ACTUAL PER BOOKS | FPSC ADJUSTMENTS | FPSC ADJUSTED | PRO FORMA ADJUSTMENTS | PRO FORMA ADJUSTED |
|---|----------------------|---------------------|------------------|--------------------------|-----------------------|
| <u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u> | | | | | |
| NET OPERATING INCOME | \$ 1,582,127,876 (A) | (179,646,701) (B) | 1,402,481,175 | 18,449,318 | \$ 1,420,930,493 |
| RATE BASE | \$ 22,517,563,071 | (1,909,431,453) | 20,608,131,618 | 0 | \$ 20,608,131,618 |
| AVERAGE RATE OF RETURN | 7.03% | | 6.81% | | 6.89% |
| <u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u> | | | | | |
| NET OPERATING INCOME | \$ 1,582,127,876 (A) | (170,470,277) (B) | 1,411,657,599 | 18,449,318 | \$ 1,430,106,917 |
| RATE BASE | \$ 24,167,297,888 | (1,140,383,920) | 23,026,913,768 | 0 | \$ 23,026,913,768 |
| YEAR END RATE OF RETURN | 6.55% | | 6.13% | | 6.21% |
| (A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS | | | | | |

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)

| | |
|----------|-------|
| LOW | 6.10% |
| MIDPOINT | 6.57% |
| HIGH | 7.04% |

IV. FINANCIAL INTEGRITY INDICATORS

| | | |
|---|--------|--------------------------|
| A. TIMES INTEREST EARNED WITH AFUDC | 5.61 | (SYSTEM PER BOOKS BASIS) |
| B. TIMES INTEREST EARNED WITHOUT AFUDC | 5.43 | (SYSTEM PER BOOKS BASIS) |
| C. AFUDC AS PER CENT OF NET INCOME | 5.46% | (SYSTEM PER BOOKS BASIS) |
| D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY | 84.86% | (SYSTEM PER BOOKS BASIS) |
| E. LTD TO TOTAL INVESTOR FUNDS | 37.80% | (FPSC ADJUSTED BASIS) |
| F. STD TO TOTAL INVESTOR FUNDS | 2.53% | (FPSC ADJUSTED BASIS) |
| G. RETURN ON COMMON EQUITY (AVERAGE) | 11.00% | (FPSC ADJUSTED) |
| H. RETURN ON COMMON EQUITY | 11.19% | (PROFORMA ADJUSTED) |

NOTE: THIS REPORT HAS BEEN PREPARED USING A THIRTEEN MONTH AVERAGE AND END OF PERIOD RATE BASE AND ADJUSTMENTS CONSISTENT WITH DOCKET NO. 120015-EI, ORDER NO. PSC-13-0023-S-EI. THIS REPORT DOES NOT NECESSARILY REPRESENT THE OPINION OF THE COMPANY AS TO THE ACTUAL EARNED RATE OF RETURN FOR THE PERIOD COVERED.

I AM AWARE THAT SECTION 837.06, FLORIDA STATUTES, PROVIDES:
WHOEVER KNOWINGLY MAKES A FALSE STATEMENT IN WRITING WITH THE INTENT TO MISLEAD A PUBLIC SERVANT IN THE PERFORMANCE OF HIS OFFICIAL DUTY SHALL BE GUILTY OF A MISDEMEANOR OF THE SECOND DEGREE, PUNISHABLE AS PROVIDED IN S. 775.082, S. 775.083, OR S. 775.084.

KIMBERLY OUSDAHL
(VICE PRESIDENT AND CHIEF ACCOUNTING OFFICER)

(SIGNATURE)

K. OUSDAHL

3/15/13
(DATE)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
JANUARY, 2013

SCHEDULE 2: PAGE 1 OF 3

| | PLANT IN SERVICE | ACCUMULATED DEPRECIATION & AMORTIZATION | NET PLANT IN SERVICE | PROPERTY HELD FOR FUTURE USE | CONSTRUCTION WORK IN PROGRESS | NUCLEAR FUEL | NET UTILITY PLANT | WORKING CAPITAL | TOTAL RATE BASE |
|---|---------------------|---|----------------------------|---------------------------------|-------------------------------------|--------------|----------------------|--------------------|--------------------|
| SYSTEM PER BOOKS | \$ 33,009,097,697 | 12,906,134,939 | 20,102,962,758 | 200,799,194 | 3,165,995,170 | 633,302,022 | 24,103,059,145 | (1,130,600,604) | \$ 22,972,458,541 |
| JURISDICTIONAL PER BOOKS | \$ 32,252,662,951 | 12,120,919,346 | 20,131,743,605 | 193,858,588 | 3,022,705,674 | 621,116,785 | 23,969,424,652 | (1,451,861,581) | \$ 22,517,563,071 |
| FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3) | \$ (2,096,289,276) | (324,695,792) | (1,771,593,483) | 0 | (2,577,376,845) | 0 | (4,348,970,328) | 2,439,538,875 | \$ (1,909,431,453) |
| FPSC ADJUSTED: | \$ 30,156,373,676 | 11,796,223,554 | 18,360,150,122 | 193,858,588 | 445,328,830 | 621,116,785 | 19,620,454,324 | 987,677,294 | \$ 20,608,131,618 |
| PRO FORMA ADJUSTMENTS | | | | | | | | | |
| TOTAL PRO FORMA ADJUSTMENTS: | \$ 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 0 |
| PRO FORMA ADJUSTED | \$ 30,156,373,676 | 11,796,223,554 | 18,360,150,122 | 193,858,588 | 445,328,830 | 621,116,785 | 19,620,454,324 | 987,677,294 | \$ 20,608,131,618 |

NOTE:

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL OF THE PROFORMA ADJUSTMENTS THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
JANUARY, 2013

SCHEDULE 2: PAGE 2 OF 3

| | OPERATING REVENUES | OPERATION & MAINTENANCE FUEL & NET INTERCHANGE | OTHER | DEPRECIATION & AMORTIZATION | TAXES OTHER THAN INCOME | INCOME TAXES CURRENT | DEFERRED INCOME TAXES (NET) | INVESTMENT TAX CREDIT (NET) | (GAIN)/LOSS ON DISPOSITION | TOTAL OPERATING EXPENSES | NET OPERATING INCOME (A) |
|---|-----------------------|--|---------------|--------------------------------|-------------------------------|-------------------------|-----------------------------------|-----------------------------------|----------------------------------|--------------------------------|--------------------------------|
| SYSTEM PER BOOKS | \$ 10,084,699,933 | 4,174,573,867 | 1,761,316,638 | 846,389,468 | 1,063,003,783 | (331,766,394) | 1,036,716,387 | (1,853,682) | (1,671,680) | 8,546,708,387 | \$ 1,537,991,546 |
| JURISDICTIONAL PER BOOKS | \$ 9,901,090,429 | 4,088,603,492 | 1,733,558,142 | 831,252,231 | 1,055,708,725 | (324,527,888) | 1,014,097,802 | (1,817,579) | (1,660,268) | 8,395,214,657 | \$ 1,505,875,772 |
| FPSC ADJUSTMENTS | | | | | | | | | | | |
| FRANCHISE REVENUE | \$ (450,344,025) | 0 | 0 | 0 | (11,582,848) | (169,252,124) | 0 | 0 | 0 | (180,834,972) | \$ (269,509,053) |
| FRANCHISE EXPENSE | 0 | 0 | 0 | 0 | (438,761,121) | 169,252,102 | 0 | 0 | 0 | (269,509,018) | 269,509,018 |
| GROSS RECEIPTS TAX | (231,692,239) | 0 | 0 | 0 | (231,354,211) | (130,394) | 0 | 0 | 0 | (231,484,605) | (207,633) |
| FINANCIAL PLANNING SERVICES | 0 | 0 | (368,111) | 0 | 0 | 141,999 | 0 | 0 | 0 | (226,112) | 226,112 |
| INDUSTRY ASSOCIATION DUES | 0 | 0 | (3,590,807) | 0 | 0 | 1,385,154 | 0 | 0 | 0 | (2,205,653) | 2,205,653 |
| ECONOMIC DEVELOPMENT 5% | 0 | 0 | (70,707) | 0 | 0 | 27,275 | 0 | 0 | 0 | (43,432) | 43,432 |
| AVIATION - EXPENSES | 0 | 0 | (227,382) | 0 | 0 | 87,713 | 0 | 0 | 0 | (139,669) | 139,669 |
| EXECUTIVE COMPENSATION | 0 | 0 | (32,280,337) | 0 | 0 | 12,452,140 | 0 | 0 | 0 | (19,828,197) | 19,828,197 |
| FUEL COST REC RETAIL | (3,636,181,767) | (3,617,813,231) | (9,465,215) | 0 | (2,606,467) | (48,942,840) | 46,513,828 | 0 | 0 | (3,632,313,924) | (3,867,843) |
| CONSERVATION COST RECOVERY | (176,306,149) | 0 | (166,138,578) | (8,220,066) | (128,892) | (14,710,783) | 14,009,253 | 0 | 0 | (175,189,066) | (1,117,083) |
| CAPACITY COST RECOVERY | (698,633,167) | (454,136,324) | (60,935,223) | (188,278,996) | (509,855) | 22,249,178 | (20,232,773) | 0 | 0 | (701,843,994) | 3,210,827 |
| ENVIRONMENTAL COST RECOVERY | (188,493,121) | 0 | (24,873,346) | (30,091,132) | (298,224) | (46,819,863) | (4,798,947) | 0 | 583,735 | (106,297,777) | (82,195,344) |
| OTHER RATE CASE ADJUSTMENTS (1) | 0 | 0 | 0 | (2,939,359) | 0 | 1,133,858 | 0 | 0 | 0 | (1,805,501) | 1,805,501 |
| STORM DEFICIENCY RECOVERY | (101,679,104) | 0 | (783,265) | (77,020,443) | 0 | (9,209,934) | 0 | 0 | 0 | (87,013,642) | (14,665,462) |
| GAIN ON SALE LAND (PROPERTY) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| INTEREST TAX DEFICIENCIES | 0 | 0 | 1,634,848 | 0 | 0 | (630,643) | 0 | 0 | 0 | 1,004,205 | (1,004,205) |
| INTEREST SYNCHRONIZATION | 0 | 0 | 0 | 0 | 0 | 35,920,110 | (8,123,725) | 0 | 0 | 27,796,385 | (27,796,385) |
| TOTAL FPSC ADJUSTMENTS | \$ (5,483,329,572) | (4,071,949,555) | (297,098,124) | (306,549,996) | (685,241,617) | (47,047,053) | 27,367,636 | 0 | 583,735 | (5,379,934,974) | \$ (103,394,598) |
| FPSC ADJUSTED | \$ 4,417,760,857 | 16,653,936 | 1,436,460,018 | 524,702,236 | 370,467,107 | (371,574,940) | 1,041,465,438 | (1,817,579) | (1,076,533) | 3,015,279,683 | \$ 1,402,481,175 |
| PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3) | \$ 30,057,160 | 0 | 0 | 0 | 21,641 | 11,586,201 | 0 | 0 | 0 | 11,607,842 | \$ 18,449,318 |
| PRO FORMA SYSTEM PER BOOKS ADJUSTED | \$ 4,447,818,017 | 16,653,936 | 1,436,460,018 | 524,702,236 | 370,488,748 | (359,988,739) | 1,041,465,438 | (1,817,579) | (1,076,533) | 3,026,887,525 | \$ 1,420,930,493 |
| (A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY | | | | | | | | | | | |
| | \$ 77,861,821 | | | | | | | | | | |
| | \$ 76,252,103 | | | | | | | | | | |
| (B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE: | | | | | | | | | | | |
| ON A TOTAL COMPANY BASIS | \$ 1,435,882 | | | | | | | | | | |
| ON A JURISDICTIONAL BASIS | \$ 1,414,139 | | | | | | | | | | |
| CURRENT MONTH AMOUNT | | | | | | | | | | | |
| SYSTEM PER BOOKS | \$ 734,678,744 | 269,933,724 | 132,346,990 | 36,054,208 | 88,472,765 | (139,907,205) | 207,236,264 | (14,363) | (103,288) | 594,019,094 | \$ 140,659,650 |
| JURISDICTIONAL PER BOOKS | \$ 720,761,231 | 264,216,729 | 130,216,528 | 36,163,644 | 87,737,947 | (136,032,867) | 201,501,767 | (14,083) | (102,405) | 583,687,260 | \$ 137,073,971 |

NOTE:

(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER THE 2013 SETTLEMENT AGREEMENT.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
JANUARY, 2013

SCHEDULE 2: PAGE 2A OF 3

| | OPERATING REVENUES | OPERATION & MAINTENANCE FUEL & NET INTERCHANGE | OTHER | DEPRECIATION & AMORTIZATION | TAXES OTHER THAN INCOME | INCOME TAXES CURRENT | DEFERRED INCOME TAXES (NET) | INVESTMENT TAX CREDIT (NET) | (GAIN)/LOSS ON DISPOSITION | TOTAL OPERATING EXPENSES | NET OPERATING INCOME (A) |
|--------------------------------------|-----------------------|--|-------|--------------------------------|-------------------------------|-------------------------|-----------------------------------|-----------------------------------|----------------------------------|--------------------------------|--------------------------------|
| WEATHER NORMALIZATION ADJUSTMENT (1) | \$ 30,057,160 | 0 | 0 | 0 | 21,641 | 11,586,201 | 0 | 0 | 0 | 11,607,842 | \$ 18,449,318 |
| TOTAL PROFORMA ADJUSTMENTS | \$ 30,057,160 | 0 | 0 | 0 | 21,641 | 11,586,201 | 0 | 0 | 0 | 11,607,842 | \$ 18,449,318 |

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
JANUARY, 2013

SCHEDULE 2: PAGE 3 OF 3

| RATE BASE ADJUSTMENTS | SYSTEM | JURISDICTIONAL |
|---|-------------------------|-------------------------|
| PLANT IN SERVICE: | | |
| ENVIRONMENTAL | \$ 1,270,943,922 | \$ 1,246,575,033 |
| FUEL AND CAPACITY | 758,808,369 | 743,706,572 |
| CAPITALIZED EXECUTIVE COMPENSATION | 27,756 | 27,335 |
| LOAD CONTROL | 36,935,900 | 36,935,900 |
| ASSET RETIREMENT OBLIGATION | 11,701,268 | 11,524,083 |
| CAPITAL LEASES | 58,404,741 | 57,520,352 |
| TOTAL | \$ 2,136,821,955 | \$ 2,096,289,276 |
| ACCUMULATED PROVISION FOR DEPRECIATION: | | |
| ENVIRONMENTAL | \$ (94,650,933) | \$ (92,836,110) |
| ACCUM PROV DECOMMISSIONING COSTS | (3,114,726,604) | (3,058,797,826) |
| ASSET RETIREMENT OBLIGATION | 41,479,983 | 40,851,876 |
| ASSET RETIREMENT OBLIGATION DECOMMISSIONING | 2,886,919,480 | 2,843,204,562 |
| AVIATION - RESERVE | 0 | 0 |
| FUEL AND CAPACITY | (36,940,870) | (36,175,723) |
| OTHER RATE CASE ADJUSTMENTS (1) | (230,239) | (226,752) |
| LOAD CONTROL | (18,753,111) | (18,753,111) |
| CAPITAL LEASES | (1,992,885) | (1,962,708) |
| TOTAL | \$ (338,895,179) | \$ (324,695,792) |
| CONSTRUCTION WORK IN PROGRESS: | | |
| CONSTRUCTION WORK IN PROGRESS | \$ 2,420,556,374 | \$ 2,376,507,874 |
| CWIP - ECRC PROJECTS | 204,795,693 | 200,868,971 |
| TOTAL | \$ 2,625,352,067 | \$ 2,577,376,845 |
| NUCLEAR FUEL: | | |
| NUCLEAR FUEL IN PROCESS | \$ 0 | \$ 0 |
| NUCLEAR FUEL CAPITAL LEASES | 0 | 0 |
| TOTAL | \$ 0 | \$ 0 |
| WORKING CAPITAL: (SEE SCHEDULE 2, PAGE 3B OF 3) | \$ (2,484,444,059) | \$ (2,439,538,875) |
| TOTAL ADJUSTMENTS | \$ 1,938,834,784 | \$ 1,909,431,453 |

NOTE :

(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER THE 2013 SETTLEMENT AGREEMENT.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
JANUARY, 2013

SCHEDULE 2: PAGE 3A OF 3

| | OPERATING REVENUES | OPERATION & MAINTENANCE FUEL & NET INTERCHANGE | OTHER | DEPRECIATION & AMORTIZATION | TAXES OTHER THAN INCOME | INCOME TAXES CURRENT | DEFERRED INCOME TAXES (NET) | INVESTMENT TAX CREDIT (NET) | (GAIN)/LOSS ON DISPOSITION | TOTAL OPERATING EXPENSES | NET OPERATING INCOME (A) |
|---|--------------------|--|---------------|-----------------------------|-------------------------|----------------------|-----------------------------|-----------------------------|----------------------------|--------------------------|--------------------------|
| SYSTEM PER BOOKS | \$ 10,084,699,933 | 4,174,573,867 | 1,761,316,638 | 846,389,468 | 1,063,003,783 | (331,766,394) | 1,036,716,387 | (1,853,682) | (1,671,680) | 8,546,708,387 | \$ 1,537,991,546 |
| FPSC ADJUSTMENTS | | | | | | | | | | | |
| FRANCHISE REVENUE | \$ (450,344,025) | 0 | 0 | 0 | (11,582,848) | (169,252,124) | 0 | 0 | 0 | (180,834,972) | \$ (269,509,053) |
| FRANCHISE EXPENSE | 0 | 0 | 0 | 0 | (438,761,121) | 169,252,102 | 0 | 0 | 0 | (269,509,018) | 269,509,018 |
| GROSS RECEIPTS TAX | (231,692,239) | 0 | 0 | 0 | (231,354,211) | (130,394) | 0 | 0 | 0 | (231,484,605) | (207,633) |
| FINANCIAL PLANNING SERVICES | 0 | 0 | (373,771) | 0 | 0 | 144,182 | 0 | 0 | 0 | (229,589) | 229,589 |
| INDUSTRY ASSOCIATION DUES | 0 | 0 | (3,646,017) | 0 | 0 | 1,406,451 | 0 | 0 | 0 | (2,239,566) | 2,239,566 |
| ECONOMIC DEVELOPMENT 5% | 0 | 0 | (71,794) | 0 | 0 | 27,695 | 0 | 0 | 0 | (44,100) | 44,100 |
| AVIATION - EXPENSES | 0 | 0 | (230,878) | 0 | 0 | 89,061 | 0 | 0 | 0 | (141,817) | 141,817 |
| EXECUTIVE COMPENSATION | 0 | 0 | (32,776,655) | 0 | 0 | 12,643,594 | 0 | 0 | 0 | (20,133,060) | 20,133,060 |
| ADVERTISING EXPENSES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| FUEL COST REC RETAIL | (3,711,511,718) | (3,693,191,951) | (9,666,037) | 0 | (2,606,467) | (48,723,384) | 46,390,653 | 0 | 0 | (3,707,797,187) | (3,714,531) |
| CONSERVATION COST RECOVERY | (176,306,149) | 0 | (166,138,578) | (8,220,066) | (128,892) | (14,710,783) | 14,009,253 | 0 | 0 | (175,189,066) | (1,117,083) |
| CAPACITY COST RECOVERY | (698,655,676) | (464,401,258) | (62,021,376) | (188,278,996) | (510,010) | 26,619,237 | (20,232,773) | 0 | 0 | (708,825,177) | 10,169,501 |
| ENVIRONMENTAL COST RECOVERY | (188,493,121) | 0 | (25,359,587) | (30,679,374) | (301,400) | (46,408,558) | (4,798,947) | 0 | 595,147 | (106,952,720) | (81,540,401) |
| OTHER RATE CASE ADJUSTMENTS (1) | 0 | 0 | 0 | (2,993,104) | 0 | 1,154,590 | 0 | 0 | 0 | (1,838,514) | 1,838,514 |
| STORM DEFICIENCY RECOVERY | (101,679,104) | 0 | (794,952) | (77,020,443) | 0 | (9,205,426) | 0 | 0 | 0 | (87,020,821) | (14,658,283) |
| GAIN ON SALE LAND (PROPERTY) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| INTEREST TAX DEFICIENCIES | 0 | 0 | 1,659,984 | 0 | 0 | (640,339) | 0 | 0 | 0 | 1,019,645 | (1,019,645) |
| INTEREST SYNCHRONIZATION | 0 | 0 | 0 | 0 | 0 | 36,445,974 | (8,248,629) | 0 | 0 | 28,197,345 | (28,197,345) |
| TOTAL FPSC ADJUSTMENTS | \$ (5,558,682,031) | (4,157,593,210) | (299,419,661) | (307,191,982) | (685,244,949) | (41,288,123) | 27,119,557 | 0 | 595,147 | (5,463,023,221) | \$ (95,658,810) |
| FPSC ADJUSTED | \$ 4,526,017,901 | 16,980,658 | 1,461,896,977 | 539,197,486 | 377,758,834 | (373,054,517) | 1,063,835,944 | (1,853,682) | (1,076,533) | 3,083,685,166 | \$ 1,442,332,735 |
| PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3) | \$ 30,057,160 | 0 | 0 | 0 | 21,641 | 11,586,201 | 0 | 0 | 0 | 11,607,842 | \$ 18,449,318 |
| PRO FORMA SYSTEM PER BOOKS ADJUSTED | \$ 4,556,075,061 | 16,980,658 | 1,461,896,977 | 539,197,486 | 377,780,475 | (361,468,316) | 1,063,835,944 | (1,853,682) | (1,076,533) | 3,095,293,008 | \$ 1,460,782,053 |

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 77,861,621

NOTE:

(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER THE 2013 SETTLEMENT AGREEMENT.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
JANUARY, 2013

SCHEDULE 2: PAGE 3B OF 3

| WORKING CAPITAL ADJUSTMENTS | SYSTEM | JURISDICTIONAL |
|---|---------------------------|---------------------------|
| ADJUSTMENTS TO ASSETS PER BOOKS: | | |
| ACCOUNTS RECEIVABLE - ASSOC COS | \$ 20,569,919 | \$ 20,243,212 |
| INTEREST & DIVIDENDS RECEIVABLE | 871,962 | 858,113 |
| ACCTS RECEIVABLE - TAX REFUND | 0 | 0 |
| NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRC | 69,611,357 | 69,848,611 |
| CASH CAPITAL SUB ACCOUNT | 0 | 0 |
| POLE ATTACHMENTS RENTS RECEIVABLE | 12,679,511 | 12,478,126 |
| PREPAYMENTS - INTEREST ON COMMERCIAL PAPER | 7,694,112 | 7,535,063 |
| RATE CASE EXPENSE | 2,932,548 | 2,932,548 |
| TEMPORARY CASH INVESTMENTS | 28,400,866 | 27,949,783 |
| ASSET RETIREMENT OBLIGATION | 0 | 0 |
| STORM DEFICIENCY RECOVERY | 699,252,309 | 699,252,309 |
| NUCLEAR COST RECOVERY | 4,533,279 | 4,533,279 |
| JOBGING ACCOUNTS | 16,144,310 | 15,887,894 |
| TOTAL ADJUSTMENTS TO ASSETS PER BOOKS | \$ 862,690,174 | \$ 861,518,938 |
| ADJUSTMENTS TO LIABILITIES PER BOOKS: | | |
| ACCOUNTS PAYABLE - ASSOC COS | \$ 0 | \$ 0 |
| ACCUM DEFERRED RETIREMENT BENEFITS | (3,359,363) | (3,308,494) |
| ACCUM. PROV. - PROPERTY & STORM INSURANCE | (163,278,462) | (163,278,462) |
| ACCUM. PROV. - RATE REFUNDS | (356,295) | (345,075) |
| GAIN ON SALE OF EMISSION ALLOWANCE | (1,449,985) | (1,422,183) |
| JOBGING ACCOUNTS | (15,385,340) | (15,140,983) |
| PAYABLE TO NUCLEAR DECOMMISSIONING FUND | 0 | 0 |
| LEHMAN HEDGE | 0 | 0 |
| POLE ATTACHMENT RENTS PAYABLE | (6,841,286) | (6,732,628) |
| PREFERRED STOCK DIVIDENDS ACCRUED | 0 | 0 |
| SJRPP ACCELERATED RECOVERY | (56,010,987) | (54,898,581) |
| STORM DEFICIENCY RECOVERY | 0 | 0 |
| ASSET RETIREMENT OBLIGATION | (2,940,102,678) | (2,895,582,438) |
| MARGIN CALL CASH COLLATERAL | 0 | 0 |
| NUCLEAR COST RECOVERY | (160,295,258) | (160,295,258) |
| TRANSMISSION RELIABILITY ENHANCEMENT | (54,578) | (53,711) |
| TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS | \$ (3,347,134,233) | \$ (3,301,057,814) |
| NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS | \$ (2,484,444,059) | \$ (2,439,538,875) |

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
JANUARY, 2013

SCHEDULE 2: PAGE 3C OF 3

| | OPERATING REVENUES | OPERATION & MAINTENANCE FUEL & NET INTERCHANGE | OTHER | DEPRECIATION & AMORTIZATION | TAXES OTHER THAN INCOME | INCOME TAXES CURRENT | DEFERRED INCOME TAXES (NET) | INVESTMENT TAX CREDIT (NET) | (GAIN)/LOSS ON DISPOSITION | TOTAL OPERATING EXPENSES | NET OPERATING INCOME (A) |
|--------------------------------------|-----------------------|--|-------|--------------------------------|-------------------------------|-------------------------|-----------------------------------|-----------------------------------|----------------------------------|--------------------------------|--------------------------------|
| WEATHER NORMALIZATION ADJUSTMENT (1) | \$ 30,057,160 | 0 | 0 | 0 | 21,641 | 11,586,201 | 0 | 0 | 0 | 11,607,842 | \$ 18,449,318 |
| TOTAL PROFORMA ADJUSTMENTS | \$ 30,057,160 | 0 | 0 | 0 | 21,641 | 11,586,201 | 0 | 0 | 0 | 11,607,842 | \$ 18,449,318 |

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
RATE BASE
JANUARY, 2013

SCHEDULE 3: PAGE 1 OF 3

| | PLANT IN SERVICE | ACCUMULATED DEPRECIATION & AMORTIZATION | NET PLANT IN SERVICE | PROPERTY HELD FOR FUTURE USE | CONSTRUCTION WORK IN PROGRESS | NUCLEAR FUEL | NET UTILITY PLANT | WORKING CAPITAL | TOTAL RATE BASE |
|---|---------------------|---|----------------------------|---------------------------------|-------------------------------------|--------------|----------------------|--------------------|--------------------|
| SYSTEM PER BOOKS | \$ 34,418,672,264 | 12,586,706,348 | 21,831,965,915 | 201,111,571 | 2,854,647,858 | 673,834,759 | 25,561,560,104 | (1,130,600,604) | \$ 24,430,959,500 |
| JURISDICTIONAL PER BOOKS | \$ 33,561,957,225 | 11,575,419,257 | 21,986,537,968 | 193,923,853 | 2,777,827,809 | 660,869,639 | 25,619,159,269 | (1,451,861,581) | \$ 24,167,297,688 |
| FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3) | \$ (1,519,133,892) | (273,881,927) | (1,245,251,965) | 0 | (2,334,670,830) | 0 | (3,579,922,795) | 2,439,538,875 | \$ (1,140,383,920) |
| FPSC ADJUSTED: | \$ 32,042,823,333 | 11,301,537,330 | 20,741,266,003 | 193,923,853 | 443,156,979 | 660,869,639 | 22,039,236,475 | 987,677,294 | \$ 23,026,913,768 |
| PRO FORMA ADJUSTMENTS | | | | | | | | | |
| TOTAL PRO FORMA ADJUSTMENTS: | \$ 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 0 |
| PRO FORMA ADJUSTED | \$ 32,042,823,333 | 11,301,537,330 | 20,741,266,003 | 193,923,853 | 443,156,979 | 660,869,639 | 22,039,236,475 | 987,677,294 | \$ 23,026,913,768 |

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
JANUARY, 2013

SCHEDULE 3: PAGE 2 OF 3

| | OPERATING REVENUES | OPERATION & MAINTENANCE FUEL & NET INTERCHANGE | OTHER | DEPRECIATION & AMORTIZATION | TAXES OTHER THAN INCOME | INCOME TAXES CURRENT | DEFERRED INCOME TAXES (NET) | INVESTMENT TAX CREDIT (NET) | (GAIN)/LOSS ON DISPOSITION | TOTAL OPERATING EXPENSES | NET OPERATING INCOME (A) |
|---|-----------------------|--|---------------|--------------------------------|-------------------------------|-------------------------|-----------------------------------|-----------------------------------|----------------------------------|--------------------------------|--------------------------------|
| SYSTEM PER BOOKS | \$ 10,084,699,933 | 4,174,573,867 | 1,761,316,638 | 846,389,468 | 1,063,003,783 | (331,766,394) | 1,036,716,387 | (1,853,682) | (1,671,680) | 8,546,708,387 | \$ 1,537,991,546 |
| JURISDICTIONAL PER BOOKS | \$ 9,901,090,429 | 4,088,603,492 | 1,733,558,142 | 831,252,231 | 1,055,708,725 | (324,527,888) | 1,014,097,802 | (1,817,579) | (1,660,268) | 8,395,214,657 | \$ 1,505,875,772 |
| FPSC ADJUSTMENTS | | | | | | | | | | | |
| FRANCHISE REVENUE | \$ (450,344,025) | 0 | 0 | 0 | (11,582,848) | (169,252,124) | 0 | 0 | 0 | (180,834,972) | \$ (269,509,053) |
| FRANCHISE EXPENSE | 0 | 0 | 0 | 0 | (438,761,121) | 169,252,102 | 0 | 0 | 0 | (269,509,018) | 269,509,018 |
| GROSS RECEIPTS TAX | (231,692,239) | 0 | 0 | 0 | (231,354,211) | (130,394) | 0 | 0 | 0 | (231,484,605) | (207,633) |
| FINANCIAL PLANNING SERVICES | 0 | 0 | (368,111) | 0 | 0 | 141,999 | 0 | 0 | 0 | (226,112) | 226,112 |
| INDUSTRY ASSOCIATION DUES | 0 | 0 | (3,590,807) | 0 | 0 | 1,385,154 | 0 | 0 | 0 | (2,205,653) | 2,205,653 |
| ECONOMIC DEVELOPMENT 5% | 0 | 0 | (70,707) | 0 | 0 | 27,275 | 0 | 0 | 0 | (43,432) | 43,432 |
| AVIATION - EXPENSES | 0 | 0 | (227,382) | 0 | 0 | 87,713 | 0 | 0 | 0 | (139,669) | 139,669 |
| EXECUTIVE COMPENSATION | 0 | 0 | (32,280,337) | 0 | 0 | 12,452,140 | 0 | 0 | 0 | (19,828,197) | 19,828,197 |
| FUEL COST REC RETAIL | (3,636,181,767) | (3,617,813,231) | (9,465,215) | 0 | (2,606,467) | (48,942,840) | 46,513,828 | 0 | 0 | (3,632,313,924) | (3,867,843) |
| CONSERVATION COST RECOVERY | (176,306,149) | 0 | (166,138,578) | (8,220,066) | (128,892) | (14,710,783) | 14,009,253 | 0 | 0 | (175,189,066) | (1,117,083) |
| CAPACITY COST RECOVERY | (698,633,167) | (454,136,324) | (60,935,223) | (188,278,996) | (509,855) | 22,249,178 | (20,232,773) | 0 | 0 | (701,843,994) | 3,210,827 |
| ENVIRONMENTAL COST RECOVERY | (188,493,121) | 0 | (24,873,346) | (30,091,132) | (298,224) | (46,819,863) | (4,798,947) | 0 | 583,735 | (106,297,777) | (82,195,344) |
| OTHER RATE CASE ADJUSTMENTS (1) | 0 | 0 | 0 | (2,939,359) | 0 | 1,133,858 | 0 | 0 | 0 | (1,805,501) | 1,805,501 |
| STORM DEFICIENCY RECOVERY | (101,679,104) | 0 | (783,265) | (77,020,443) | 0 | (9,209,934) | 0 | 0 | 0 | (87,013,642) | (14,665,462) |
| GAIN ON SALE LAND (PROPERTY) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| INTEREST TAX DEFICIENCIES | 0 | 0 | 1,634,848 | 0 | 0 | (630,643) | 0 | 0 | 0 | 1,004,205 | (1,004,205) |
| INTEREST SYNCHRONIZATION | 0 | 0 | 0 | 0 | 0 | 26,743,685 | (8,123,725) | 0 | 0 | 18,619,960 | (18,619,960) |
| TOTAL FPSC ADJUSTMENTS | \$ (5,483,329,572) | (4,071,949,555) | (297,098,124) | (306,549,996) | (685,241,617) | (56,223,477) | 27,367,636 | 0 | 583,735 | (5,389,111,399) | \$ (94,218,173) |
| FPSC ADJUSTED | \$ 4,417,760,857 | 16,653,936 | 1,436,460,018 | 524,702,236 | 370,467,107 | (380,751,365) | 1,041,465,438 | (1,817,579) | (1,076,533) | 3,006,103,258 | \$ 1,411,657,599 |
| PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3) | \$ 30,057,160 | 0 | 0 | 0 | 21,641 | 11,586,201 | 0 | 0 | 0 | 11,607,842 | \$ 18,449,318 |
| PRO FORMA SYSTEM PER BOOKS ADJUSTED | \$ 4,447,818,017 | 16,653,936 | 1,436,460,018 | 524,702,236 | 370,488,748 | (369,165,164) | 1,041,465,438 | (1,817,579) | (1,076,533) | 3,017,711,100 | \$ 1,430,106,917 |

(A) THE ADDITION OF EARNINGS FROM AFUDC
WOULD INCREASE THE SYSTEM NOI BY \$ 77,861,621
AND THE JURISDICTIONAL NOI BY \$ 76,252,103

NOTE:

(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER THE 2013 SETTLEMENT AGREEMENT.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
JANUARY, 2013

SCHEDULE 3: PAGE 2A OF 3

| | OPERATING REVENUES | OPERATION & MAINTENANCE FUEL & NET INTERCHANGE | OTHER | DEPRECIATION & AMORTIZATION | TAXES OTHER THAN INCOME | INCOME TAXES CURRENT | DEFERRED INCOME TAXES (NET) | INVESTMENT TAX CREDIT (NET) | (GAIN)/LOSS ON DISPOSITION | TOTAL OPERATING EXPENSES | NET OPERATING INCOME (A) |
|--------------------------------------|-----------------------|--|-------|--------------------------------|-------------------------------|-------------------------|-----------------------------------|-----------------------------------|----------------------------------|--------------------------------|--------------------------------|
| WEATHER NORMALIZATION ADJUSTMENT (1) | \$ 30,057,160 | 0 | 0 | 0 | 21,641 | 11,586,201 | 0 | 0 | 0 | 11,607,842 | \$ 18,449,318 |
| TOTAL PROFORMA ADJUSTMENTS | \$ 30,057,160 | 0 | 0 | 0 | 21,641 | 11,586,201 | 0 | 0 | 0 | 11,607,842 | \$ 18,449,318 |

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
JANUARY, 2013

SCHEDULE 3: PAGE 3 OF 3

| RATE BASE ADJUSTMENTS | SYSTEM | JURISDICTIONAL |
|---|-------------------------|-------------------------|
| PLANT IN SERVICE: | | |
| ENVIRONMENTAL | \$ 1,401,792,022 | \$ 1,374,914,272 |
| FUEL AND CAPACITY | 34,324,067 | 33,611,436 |
| CAPITALIZED EXECUTIVE COMPENSATION | 360,824 | 355,361 |
| LOAD CONTROL | 39,169,921 | 39,169,921 |
| ASSET RETIREMENT OBLIGATION | 13,771,078 | 13,562,550 |
| CAPITAL LEASES | 58,404,741 | 57,520,352 |
| TOTAL | \$ 1,547,822,653 | \$ 1,519,133,892 |
| ACCUMULATED PROVISION FOR DEPRECIATION: | | |
| ENVIRONMENTAL | \$ (36,378,849) | \$ (35,681,327) |
| ACCUM PROV DECOMMISSIONING COSTS | (3,200,366,268) | (3,142,899,723) |
| ASSET RETIREMENT OBLIGATION | 44,029,944 | 43,363,225 |
| ASSET RETIREMENT OBLIGATION DECOMMISSIONING | 2,966,292,333 | 2,921,375,518 |
| AVIATION - RESERVE | 0 | 0 |
| FUEL AND CAPACITY | (33,792,981) | (33,090,898) |
| OTHER RATE CASE ADJUSTMENTS (1) | (2,993,104) | (2,947,781) |
| LOAD CONTROL | (21,479,706) | (21,479,706) |
| CAPITAL LEASES | (2,560,000) | (2,521,235) |
| TOTAL | \$ (287,248,631) | \$ (273,881,927) |
| CONSTRUCTION WORK IN PROGRESS: | | |
| CONSTRUCTION WORK IN PROGRESS | \$ 2,344,626,524 | \$ 2,302,525,847 |
| CWIP - ECRC PROJECTS | 32,773,374 | 32,144,983 |
| TOTAL | \$ 2,377,399,898 | \$ 2,334,670,830 |
| NUCLEAR FUEL: | | |
| NUCLEAR FUEL IN PROCESS | \$ 0 | \$ 0 |
| NUCLEAR FUEL CAPITAL LEASES | 0 | 0 |
| TOTAL | \$ 0 | \$ 0 |
| WORKING CAPITAL: (SEE SCHEDULE 2, PAGE 3B OF 3) | \$ (2,484,444,059) | \$ (2,439,538,875) |
| TOTAL ADJUSTMENTS | \$ 1,153,529,861 | \$ 1,140,383,920 |

NOTE:

(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER THE 2013 SETTLEMENT AGREEMENT.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
JANUARY, 2013

SCHEDULE 3: PAGE 3A OF 3

| | OPERATING REVENUES | OPERATION & MAINTENANCE FUEL & NET INTERCHANGE | OTHER | DEPRECIATION & AMORTIZATION | TAXES OTHER THAN INCOME | INCOME TAXES CURRENT | DEFERRED INCOME TAXES (NET) | INVESTMENT TAX CREDIT (NET) | (GAIN)/LOSS ON DISPOSITION | TOTAL OPERATING EXPENSES | NET OPERATING INCOME (A) |
|---|-----------------------|--|---------------|--------------------------------|-------------------------------|-------------------------|-----------------------------------|-----------------------------------|----------------------------------|--------------------------------|--------------------------------|
| SYSTEM PER BOOKS | \$ 10,084,699,933 | 4,174,573,867 | 1,761,316,638 | 846,389,468 | 1,063,003,783 | (331,766,394) | 1,036,716,387 | (1,853,682) | (1,671,680) | 8,546,708,387 | \$ 1,537,991,546 |
| FPSC ADJUSTMENTS | | | | | | | | | | | |
| FRANCHISE REVENUE | \$ (450,344,025) | 0 | 0 | 0 | (11,582,848) | (169,252,124) | 0 | 0 | 0 | (180,834,972) | \$ (269,509,053) |
| FRANCHISE EXPENSE | 0 | 0 | 0 | 0 | (438,761,121) | 169,252,102 | 0 | 0 | 0 | (269,509,018) | 269,509,018 |
| GROSS RECEIPTS TAX | (231,692,239) | 0 | 0 | 0 | (231,354,211) | (130,394) | 0 | 0 | 0 | (231,484,605) | (207,633) |
| FINANCIAL PLANNING SERVICES | 0 | 0 | (373,771) | 0 | 0 | 144,182 | 0 | 0 | 0 | (229,589) | 229,589 |
| INDUSTRY ASSOCIATION DUES | 0 | 0 | (3,646,017) | 0 | 0 | 1,406,451 | 0 | 0 | 0 | (2,239,566) | 2,239,566 |
| ECONOMIC DEVELOPMENT 5% | 0 | 0 | (71,794) | 0 | 0 | 27,695 | 0 | 0 | 0 | (44,100) | 44,100 |
| AVIATION - EXPENSES | 0 | 0 | (230,878) | 0 | 0 | 89,061 | 0 | 0 | 0 | (141,817) | 141,817 |
| EXECUTIVE COMPENSATION | 0 | 0 | (32,776,655) | 0 | 0 | 12,643,594 | 0 | 0 | 0 | (20,133,060) | 20,133,060 |
| FUEL COST REC RETAIL | (3,711,511,718) | (3,693,191,951) | (9,666,037) | 0 | (2,606,467) | (48,723,384) | 46,390,653 | 0 | 0 | (3,707,797,187) | (3,714,531) |
| CONSERVATION COST RECOVERY | (176,306,149) | 0 | (166,138,578) | (8,220,066) | (128,892) | (14,710,783) | 14,009,253 | 0 | 0 | (175,189,066) | (1,117,083) |
| CAPACITY COST RECOVERY | (698,655,676) | (464,401,258) | (62,021,376) | (188,278,996) | (510,010) | 26,619,237 | (20,232,773) | 0 | 0 | (708,825,177) | 10,169,501 |
| ENVIRONMENTAL COST RECOVERY | (188,493,121) | 0 | (25,359,587) | (30,679,374) | (301,400) | (46,408,558) | (4,798,947) | 0 | 595,147 | (106,952,720) | (81,540,401) |
| OTHER RATE CASE ADJUSTMENTS (1) | 0 | 0 | 0 | (2,993,104) | 0 | 1,154,590 | 0 | 0 | 0 | (1,838,514) | 1,838,514 |
| STORM DEFICIENCY RECOVERY | (101,679,104) | 0 | (794,952) | (77,020,443) | 0 | (9,205,426) | 0 | 0 | 0 | (87,020,821) | (14,658,283) |
| GAIN ON SALE LAND (PROPERTY) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| INTEREST TAX DEFICIENCIES | 0 | 0 | 1,659,984 | 0 | 0 | (640,339) | 0 | 0 | 0 | 1,019,645 | (1,019,645) |
| INTEREST SYNCHRONIZATION | 0 | 0 | 0 | 0 | 0 | 28,364,760 | (8,248,629) | 0 | 0 | 20,116,131 | (20,116,131) |
| TOTAL FPSC ADJUSTMENTS | \$ (5,558,682,031) | (4,157,593,210) | (299,419,661) | (307,191,982) | (685,244,949) | (49,369,336) | 27,119,557 | 0 | 595,147 | (5,471,104,434) | \$ (87,577,597) |
| FPSC ADJUSTED | \$ 4,526,017,901 | 16,980,658 | 1,461,896,977 | 539,197,486 | 377,758,834 | (381,135,730) | 1,063,835,944 | (1,853,682) | (1,076,533) | 3,075,603,953 | \$ 1,450,413,948 |
| PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3) | \$ 30,057,160 | 0 | 0 | 0 | 21,641 | 11,586,201 | 0 | 0 | 0 | 11,607,842 | \$ 18,449,318 |
| PRO FORMA SYSTEM PER BOOKS ADJUSTED | \$ 4,556,075,061 | 16,980,658 | 1,461,896,977 | 539,197,486 | 377,780,475 | (369,549,529) | 1,063,835,944 | (1,853,682) | (1,076,533) | 3,087,211,795 | \$ 1,468,863,266 |

(A) THE ADDITION OF EARNINGS FROM AFUDC
WOULD INCREASE THE SYSTEM NOI BY \$ 77,861,621

NOTE:
(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER THE 2013 SETTLEMENT AGREEMENT.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
JANUARY, 2013

SCHEDULE 3: PAGE 3B OF 3

| | OPERATING REVENUES | OPERATION & MAINTENANCE FUEL & NET INTERCHANGE | OTHER | DEPRECIATION & AMORTIZATION | TAXES OTHER THAN INCOME | INCOME TAXES CURRENT | DEFERRED INCOME TAXES (NET) | INVESTMENT TAX CREDIT (NET) | (GAIN)/LOSS ON DISPOSITION | TOTAL OPERATING EXPENSES | NET OPERATING INCOME (A) |
|--------------------------------------|-----------------------|--|-------|--------------------------------|-------------------------------|-------------------------|-----------------------------------|-----------------------------------|----------------------------------|--------------------------------|--------------------------------|
| WEATHER NORMALIZATION ADJUSTMENT (1) | \$ 30,057,160 | 0 | 0 | 0 | 21,641 | 11,586,201 | 0 | 0 | 0 | 11,607,842 | \$ 18,449,318 |
| TOTAL PROFORMA ADJUSTMENTS | \$ 30,057,160 | 0 | 0 | 0 | 21,641 | 11,586,201 | 0 | 0 | 0 | 11,607,842 | \$ 18,449,318 |

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
JANUARY, 2013

SCHEDULE 4: PAGE 1 OF 2

| AVERAGE | SYSTEM PER BOOKS 1 | RETAIL PER BOOKS 2 | ADJUSTMENTS | | ADJUSTED RETAIL 5 | RATIO (%) 6 | LOW POINT | | MIDPOINT | | HIGH POINT | |
|----------------------------|--------------------------|--------------------------|--------------------|------------------|-------------------------|-------------------|--------------------------|------------------------------|--------------------------|-------------------------------|---------------------------|-------------------------------|
| | | | PRO RATA 3 | SPECIFIC 4 | | | COST RATE (%) 7 | WEIGHTED COST (%) 8 | COST RATE (%) 9 | WEIGHTED COST (%) 10 | COST RATE (%) 11 | WEIGHTED COST (%) 12 |
| | | | | | | | | | | | | |
| LONG TERM DEBT | \$ 7,071,691,822 | \$ 6,933,765,373 | \$ (308,886,568) | \$ (492,278,704) | \$ 6,132,600,101 | 29.76% | 5.09% | 1.52% | 5.09% | 1.52% | 5.09% | 1.52% |
| SHORT TERM DEBT | 439,928,273 | 430,772,250 | (20,656,685) | 0 | 410,115,565 | 1.99% | 1.80% | 0.04% | 1.80% | 0.04% | 1.80% | 0.04% |
| PREFERRED STOCK | - | - | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| COMMON EQUITY | 10,386,668,236 | 10,170,495,322 | (487,702,538) | (0) | 9,682,792,784 | 46.99% | 9.50% | 4.46% | 10.50% | 4.93% | 11.50% | 5.40% |
| CUSTOMER DEPOSITS | 452,350,277 | 452,276,087 | (21,687,852) | - | 430,588,236 | 2.09% | 4.10% | 0.09% | 4.10% | 0.09% | 4.10% | 0.09% |
| DEFERRED INCOME TAX | 4,446,025,035 | 4,357,832,867 | (198,968,239) | (208,570,988) | 3,950,293,640 | 19.17% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| INVESTMENT TAX CREDITS (1) | 175,794,897 | 172,421,171 | (87,705) | (170,592,173) | 1,741,292 | 0.01% | 7.79% | 0.00% | 8.40% | 0.00% | 9.02% | 0.00% |
| TOTAL | \$ 22,972,458,541 | \$ 22,517,563,071 | \$ (1,037,989,588) | \$ (871,441,865) | \$ 20,608,131,618 | 100.00% | | 6.10% | | 6.57% | | 7.04% |

| YEAR END | SYSTEM PER BOOKS 1 | RETAIL PER BOOKS 2 | ADJUSTMENTS | | ADJUSTED RETAIL 5 | RATIO (%) 6 | LOW POINT | | MIDPOINT | | HIGH POINT | |
|----------------------------|--------------------------|--------------------------|------------------|------------------|-------------------------|-------------------|--------------------------|------------------------------|--------------------------|-------------------------------|---------------------------|-------------------------------|
| | | | PRO RATA 3 | SPECIFIC 4 | | | COST RATE (%) 7 | WEIGHTED COST (%) 8 | COST RATE (%) 9 | WEIGHTED COST (%) 10 | COST RATE (%) 11 | WEIGHTED COST (%) 12 |
| | | | | | | | | | | | | |
| LONG TERM DEBT | \$ 7,601,311,986 | \$ 7,520,530,875 | \$ (82,218,915) | \$ (491,720,176) | \$ 6,946,591,784 | 30.17% | 5.06% | 1.53% | 5.06% | 1.53% | 5.06% | 1.53% |
| SHORT TERM DEBT | 343,147,243 | 339,303,553 | (3,968,974) | (0) | 335,334,579 | 1.46% | 0.23% | 0.00% | 0.23% | 0.00% | 0.23% | 0.00% |
| PREFERRED STOCK | - | - | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| COMMON EQUITY | 10,961,723,393 | 10,838,938,021 | (126,787,555) | (0) | 10,712,150,466 | 46.52% | 9.50% | 4.42% | 10.50% | 4.88% | 11.50% | 5.35% |
| CUSTOMER DEPOSITS | 435,581,961 | 435,477,861 | (5,093,965) | (0) | 430,383,896 | 1.87% | 2.13% | 0.04% | 2.13% | 0.04% | 2.13% | 0.04% |
| DEFERRED INCOME TAX | 4,921,700,391 | 4,868,843,316 | (54,513,139) | (208,570,988) | 4,605,759,189 | 20.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| INVESTMENT TAX CREDITS (1) | 167,494,525 | 164,204,062 | 39,131 | (167,549,339) | (3,306,146) | -0.01% | 7.75% | 0.00% | 8.36% | 0.00% | 8.96% | 0.00% |
| TOTAL | \$ 24,430,959,500 | \$ 24,167,297,688 | \$ (272,543,417) | \$ (867,840,502) | \$ 23,026,913,768 | 100.00% | | 5.99% | | 6.45% | | 6.92% |

NOTE:
(1) INVESTMENT TAX CREDITS COST RATES ARE BASED ON THE WEIGHTED AVERAGE COST OF LONG TERM DEBT, PREFERRED STOCK AND COMMON EQUITY.
(2) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
PROFORMA ADJUSTED BASIS
JANUARY, 2013

SCHEDULE 4: PAGE 2 OF 2

| AVERAGE | FPSC ADJUSTED 1 | PRO-FORMA ADJUSTMENTS 2 | TOTAL PRO-FORMA ADJUSTED 3 | TOTAL RATIO (%) 4 | LOW POINT | | MIDPOINT | | HIGH POINT | |
|----------------------------|-----------------------|-------------------------------|-------------------------------------|----------------------------|--------------------------|------------------------------|--------------------------|------------------------------|--------------------------|-------------------------------|
| | | | | | COST RATE (%) 5 | WEIGHTED COST (%) 6 | COST RATE (%) 7 | WEIGHTED COST (%) 8 | COST RATE (%) 9 | WEIGHTED COST (%) 10 |
| LONG TERM DEBT | \$ 6,132,600,101 | \$ 0 | \$ 6,132,600,101 | 29.76% | 5.09% | 1.52% | 5.09% | 1.52% | 5.09% | 1.52% |
| SHORT TERM DEBT | 410,115,565 | 0 | 410,115,565 | 1.99% | 1.80% | 0.04% | 1.80% | 0.04% | 1.80% | 0.04% |
| PREFERRED STOCK | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| COMMON EQUITY | 9,682,792,784 | (0) | 9,682,792,784 | 46.99% | 9.50% | 4.46% | 10.50% | 4.93% | 11.50% | 5.40% |
| CUSTOMER DEPOSITS | 430,588,236 | (0) | 430,588,236 | 2.09% | 4.10% | 0.09% | 4.10% | 0.09% | 4.10% | 0.09% |
| DEFERRED INCOME TAX | 3,950,293,640 | (0) | 3,950,293,640 | 19.17% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| INVESTMENT TAX CREDITS (1) | 1,741,292 | (0) | 1,741,292 | 0.01% | 7.79% | 0.00% | 8.40% | 0.00% | 9.02% | 0.00% |
| TOTAL | \$ 20,608,131,618 | \$ (0) | \$ 20,608,131,618 | 100.00% | | 6.10% | | 6.57% | | 7.04% |

| YEAR END | FPSC ADJUSTED 1 | PRO-FORMA ADJUSTMENTS 2 | TOTAL PRO-FORMA ADJUSTED 3 | TOTAL RATIO (%) 4 | LOW POINT | | MIDPOINT | | HIGH POINT | |
|----------------------------|-----------------------|-------------------------------|-------------------------------------|----------------------------|--------------------------|------------------------------|--------------------------|------------------------------|--------------------------|-------------------------------|
| | | | | | COST RATE (%) 5 | WEIGHTED COST (%) 6 | COST RATE (%) 7 | WEIGHTED COST (%) 8 | COST RATE (%) 9 | WEIGHTED COST (%) 10 |
| LONG TERM DEBT | \$ 6,946,591,784 | \$ 0 | \$ 6,946,591,784 | 30.17% | 5.06% | 1.53% | 5.06% | 1.53% | 5.06% | 1.53% |
| SHORT TERM DEBT | 335,334,579 | 0 | 335,334,579 | 1.46% | 0.23% | 0.00% | 0.23% | 0.00% | 0.23% | 0.00% |
| PREFERRED STOCK | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| COMMON EQUITY | 10,712,150,466 | 0 | 10,712,150,466 | 46.52% | 9.50% | 4.42% | 10.50% | 4.88% | 11.50% | 5.35% |
| CUSTOMER DEPOSITS | 430,383,896 | 0 | 430,383,896 | 1.87% | 2.13% | 0.04% | 2.13% | 0.04% | 2.13% | 0.04% |
| DEFERRED INCOME TAX | 4,605,759,189 | 0 | 4,605,759,189 | 20.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| INVESTMENT TAX CREDITS (1) | (3,306,146) | (0) | (3,306,146) | -0.01% | 7.75% | 0.00% | 8.36% | 0.00% | 8.96% | 0.00% |
| TOTAL | \$ 23,026,913,768 | \$ 0 | \$ 23,026,913,768 | 100.00% | | 5.99% | | 6.45% | | 6.92% |

NOTE:

(1) INVESTMENT TAX CREDITS COST RATES ARE BASED ON THE WEIGHTED AVERAGE COST OF LONG TERM DEBT, PREFERRED STOCK AND COMMON EQUITY.
(2) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
JANUARY, 2013

SCHEDULE 5: PAGE 1 OF 2

A. TIMES INTEREST EARNED WITH AFUDC

| | |
|--|-----------------------|
| EARNINGS BEFORE INTEREST CHARGES | \$ 1,674,280,166 |
| ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION | 23,578,613 |
| INCOME TAXES | <u>762,505,234</u> |
| TOTAL | \$ 2,460,364,013 |
| | |
| INTEREST CHARGES EXCLUDING DEBT AFUDC | <u>\$ 438,495,942</u> |
| | |
| TIMES INTEREST EARNED WITH AFUDC | <u>5.61</u> |

B. TIMES INTEREST EARNED WITHOUT AFUDC

| | |
|---|-----------------------|
| EARNINGS BEFORE INTEREST CHARGES | \$ 1,674,280,166 |
| ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION | (54,283,009) |
| INCOME TAXES | <u>762,505,234</u> |
| TOTAL | \$ 2,382,502,392 |
| | |
| INTEREST CHARGES EXCLUDING DEBT AFUDC | <u>\$ 438,495,942</u> |
| | |
| TIMES INTEREST EARNED WITHOUT AFUDC | <u>5.43</u> |

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

| | |
|---|-------------------------|
| ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION | \$ 23,578,613 |
| X (1 - INCOME_TAX_RATE) | <u>0.6143</u> |
| SUBTOTAL | \$ 14,483,163 |
| | |
| ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION | <u>54,283,009</u> |
| TOTAL | \$ 68,766,171 |
| | |
| NET INCOME AVAILABLE FOR COMMON | <u>\$ 1,259,362,837</u> |
| | |
| AFUDC AS PER CENT OF NET INCOME | <u>5.46%</u> |

FOOTNOTES

| | |
|--|---------------|
| CLAUSE OVER/UNDER RECOVERY | \$ 95,526,016 |
| GAINS ON DISPOSITION OF PROPERTY | (1,671,680) |
| LONG TERM DEBT RETIREMENTS & REDEMPTIONS | 0 |
| INCREASE/DECREASE IN DECOMMISSIONING FUNDS | <u>0</u> |
| | \$ 93,854,336 |

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF: 0

D. PERCENT INTERNALLY GENERATED FUNDS

| | |
|---------------------------------------|-------------------|
| NET INCOME | \$ 1,259,362,837 |
| PREFERRED DIVIDENDS DECLARED | 0 |
| COMMON DIVIDENDS | 0 |
| AFUDC (DEBT & OTHER) | (77,861,621) |
| DEPRECIATION AND AMORTIZATION EXPENSE | 846,389,468 |
| DEFERRED INCOME TAXES | 1,024,562,254 |
| INVESTMENT TAX CREDITS | (1,853,682) |
| OTHER SOURCE/USES OF FUNDS | <u>93,854,336</u> |
| INTERNALLY GENERATED FUNDS | \$ 3,144,453,591 |

CONSTRUCTION EXPENDITURES \$ 3,705,326,215

PERCENT INTERNALLY GENERATED FUNDS 84.86%

E. LONG TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL

F. SHORT TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL

| | |
|--------------------------------|----------------------|
| AVERAGE RETAIL AMOUNTS | |
| JURIS ADJUSTED LONG TERM DEBT | \$ 6,132,600,101 |
| JURIS ADJUSTED SHORT TERM DEBT | 410,115,565 |
| JURIS ADJUSTED PREFERRED STOCK | 0 |
| JURIS ADJUSTED COMMON STOCK | <u>9,682,792,784</u> |
| TOTAL | \$ 16,225,508,451 |
| | |
| LTD TO TOTAL INVESTOR FUNDS | <u>37.80%</u> |
| | |
| STD TO TOTAL INVESTOR FUNDS | <u>2.53%</u> |

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

| | |
|--|---------------|
| FPSC RATE OF RETURN | 6.81% |
| | |
| LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR : | |
| LONG TERM DEBT | 1.52% |
| SHORT TERM DEBT | 0.04% |
| PREFERRED STOCK | 0.00% |
| CUSTOMER DEPOSITS | 0.09% |
| TAX CREDITS - WTD COST | 0.00% |
| SUBTOTAL | <u>1.64%</u> |
| | |
| TOTAL | <u>5.17%</u> |
| | |
| DIVIDED BY COMMON EQUITY RATIO | <u>46.99%</u> |
| | |
| JURISDICTIONAL RETURN ON COMMON EQUITY | <u>11.00%</u> |

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
FINANCIAL INTEGRITY INDICATORS
JANUARY, 2013

SCHEDULE 5: PAGE 2 OF 2

H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

| | |
|---|--------------|
| PRO FORMA RATE OF RETURN | 6.89% |
| LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR: | |
| LONG TERM DEBT | 1.52% |
| SHORT TERM DEBT | 0.04% |
| PREFERRED STOCK | 0.00% |
| CUSTOMER DEPOSITS | 0.09% |
| TAX CREDITS - WTD COST | 0.00% |
| SUBTOTAL | <u>1.64%</u> |
| PRO FORMA ROR LESS NON EQUITY COST | <u>5.26%</u> |
| PRO FORMA COMMON EQUITY RATIO | 46.99% |
| PRO FORMA RETURN ON COMMON EQUITY | 11.19% |