



March 15, 2017

Mr. Bart Fletcher
Public Utilities Supervisor
Division of Accounting and Finance
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Dear Mr. Fletcher:

Enclosed is Florida Power & Light Company's Rate of Return Surveillance Report to the Florida Public Service Commission for January 2017. This report was prepared using a thirteen-month average and year-end rate base and adjustments consistent with Docket No. 160021-EI, Order No. PSC-16-0560-AS-EI. The required rate of return was calculated using the return on common equity as authorized in the aforementioned docket and order. The return on common equity is 11.50%.

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

Sincerely,

A handwritten signature in blue ink that reads "Elizabeth Fuentes".

Elizabeth Fuentes
Sr. Director of Regulatory Accounting

Enclosures

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
EARNINGS SURVEILLANCE REPORT SUMMARY
JANUARY, 2017

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	\$ 2,185,216,172 (A)	(215,311,746) (B)	1,969,904,426	(93,705,675)	\$ 1,876,198,750
RATE BASE	\$ 30,116,055,885	(282,987,560)	29,833,068,325	0	\$ 29,833,068,325
AVERAGE RATE OF RETURN	7.26%		6.60%		6.29%
<u>II. YEAR-END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,185,216,172 (A)	(215,129,444) (B)	1,970,086,728	(93,705,675)	\$ 1,876,381,053
RATE BASE	\$ 31,879,409,485	(67,783,344)	31,811,626,121	0	\$ 31,811,626,121
YEAR END RATE OF RETURN	6.85%		6.19%		5.90%

(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS

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

LOW	5.74%
MIDPOINT	6.17%
HIGH	6.65%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.88	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.68	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	4.84%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	71.15%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	36.87%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	3.43%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.50%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.81%	(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. 160021-EI, ORDER NO. PSC-16-0560-AS-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)

Kimberly Ousdahl
(SIGNATURE)
3/15/17
(DATE)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
JANUARY, 2017

SCHEDULE 2: PAGE 1 OF 3

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE RATE BASE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 43,201,353,519	14,233,049,418	28,968,314,100	250,819,695	2,930,058,044	701,336,419	32,850,528,259	(1,521,937,744)	\$ 31,328,590,515
JURISDICTIONAL PER BOOKS	\$ 41,351,597,370	12,727,164,595	28,624,432,775	238,325,682	2,788,308,175	665,485,911	32,316,553,542	(2,200,497,668)	\$ 30,116,055,885
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,239,412,195)	(470,443,499)	(1,768,968,700)	0	(1,693,450,658)	0	(3,462,419,358)	3,179,431,798	\$ (282,987,560)
FPSC ADJUSTED:	\$ 39,112,185,175	12,256,721,100	26,855,464,075	238,325,682	1,094,857,517	665,485,911	28,854,134,184	978,934,140	\$ 29,833,068,325
PRO FORMA ADJUSTMENTS	\$ 0	0	0	0	0	0	0	0	\$ 0
TOTAL PRO FORMA ADJUSTMENTS:	\$ 39,112,185,175	12,256,721,100	26,855,464,075	238,325,682	1,094,857,517	665,485,911	28,854,134,184	978,934,140	\$ 29,833,068,325

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, 2017

SCHEDULE 2: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	CURRENT INCOME TAXES	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 10,843,778,467	3,297,678,500	1,554,267,540	1,542,826,403	1,201,618,648	156,448,194	794,909,073	119,239,575	(6,418,308)	8,660,569,625	\$ 2,183,208,842
JURISDICTIONAL PER BOOKS	\$ 10,409,083,881	3,116,542,477	1,499,976,048	1,491,572,103	1,184,173,855	150,072,885	762,211,923	114,977,299	(6,384,158)	8,313,142,440	\$ 2,095,941,441
FPSC ADJUSTMENTS	\$ (460,836,564)	0	0	0	(11,852,716)	(173,195,519)	0	0	0	(185,048,235)	\$ (275,786,328)
FRANCHISE REVENUE	0	0	0	0	(448,983,760)	173,195,486	0	0	0	(275,786,275)	275,786,275
FRANCHISE EXPENSE	0	0	0	0	(240,424,004)	(81,146)	0	0	0	(240,505,149)	(128,212)
GROSS RECEIPTS TAX	(240,634,362)	0	0	0	0	182,153	0	0	0	(290,052)	290,052
FINANCIAL PLANNING SERVICES	0	0	(472,205)	0	0	961,639	0	0	0	(1,531,269)	1,531,269
INDUSTRY ASSOCIATION DUES	0	0	(2,492,908)	0	0	47,667	0	0	0	(75,903)	75,903
ECONOMIC DEVELOPMENT 5%	0	0	(123,571)	0	0	46,865	0	0	0	(74,626)	74,626
AVIATION - EXPENSES	0	0	(121,491)	0	0	0	0	0	0	(22,039,811)	22,039,811
EXECUTIVE COMPENSATION	0	0	(35,860,646)	0	0	13,841,037	0	0	0	(22,039,811)	22,039,811
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(2,905,200,543)	(2,855,312,421)	(1,180,623)	(8,620,630)	(2,288,180)	7,306,612	(21,838,648)	0	0	(2,881,933,890)	(23,265,653)
CONSERVATION COST RECOVERY	(61,441,030)	0	(48,160,319)	(9,741,482)	(1,071,009)	1,337,817	385,701	0	0	(59,924,925)	(1,516,105)
CAPACITY COST RECOVERY	(343,193,728)	(225,330,184)	(41,161,147)	(54,227,634)	(410,034)	(18,407,437)	2,180,968	0	0	(317,355,469)	(25,838,260)
ENVIRONMENTAL COST RECOVERY	(230,667,821)	0	(53,934,725)	(50,773,576)	(338,373)	(71,341,359)	22,538,005	0	635,117	(163,114,910)	(77,562,911)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	1,894,081	0	0	(730,842)	0	0	0	1,163,439	(1,163,439)
STORM DEFICIENCY RECOVERY	(119,633,797)	0	(678,942)	(107,029,280)	0	(4,638,866)	0	0	0	(112,247,088)	(7,386,710)
INTEREST TAX DEFICIENCIES	0	0	773,832	0	0	(298,506)	0	0	0	475,326	(475,326)
INTEREST SYNCHRONIZATION	0	0	0	0	0	20,919,632	(8,199,625)	0	0	12,720,007	(12,720,007)
TOTAL FPSC ADJUSTMENTS	\$ (4,361,607,845)	(3,080,842,605)	(183,332,947)	(208,498,520)	(705,368,076)	(53,530,200)	(4,833,599)	0	635,117	(4,235,570,830)	\$ (126,037,015)
FPSC ADJUSTED	\$ 6,047,476,037	35,899,871	1,316,643,101	1,283,073,583	478,805,789	96,542,685	757,378,323	114,977,299	(5,749,040)	4,077,571,611	\$ 1,969,904,426
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (162,662,909)	0	0	0	(109,917)	(58,847,317)	0	0	0	(68,957,234)	\$ (93,705,675)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 5,884,813,127	35,899,871	1,316,643,101	1,283,073,583	478,695,872	37,695,369	757,378,323	114,977,299	(5,749,040)	4,018,614,377	\$ 1,876,198,750
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 92,838,059										
	\$ 89,274,731										
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:	\$ 2,553,267										
ON A TOTAL COMPANY BASIS	\$ 2,471,413										
ON A JURISDICTIONAL BASIS											
CURRENT MONTH AMOUNT	\$ 838,430,680	275,075,287	123,237,409	13,149,383	105,267,200	8,268,105	98,864,193	(165,561)	(489,037)	625,207,979	\$ 213,222,701
SYSTEM PER BOOKS	\$ 805,935,979	261,194,873	119,007,761	13,564,063	103,554,336	7,984,262	95,475,214	(159,643)	(489,020)	600,131,846	\$ 205,804,133
JURISDICTIONAL PER BOOKS											

NOTES:
(1) AMOUNTS ASSOCIATED WITH FPLS WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.
(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

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, 2017

SCHEDULE 2: PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	CURRENT INCOME TAXES	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (152,662,909)	0	0	(109,917)	(58,847,317)	0	0	0	(58,957,234)	\$ (93,705,675)
TOTAL PROFORMA ADJUSTMENTS	\$ (152,662,909)	0	0	(109,917)	(58,847,317)	0	0	0	(58,957,234)	\$ (93,705,675)

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, 2017

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,622,929,093	\$ 1,540,116,535
FUEL AND CAPACITY	109,154,762	103,316,063
FUEL CLAUSE - GAS RESERVES (1)	71,367,574	67,468,270
CAPITALIZED EXECUTIVE COMPENSATION	15,041,864	14,559,452
LOAD CONTROL	49,338,950	49,338,950
ASSET RETIREMENT OBLIGATION	420,776,325	407,286,890
CAPITAL LEASES	59,224,688	57,326,036
TOTAL	<u>\$ 2,347,833,055</u>	<u>\$ 2,239,412,195</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (238,515,227)	\$ (226,344,605)
ACCUM PROV DECOMMISSIONING COSTS	(3,940,056,579)	(3,740,655,148)
ASSET RETIREMENT OBLIGATION	29,362,727	28,421,404
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,654,651,760	3,537,489,305
FUEL AND CAPACITY	(35,301,007)	(33,375,213)
FUEL CLAUSE - GAS RESERVES (1)	(6,825,593)	(6,452,664)
OTHER RATE CASE ADJUSTMENTS (2)	151,514	145,699
LOAD CONTROL	(22,964,563)	(22,964,563)
CAPITAL LEASES	(6,929,872)	(6,707,711)
TOTAL	<u>\$ (566,426,840)</u>	<u>\$ (470,443,496)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,764,033,829	\$ 1,669,721,524
CWIP - CLAUSE PROJECTS (1)	25,054,011	23,729,134
TOTAL	<u>\$ 1,789,087,841</u>	<u>\$ 1,693,450,658</u>
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
WORKING CAPITAL:		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,274,285,814)	\$ (3,179,431,798)
TOTAL ADJUSTMENTS	\$ 296,208,242	\$ 282,987,560

NOTES:

- (1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.
(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
JANUARY, 2017

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	\$ 10,843,778,467	3,297,678,500	1,554,267,540	1,542,826,403	1,201,618,648	156,448,194	784,909,073	119,239,575	(6,418,308)	8,660,569,625	\$ 2,183,208,842
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (460,636,564)	0	0	0	(11,852,716)	(173,195,519)	0	0	0	(185,048,235)	\$ (275,788,328)
FRANCHISE EXPENSE	0	0	0	0	(448,983,760)	173,195,486	0	0	0	(275,788,275)	275,788,275
GROSS RECEIPTS TAX	(240,634,362)	0	0	0	(240,424,004)	(91,146)	0	0	0	(240,505,149)	(129,212)
FINANCIAL PLANNING SERVICES	0	0	(487,844)	0	0	188,186	0	0	0	(299,658)	299,658
INDUSTRY ASSOCIATION DUES	0	0	(2,575,474)	0	0	993,489	0	0	0	(1,581,985)	1,581,985
ECONOMIC DEVELOPMENT 5%	0	0	(127,663)	0	0	49,246	0	0	0	(78,417)	78,417
AVIATION - EXPENSES	0	0	(125,515)	0	0	48,417	0	0	0	(77,097)	77,097
EXECUTIVE COMPENSATION	0	0	(37,069,230)	0	0	14,299,455	0	0	0	(22,769,774)	22,769,774
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY, INCL GAS RESERVES (1)	(3,067,498,671)	(3,021,915,495)	(1,248,857)	(9,157,385)	(2,302,023)	9,814,282	(22,444,151)	0	0	(3,047,253,628)	(20,245,043)
CONSERVATION COST RECOVERY	(61,441,030)	0	(48,160,319)	(9,741,482)	(1,071,009)	(1,337,817)	385,701	0	0	(59,924,925)	(1,516,105)
CAPACITY COST RECOVERY	(343,610,336)	(237,936,487)	(45,463,945)	(84,343,113)	(419,449)	(12,766,780)	2,180,968	0	0	(326,750,806)	(18,859,530)
ENVIRONMENTAL COST RECOVERY	(230,667,821)	0	(55,748,546)	(53,503,687)	(347,638)	(69,596,137)	22,638,005	0	669,268	(155,890,735)	(74,777,066)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	1,969,682	0	(759,805)	0	0	0	1,209,877	(1,209,877)
STORM DEFICIENCY RECOVERY	(119,633,797)	0	(566,223)	(107,029,280)	0	(4,632,200)	0	0	0	(112,257,702)	(7,376,095)
INTEREST TAX DEFICIENCIES	0	0	799,482	0	0	(308,392)	0	0	0	491,069	(491,069)
INTEREST SYNCHRONIZATION	0	0	0	0	0	21,391,501	(8,471,198)	0	0	12,920,303	(12,920,303)
TOTAL FPSC ADJUSTMENTS	\$ (4,524,322,581)	(3,259,851,892)	(188,804,155)	(211,805,265)	(705,400,599)	(42,701,732)	(5,710,675)	0	669,268	(4,413,605,139)	\$ (110,717,441)
FPSC ADJUSTED	\$ 6,319,455,886	37,826,518	1,365,463,385	1,331,021,138	496,218,049	113,746,462	789,198,398	119,239,575	(5,749,040)	4,246,954,485	\$ 2,072,491,401
PRO FORMA ADJUSTMENTS	\$ (152,662,909)	0	0	0	(109,917)	(58,847,317)	0	0	0	(58,957,234)	\$ (93,705,675)
(SEE SCHEDULE 2, PAGE 3C OF 3)	\$ 6,166,792,976	37,826,518	1,365,463,385	1,331,021,138	496,108,132	54,899,145	789,198,398	119,239,575	(5,749,040)	4,188,007,251	\$ 1,978,785,725
PRO FORMA SYSTEM PER BOOKS ADJUSTED											

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 92,638,059

NOTES:
(1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.
(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-A-S-EI.
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, 2017

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	17,594,462	16,989,098
INTEREST & DIVIDENDS RECEIVABLE	(309,365)	(298,721)
NET UNDERRECOVERED FUEL, CAPACITY, ECCR, ECRC	(847,160)	0
FUEL CLAUSE - GAS RESERVES (1)	2,968,230	2,806,055
CASH CAPITAL SUB ACCOUNT	1,401,386	1,324,819
POLE ATTACHMENTS RENTS RECEIVABLE	16,859,757	16,279,672
PREPAYMENTS - ECCR	53,400,016	53,400,016
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	9,430,996	9,069,014
TEMPORARY CASH INVESTMENTS	2,196,783	2,121,200
STORM DEFICIENCY RECOVERY	329,840,684	329,840,684
NUCLEAR COST RECOVERY	92,209	92,209
JOBGING ACCOUNTS	8,591,152	8,295,560
OTH REG ASSETS - CLAUSES	5,588,130	5,263,905
MISC. DEFERRED DEBIT - CLAUSES	14,526,544	13,732,859
CEDAR BAY TRANSACTION	692,344,221	655,769,591
ICL TRANSACTION	34,409,188	32,586,127
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,188,067,235	\$ 1,147,272,088
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(95,017)	(91,971)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(13,455,661)	(13,455,661)
ACCUM. PROV. - RATE REFUNDS	(212,946)	(214,051)
GAIN ON SALE OF EMISSION ALLOWANCE	(10,709)	(10,163)
JOBGING ACCOUNTS	(15,029,707)	(14,512,587)
FUEL CLAUSE - GAS RESERVES (1)	14,443,597	13,654,443
POLE ATTACHMENT RENTS PAYABLE	(7,887,197)	(7,615,826)
SJPPP ACCELERATED RECOVERY	(22,773,344)	(21,566,771)
STORM DEFICIENCY RECOVERY	(65,098,763)	(62,600,130)
ASSET RETIREMENT OBLIGATION	(4,104,899,221)	(3,973,302,532)
MARGIN CALL CASH COLLATERAL	(319,231)	(308,247)
NUCLEAR COST RECOVERY	(240,702,114)	(240,702,114)
CEDAR BAY TRANSACTION	(6,312,735)	(5,978,275)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (4,462,353,046)	\$ (4,326,703,885)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,274,285,814)	\$ (3,179,431,798)

NOTES:

(1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
JANUARY, 2017

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)	\$ (152,662,909)	0	0	0	(109,917)	(58,847,317)	0	0	0	(66,957,234)	\$ (93,705,675)
TOTAL PROFORMA ADJUSTMENTS	\$ (152,662,909)	0	0	0	(109,917)	(58,847,317)	0	0	0	(66,957,234)	\$ (93,705,675)

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 1, 2017

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	\$ 45,088,579,246	14,367,000,088	30,721,579,150	264,253,025	2,814,930,233	694,520,196	34,495,282,614	(1,521,937,744)	\$ 32,973,344,871
JURISDICTIONAL PER BOOKS	\$ 43,154,540,820	12,680,642,056	30,483,898,863	251,017,290	2,665,971,863	659,019,106	34,079,907,123	(2,200,497,656)	\$ 31,879,409,465
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,204,262,961)	(502,498,339)	(1,701,764,622)	0	(1,545,450,520)	0	(3,247,215,142)	3,179,431,798	\$ (67,783,344)
FPSC ADJUSTED:	\$ 40,960,277,858	12,178,143,717	28,782,134,241	251,017,290	1,140,521,344	659,019,106	30,832,691,981	978,934,140	\$ 31,811,626,121

PRO FORMA ADJUSTMENTS									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 40,960,277,858	12,178,143,717	28,782,134,241	251,017,290	1,140,521,344	659,019,106	30,832,691,981	978,934,140	\$ 31,811,626,121

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
JANUARY, 2017

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	\$ 10,843,778,467	3,297,678,500	1,554,257,540	1,542,626,403	1,201,618,648	156,448,194	794,909,073	119,239,575	(6,418,308)	8,660,569,625	\$ 2,183,208,842
JURISDICTIONAL PER BOOKS	\$ 10,409,063,881	3,116,542,477	1,499,976,048	1,491,572,103	1,184,173,865	150,072,885	762,211,923	114,977,299	(6,384,159)	8,313,142,440	\$ 2,085,941,441
FPSC ADJUSTMENTS	\$ (460,836,564)	0	0	0	(11,652,716)	(173,195,486)	0	0	0	(185,048,235)	\$ (275,788,328)
FRANCHISE REVENUE	0	0	0	0	(448,993,760)	173,195,486	0	0	0	(275,788,275)	275,788,275
FRANCHISE EXPENSE	(240,634,362)	0	0	0	(240,424,004)	(81,146)	0	0	0	(240,505,149)	(129,212)
GROSS RECEIPTS TAX	0	0	0	0	(472,205)	182,153	0	0	0	(290,052)	290,052
INDUSTRY PLANNING SERVICES	0	0	(2,492,908)	0	0	961,639	0	0	0	(1,531,269)	1,531,269
INDUSTRY ASSOCIATION DUES	0	0	(123,571)	0	0	47,667	0	0	0	(75,903)	75,903
ECONOMIC DEVELOPMENT 5%	0	0	(121,491)	0	0	46,865	0	0	0	(74,626)	74,626
AVIATION EXPENSES	0	0	(35,880,848)	0	0	13,841,037	0	0	0	(22,039,811)	22,039,811
EXECUTIVE COMPENSATION	0	0	(1,180,623)	0	(2,288,180)	7,306,612	(21,838,648)	0	0	(2,861,939,890)	(23,286,653)
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(2,905,200,543)	(2,855,312,421)	(1,160,623)	(8,620,630)	(2,288,180)	(1,337,817)	385,701	0	0	(59,924,925)	(1,516,105)
CONSERVATION COST RECOVERY	(61,441,030)	0	(48,160,319)	(9,741,462)	(1,071,039)	(18,407,437)	2,180,968	0	0	(317,355,468)	(25,888,260)
CAPACITY COST RECOVERY	(343,193,728)	(225,330,184)	(41,161,147)	(34,227,634)	(410,034)	(71,341,359)	22,638,005	0	635,117	(153,114,910)	(77,552,911)
ENVIRONMENTAL COST RECOVERY	(230,667,821)	0	(53,934,725)	(50,773,576)	(338,373)	(730,642)	0	0	0	(1,163,439)	(1,163,439)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	1,894,081	0	(4,638,865)	0	0	0	(112,247,088)	(7,386,710)
STORM DEFICIENCY RECOVERY	(119,633,797)	0	(578,942)	(107,029,280)	0	(298,506)	0	0	0	(475,326)	(475,326)
INTEREST TAX DEFICIENCIES	0	0	773,832	0	0	20,737,328	(8,199,625)	0	0	12,537,704	(12,537,704)
INTEREST SYNCHRONIZATION	0	0	0	0	0	0	0	0	0	0	0
TOTAL FPSC ADJUSTMENTS	\$ (4,361,607,845)	(3,080,642,605)	(183,332,947)	(208,496,520)	(705,368,076)	(53,712,503)	(4,833,599)	0	635,117	(4,235,753,132)	\$ (125,864,712)
FPSC ADJUSTED	\$ 6,047,476,037	35,899,871	1,316,643,101	1,283,073,583	478,805,789	96,360,383	757,378,323	114,977,299	(5,749,040)	4,077,389,308	\$ 1,970,086,728
PRO FORMA ADJUSTMENTS	\$ (152,662,909)	0	0	0	(109,917)	(58,847,317)	0	0	0	(58,957,234)	\$ (63,705,675)
(SEE SCHEDULE 2, PAGE 2A OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 5,894,813,127	35,899,871	1,316,643,101	1,283,073,583	478,695,872	37,513,066	757,378,323	114,977,299	(5,749,040)	4,018,432,074	\$ 1,876,381,053
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 92,838,059										
	\$ 89,274,731										

NOTES:
(1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.
(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.
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, 2017

SCHEDULE 3: PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	CURRENT INCOME TAXES	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (152,662,909)	0	0	(109,917)	(58,847,317)	0	0	0	(58,957,234)	\$ (93,705,675)
TOTAL PROFORMA ADJUSTMENTS	\$ (152,662,909)	0	0	(109,917)	(58,847,317)	0	0	0	(58,957,234)	\$ (93,705,675)

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, 2017

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,627,774,550	\$ 1,544,714,745
FUEL AND CAPACITY	130,040,237	123,095,263
FUEL CLAUSE – GAS RESERVES (1)	0	0
CAPITALIZED EXECUTIVE COMPENSATION	15,252,760	14,763,780
LOAD CONTROL	46,001,530	46,001,530
ASSET RETIREMENT OBLIGATION	432,217,840	418,361,608
CAPITAL LEASES	59,224,688	57,326,036
TOTAL	<u>\$ 2,310,511,604</u>	<u>\$ 2,204,262,961</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (261,247,935)	\$ (247,917,340)
ACCUM PROV DECOMMISSIONING COSTS	(4,074,271,124)	(3,868,077,259)
ASSET RETIREMENT OBLIGATION	17,904,262	17,330,279
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,777,508,754	3,656,407,695
FUEL AND CAPACITY	(37,621,874)	(35,573,391)
FUEL CLAUSE – GAS RESERVES (1)	0	0
OTHER RATE CASE ADJUSTMENTS (2)	1,969,682	1,894,081
LOAD CONTROL	(19,193,143)	(19,193,143)
CAPITAL LEASES	(7,613,333)	(7,369,262)
TOTAL	<u>\$ (602,564,712)</u>	<u>\$ (502,498,339)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,600,635,564	\$ 1,519,557,905
CWIP - CLAUSE PROJECTS (1)	27,304,790	25,892,615
TOTAL	<u>\$ 1,627,940,354</u>	<u>\$ 1,545,450,520</u>
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
WORKING CAPITAL:		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,274,285,814)	\$ (3,179,431,798)
TOTAL ADJUSTMENTS	<u>\$ 61,601,433</u>	<u>\$ 67,783,344</u>

NOTES:

(1) AMOUNTS ASSOCIATED WITH FPLS WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.

(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0660-AS-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
JANUARY, 2017

SCHEDULE 3: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE 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	\$ -10,843,778,487	3,237,678,500	1,554,267,540	1,542,826,493	1,201,618,648	156,448,194	784,909,073	119,239,575	(6,418,308)	8,680,569,625	\$ 2,183,208,642
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (460,836,564)	0	0	0	(11,852,716)	(173,195,519)	0	0	0	(185,048,235)	\$ (275,788,328)
FRANCHISE EXPENSE	0	0	0	0	(448,983,760)	173,195,486	0	0	0	(275,788,275)	275,788,275
GROSS RECEIPTS TAX	(240,634,362)	0	0	0	(240,424,004)	(61,146)	0	0	0	(240,505,149)	(129,212)
FINANCIAL PLANNING SERVICES	0	0	(487,844)	0	0	188,186	0	0	0	(299,658)	299,658
INDUSTRY ASSOCIATION DUES	0	0	(2,575,474)	0	0	993,489	0	0	0	(1,581,985)	1,581,985
ECONOMIC DEVELOPMENT 5%	0	0	(127,663)	0	0	49,246	0	0	0	(78,417)	78,417
AVIATION - EXPENSES	0	0	(125,515)	0	0	48,417	0	0	0	(77,097)	77,097
EXECUTIVE COMPENSATION	0	0	(37,069,230)	0	0	14,298,455	0	0	0	(22,769,774)	22,769,774
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(3,067,488,671)	(3,021,915,495)	(1,248,857)	(9,157,385)	(2,302,023)	9,814,282	(22,444,151)	0	0	(3,047,253,628)	(20,245,043)
CONSERVATION COST RECOVERY	(61,441,090)	0	(48,160,319)	(9,741,482)	(1,071,009)	(1,337,817)	385,701	0	0	(69,924,925)	(1,516,105)
CAPACITY COST RECOVERY	(343,610,336)	(237,936,487)	(43,463,945)	(34,343,113)	(419,449)	(12,768,780)	2,180,968	0	0	(326,750,806)	(16,859,530)
ENVIRONMENTAL COST RECOVERY	(230,687,821)	0	(55,748,548)	(53,503,697)	(347,638)	(69,568,137)	22,638,005	0	669,268	(155,890,735)	(74,777,066)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	1,989,682	0	(759,805)	0	0	0	1,209,877	(1,209,877)
STORM DEFICIENCY RECOVERY	(119,633,797)	0	(596,223)	(107,029,280)	0	(4,632,200)	0	0	0	(112,257,702)	(7,376,095)
INTEREST TAX DEFICIENCIES	0	0	799,462	0	0	(308,392)	0	0	0	491,069	(491,069)
INTEREST SYNCHRONIZATION	0	0	0	0	0	22,081,136	(8,471,198)	0	0	13,609,938	(13,609,938)
TOTAL FPSC ADJUSTMENTS	\$ (4,524,322,581)	(3,259,851,982)	(188,804,155)	(211,805,265)	(705,400,599)	(42,012,098)	(5,710,675)	0	669,268	(4,412,915,505)	\$ (111,407,076)
FPSC ADJUSTED	\$ 6,319,455,886	37,826,518	1,385,463,385	1,331,021,138	496,218,049	114,436,096	789,198,398	119,239,575	(5,749,040)	4,247,654,120	\$ 2,071,801,766
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3)	\$ (152,662,909)	0	0	0	(109,917)	(58,847,317)	0	0	0	(68,957,234)	\$ (93,705,675)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,166,792,976	37,826,518	1,385,463,385	1,331,021,138	496,108,132	55,588,780	789,198,398	119,239,575	(5,749,040)	4,186,696,886	\$ 1,978,096,091

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY

NOTES:
(1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.
(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.
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, 2017

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)	\$ (152,662,909)	0	0	0	(109,917)	(58,847,317)	0	0	0	(58,957,234)	\$ (93,705,675)
TOTAL PROFORMA ADJUSTMENTS	\$ (152,662,909)	0	0	0	(109,917)	(58,847,317)	0	0	0	(58,957,234)	\$ (93,705,675)

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, 2017

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	\$ 8,858,352,387	\$ 8,517,334,893	\$ 141,834,264	\$ (262,363,107)	\$ 8,396,806,051	28.15%	4.57%	1.28%	4.57%	4.57%	1.28%	4.57%
SHORT TERM DEBT	799,965,682	768,411,908	13,202,606	(0)	781,614,514	2.62%	1.56%	0.04%	1.56%	1.56%	0.04%	1.56%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,917,170,619	13,368,222,996	229,688,497	(0)	13,597,911,494	45.58%	9.60%	4.38%	10.55%	11.60%	4.81%	11.60%
CUSTOMER DEPOSITS	416,472,953	416,359,387	7,153,753	-	423,513,140	1.42%	2.09%	0.03%	2.09%	2.09%	0.03%	2.09%
DEFERRED INCOME TAX	7,166,596,885	6,894,128,515	111,699,463	(383,048,376)	6,612,779,602	22.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	170,031,989	161,598,184	345,321	(141,499,981)	20,443,525	0.07%	7.65%	0.01%	8.27%	8.88%	0.01%	8.88%
TOTAL	\$ 31,328,590,515	\$ 30,116,055,885	\$ 503,923,903	\$ (786,911,463)	\$ 29,833,088,325	100.00%	5.74%	6.17%	6.17%	6.17%	6.65%	6.65%
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	\$ 9,198,324,578	\$ 8,895,551,387	\$ 186,665,220	\$ (261,701,556)	\$ 8,832,515,051	27.77%	4.25%	1.18%	4.25%	1.18%	4.25%	1.18%
SHORT TERM DEBT	1,268,965,040	1,226,238,445	28,215,794	(0)	1,254,454,239	3.94%	1.50%	0.06%	1.50%	0.06%	1.50%	0.06%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	14,421,461,442	13,935,884,677	320,665,248	-	14,256,549,925	44.82%	9.60%	4.30%	10.55%	4.73%	11.60%	5.20%
CUSTOMER DEPOSITS	408,185,599	408,263,970	9,394,170	-	417,658,140	1.31%	2.16%	0.03%	2.16%	0.03%	2.16%	0.03%
DEFERRED INCOME TAX	7,423,934,886	7,171,990,917	156,213,832	(383,048,376)	6,945,156,373	21.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	252,473,326	241,480,089	2,366,288	(138,555,964)	105,292,393	0.33%	7.52%	0.02%	8.14%	0.03%	8.76%	0.03%
TOTAL	\$ 32,973,344,871	\$ 31,879,409,465	\$ 715,522,551	\$ (783,305,895)	\$ 31,811,626,121	100.00%	5.60%	6.02%	6.02%	6.02%	6.50%	6.50%

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, 2017

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	WEIGHTED COST (%) 6	COST RATE (%) 7	WEIGHTED COST (%) 8	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 9	WEIGHTED COST (%) 10	WEIGHTED COST (%) 10
LONG TERM DEBT	\$ 8,396,806,051	\$ -	\$ 8,396,806,051	28.15%	4.57%	1.28%	1.28%	4.57%	1.28%	1.28%	4.57%	4.57%	1.28%	1.28%	4.57%	1.28%
SHORT TERM DEBT	781,614,514	-	781,614,514	2.62%	1.56%	0.04%	0.04%	1.56%	0.04%	0.04%	1.56%	1.56%	0.04%	0.04%	1.56%	0.04%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,597,911,494	-	13,597,911,494	45.56%	9.60%	4.38%	4.38%	10.55%	4.81%	4.81%	11.60%	11.60%	5.29%	5.29%	11.60%	5.29%
CUSTOMER DEPOSITS	423,513,140	-	423,513,140	1.42%	2.09%	0.03%	0.03%	2.09%	0.03%	0.03%	2.09%	2.09%	0.03%	0.03%	2.09%	0.03%
DEFERRED INCOME TAX	6,612,779,602	-	6,612,779,602	22.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	20,443,525	-	20,443,525	0.07%	7.85%	0.01%	0.01%	8.27%	0.01%	0.01%	8.88%	8.88%	0.01%	0.01%	8.88%	0.01%
TOTAL	\$ 29,833,068,325	\$ -	\$ 29,833,068,325	100.00%	5.74%	5.74%	5.74%	6.17%	6.17%	6.17%	6.65%	6.65%	6.65%	6.65%	6.65%	6.65%
YEAR END	FPSC ADJUSTED 1	PRO-FORMA ADJUSTMENTS 2	TOTAL PRO-FORMA ADJUSTED 3	TOTAL RATIO (%) 4	COST RATE (%) 5	WEIGHTED COST (%) 6	WEIGHTED COST (%) 6	COST RATE (%) 7	WEIGHTED COST (%) 8	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 9	WEIGHTED COST (%) 10	WEIGHTED COST (%) 10
LONG TERM DEBT	\$ 8,832,515,051	\$ -	\$ 8,832,515,051	27.77%	4.25%	1.18%	1.18%	4.25%	1.18%	1.18%	4.25%	4.25%	1.18%	1.18%	4.25%	1.18%
SHORT TERM DEBT	1,254,454,239	-	1,254,454,239	3.94%	1.50%	0.06%	0.06%	1.50%	0.06%	0.06%	1.50%	1.50%	0.06%	0.06%	1.50%	0.06%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	14,256,549,925	-	14,256,549,925	44.82%	9.60%	4.30%	4.30%	10.55%	4.73%	4.73%	11.60%	11.60%	5.20%	5.20%	11.60%	5.20%
CUSTOMER DEPOSITS	417,658,140	-	417,658,140	1.31%	2.16%	0.03%	0.03%	2.16%	0.03%	0.03%	2.16%	2.16%	0.03%	0.03%	2.16%	0.03%
DEFERRED INCOME TAX	6,945,156,373	-	6,945,156,373	21.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	105,292,393	-	105,292,393	0.33%	7.52%	0.02%	0.02%	8.14%	0.03%	0.03%	8.76%	8.76%	0.03%	0.03%	8.76%	0.03%
TOTAL	\$ 31,811,626,121	\$ -	\$ 31,811,626,121	100.00%	5.60%	5.60%	5.60%	6.02%	6.02%	6.02%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%

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, 2017

SCHEDULE 5: PAGE 1 OF 2

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,196,657,555
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	21,960,330
INCOME TAXES	1,057,942,577
TOTAL	\$ 3,276,560,462
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 476,311,890
TIMES INTEREST EARNED WITH AFUDC	6.68

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,196,657,555
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(70,877,729)
INCOME TAXES	1,057,942,577
TOTAL	\$ 3,183,722,403
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 476,311,890
TIMES INTEREST EARNED WITHOUT AFUDC	6.68

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 21,960,330
X (1 - INCOME_TAX_RATE)	0.6143
SUBTOTAL	\$ 13,489,133
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	70,877,729
TOTAL	\$ 84,366,862
NET INCOME AVAILABLE FOR COMMON	\$ 1,742,305,995
AFUDC AS PERCENT OF NET INCOME	4.84%

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY
GAINS ON DISPOSITION OF PROPERTY
LONG TERM DEBT RETIREMENTS & REDEMPTIONS
INCREASE/DECREASE IN DECOMMISSIONING FUNDS

	\$ 118,127,105
	(6,418,308)
	0
	0
	\$ 111,708,797

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF:

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 1,742,305,995
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(1,300,000,000)
AFUDC (DEBT & OTHER)	(92,838,059)
DEPRECIATION AND AMORTIZATION EXPENSE	1,542,826,403
DEFERRED INCOME TAXES	796,841,597
INVESTMENT TAX CREDITS	119,239,575
OTHER SOURCE/USES OF FUNDS	111,708,797
INTERNALLY GENERATED FUNDS	\$ 2,920,084,308
CONSTRUCTION EXPENDITURES	\$ 4,104,285,375
PERCENT INTERNALLY GENERATED FUNDS	71.15%

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	\$ 8,396,806,051
JURIS ADJUSTED SHORT TERM DEBT	781,614,514
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	13,597,911,494
TOTAL	\$ 22,776,332,058
LTD TO TOTAL INVESTOR FUNDS	36.87%
STD TO TOTAL INVESTOR FUNDS	3.43%

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.60%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	1.28%
SHORT TERM DEBT	0.04%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.01%
SUBTOTAL	1.36%
TOTAL	5.24%
DIVIDED BY COMMON EQUITY RATIO	45.58%
JURISDICTIONAL RETURN ON COMMON EQUITY	11.50%

FLORIDA POWER & LIGHT COMPANY
 AND SUBSIDIARIES
 FINANCIAL INTEGRITY INDICATORS
 JANUARY, 2017

SCHEDULE 5: PAGE 2 OF 2

H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 6.29%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.28%
SHORT TERM DEBT	0.04%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.01%
SUBTOTAL	<u>1.36%</u>

PRO FORMA ROR LESS NON EQUITY COST 4.93%

PRO FORMA COMMON EQUITY RATIO 45.58%

PRO FORMA RETURN ON COMMON EQUITY 10.81%