



August 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 June 2017. This report was prepared using a thirteen-month average and year-end rate base and adjustments consistent with Docket Nos. 160021-EI, 160061-EI, 160062-EI and 160088-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
JUNE, 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	\$ 2,270,912,469 (A)	(219,988,464) (B)	2,050,924,005	(128,180,795)	\$ 1,922,743,210
RATE BASE	\$ 31,296,925,024	(216,448,765)	31,080,476,259	0	\$ 31,080,476,259
AVERAGE RATE OF RETURN	7.26%		6.60%		6.19%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,270,912,469 (A)	(218,190,554) (B)	2,052,721,915	(128,180,795)	\$ 1,924,541,120
RATE BASE	\$ 32,881,401,874	(310,173,831)	32,571,228,043	0	\$ 32,571,228,043
YEAR END RATE OF RETURN	6.91%		6.30%		5.91%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	5.73%
MIDPOINT	6.17%
HIGH	6.65%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	7.11	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.92	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	4.48%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	88.99%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	36.34%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	3.76%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.50%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.60%	(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
for K. Ousdahl
(SIGNATURE)

8/15/17
(DATE)

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

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	\$ 44,553,408,898	14,577,328,078	29,976,080,819	254,429,410	2,959,104,860	694,893,043	33,894,506,132	(1,361,739,660)	\$ 32,532,768,472
JURISDICTIONAL PER BOOKS	\$ 42,693,889,117	12,913,472,472	29,780,416,644	251,055,942	2,929,505,258	662,394,143	33,523,371,987	(2,226,446,964)	\$ 31,296,925,024
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,205,958,866)	(518,194,683)	(1,687,764,183)	0	(1,643,715,785)	0	(3,331,479,968)	3,115,031,203	\$ (216,448,765)
FPSC ADJUSTED:	\$ 40,487,930,251	12,395,277,789	28,092,652,461	251,055,942	1,185,789,474	662,394,143	30,191,892,019	888,584,240	\$ 31,080,476,259
PRO-FORMA ADJUSTMENTS	\$ 0	0	0	0	0	0	0	0	\$ 0
TOTAL PRO-FORMA ADJUSTMENTS:	\$ 40,487,930,251	12,395,277,789	28,092,652,461	251,055,942	1,185,789,474	662,394,143	30,191,892,019	888,584,240	\$ 31,080,476,259
PRO-FORMA ADJUSTED									

NOTE:

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
JUNE, 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	\$ 11,254,455,407	3,441,036,088	1,517,154,717	1,681,543,738	1,232,913,574	268,063,423	727,533,611	113,486,363	(6,459,756)	8,975,271,758	\$ 2,279,183,649
JURISDICTIONAL PER BOOKS	\$ 10,809,155,952	3,263,112,502	1,465,325,969	1,627,974,405	1,215,562,107	256,323,783	684,823,970	109,457,346	(6,426,348)	8,625,153,633	\$ 2,193,001,959
FPSC ADJUSTMENTS											
FRANCHISE EXPENSE	(480,824,934)	0	0	0	(12,386,817)	(180,707,718)	0	0	0	(193,074,536)	\$ (287,750,398)
GROSS RECEIPTS TAX	0	0	0	0	(488,457,956)	180,707,656	0	0	0	(287,750,299)	287,750,299
FINANCIAL PLANNING SERVICES	(249,373,373)	0	0	0	(249,149,057)	(86,530)	0	0	0	(249,235,587)	(137,786)
INDUSTRY ASSOCIATION DUES	0	0	(489,015)	0	0	188,638	0	0	0	(300,378)	300,378
ECONOMIC DEVELOPMENT 5%	0	0	(2,354,007)	0	0	908,058	0	0	0	(1,445,949)	1,445,949
AVIATION - EXPENSES	0	0	(129,535)	0	0	49,968	0	0	0	(79,567)	79,567
EXECUTIVE COMPENSATION	0	0	(133,139)	0	0	51,359	0	0	0	(81,781)	81,781
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	0	0	(91,300,381)	0	0	12,074,122	0	0	0	(19,226,259)	19,226,259
CONSERVATION COST RECOVERY	(3,044,013,650)	(3,016,863,616)	(1,018,461)	4,000,000	(2,167,535)	31,210,615	(41,959,168)	0	0	(3,026,898,165)	(17,115,485)
CAPACITY COST RECOVERY	(58,912,548)	0	(46,121,004)	(9,235,793)	(1,109,579)	(947,655)	4,044	0	0	(57,409,987)	(1,502,561)
ENVIRONMENTAL COST RECOVERY	(329,485,634)	(216,381,499)	(33,959,235)	(16,976,321)	(390,728)	(22,087,262)	(964,329)	0	0	(292,759,374)	(36,706,260)
OTHER RATE CASE ADJUSTMENTS (2)	(209,758,208)	0	(38,075,001)	(47,475,818)	(311,372)	(70,565,112)	22,528,418	0	632,030	(133,266,856)	(76,491,353)
STORM DEFICIENCY RECOVERY	0	0	0	3,668,294	0	(1,415,044)	0	0	0	2,253,249	(2,253,249)
INTEREST TAX DEFICIENCIES	(221,575,316)	0	(576,805)	(210,637,787)	0	(3,996,649)	0	0	0	(2,152,112,424)	(6,364,075)
INTEREST SYNCHRONIZATION	0	0	628,948	0	0	(242,617)	0	0	0	386,331	(396,331)
TOTAL FPSC ADJUSTMENTS	\$ (4,593,923,664)	(3,233,345,114)	(153,527,636)	(278,657,426)	(733,953,043)	(34,818,949)	(28,175,570)	0	632,030	(4,461,845,709)	\$ (132,077,954)
FPSC ADJUSTED	\$ 6,215,231,929	29,767,387	1,311,798,233	1,349,316,979	481,609,063	221,504,833	666,648,400	109,457,346	(5,794,318)	4,164,307,924	\$ 2,050,924,005
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (208,828,900)	0	0	0	(150,357)	(80,497,748)	0	0	0	(80,648,105)	\$ (128,180,795)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,006,403,029	29,767,387	1,311,798,233	1,349,316,979	481,458,706	141,007,086	666,648,400	109,457,346	(5,794,318)	4,083,659,819	\$ 1,922,743,210
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 91,326,457										
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE: ON A TOTAL COMPANY BASIS	\$ 2,673,197										
ON A JURISDICTIONAL BASIS	\$ 2,590,691										
CURRENT MONTH AMOUNT SYSTEM PER BOOKS	\$ 1,075,032,356	328,523,365	124,087,201	167,963,841	98,111,110	60,316,916	61,404,654	(374,934)	(488,969)	839,243,185	\$ 235,789,171
JURISDICTIONAL PER BOOKS	\$ 1,032,383,169	312,477,876	119,919,330	162,854,548	97,267,514	57,404,706	58,429,306	(361,823)	(488,951)	807,502,706	\$ 224,880,462

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
JUNE, 2017

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)	\$ (208,828,900)	0	0	0	(150,357)	(80,497,748)	0	0	0	(80,648,105)	\$ (128,180,795)
TOTAL PROFORMA ADJUSTMENTS	\$ (208,828,900)	0	0	0	(150,357)	(80,497,748)	0	0	0	(80,648,105)	\$ (128,180,795)

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
JUNE, 2017

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,627,728,190	\$ 1,546,007,211
FUEL AND CAPACITY	121,642,156	115,386,059
FUEL CLAUSE - GAS RESERVES (1)	12,940,396	12,276,585
CAPITALIZED EXECUTIVE COMPENSATION	16,305,206	15,801,962
LOAD CONTROL	46,438,473	46,438,473
ASSET RETIREMENT OBLIGATION	425,764,951	412,624,138
CAPITAL LEASES	59,253,232	57,424,439
TOTAL	\$ 2,310,072,604	\$ 2,205,958,866
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (259,270,898)	\$ (246,254,062)
ACCUM PROV DECOMMISSIONING COSTS	(4,077,372,663)	(3,890,052,213)
ASSET RETIREMENT OBLIGATION	18,038,256	17,481,523
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,780,398,550	3,663,720,298
FUEL AND CAPACITY	(36,958,092)	(35,061,586)
FUEL CLAUSE - GAS RESERVES (1)	(1,518,955)	(1,441,036)
OTHER RATE CASE ADJUSTMENTS (2)	293,141	282,176
LOAD CONTROL	(19,601,822)	(19,601,822)
CAPITAL LEASES	(7,499,423)	(7,267,961)
TOTAL	\$ (603,491,906)	\$ (518,194,683)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,710,723,619	\$ 1,620,593,884
CWIP - CLAUSE PROJECTS (1)	24,362,052	23,121,901
TOTAL	\$ 1,735,085,672	\$ 1,643,715,785
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)	\$ (3,199,548,362)	\$ (3,115,031,203)
TOTAL ADJUSTMENTS	\$ 242,118,008	\$ 216,448,765

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 ADJUSTMENT'S
INCOME STATEMENT
JUNE, 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	\$ 11,254,455,407	3,441,039,088	1,517,154,717	1,681,543,738	1,232,913,574	268,093,423	727,533,811	113,486,363	(6,459,756)	8,975,271,758	\$ 2,279,183,649
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (480,824,934)	0	0	0	(12,366,817)	(180,707,718)	0	0	0	(193,074,536)	\$ (287,750,398)
FRANCHISE EXPENSE	0	0	0	0	(468,457,956)	180,707,656	0	0	0	(287,750,299)	287,750,299
GROSS RECEIPTS TAX	(249,373,373)	0	0	0	(249,149,057)	(86,530)	0	0	0	(249,235,587)	(137,786)
FINANCIAL PLANNING SERVICES	0	0	(504,589)	0	0	194,645	0	0	0	(309,944)	309,944
INDUSTRY ASSOCIATION DUES	0	0	(2,428,974)	0	0	936,977	0	0	0	(1,491,998)	1,491,998
ECONOMIC DEVELOPMENT 5%	0	0	(133,660)	0	0	51,559	0	0	0	(82,101)	82,101
AVIATION - EXPENSES	0	0	(137,379)	0	0	52,994	0	0	0	(84,385)	84,385
EXECUTIVE COMPENSATION	0	0	(32,297,202)	0	0	12,458,646	0	0	0	(19,838,556)	19,838,556
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY, INCL. GAS RESERVES (1)	(3,212,615,725)	(3,181,649,121)	(1,073,531)	4,000,000	(2,168,729)	30,118,026	(42,355,891)	0	0	(3,193,129,046)	(19,486,678)
CONSERVATION COST RECOVERY	(58,912,548)	0	(48,121,004)	(9,235,793)	(1,109,579)	(947,855)	4,044	0	0	(57,408,987)	(1,502,561)
CAPACITY COST RECOVERY	(329,884,340)	(228,106,503)	(35,802,365)	(19,144,760)	(399,347)	(16,938,855)	(964,329)	0	0	(301,356,159)	(28,508,181)
ENVIRONMENTAL COST RECOVERY	(208,758,208)	0	(39,769,906)	(49,985,360)	(319,848)	(68,952,864)	22,528,418	0	665,438	(135,834,122)	(73,924,088)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	3,870,833	0	(1,470,029)	0	0	0	2,340,804	(2,340,804)
STORM DEFICIENCY RECOVERY	(221,575,316)	0	(593,656)	(210,637,787)	0	(3,990,148)	0	0	0	(215,221,594)	(6,353,723)
INTEREST TAX DEFICIENCIES	0	0	648,978	0	0	(250,343)	0	0	0	398,635	(398,635)
INTEREST SYNCHRONIZATION	0	0	0	0	0	20,537,528	(8,032,449)	0	0	12,505,079	(12,505,079)
TOTAL FPSC ADJUSTMENTS	\$ (4,782,924,444)	(3,409,755,624)	(158,213,291)	(281,192,868)	(733,971,332)	(28,286,112)	(28,820,007)	0	665,438	(4,639,573,795)	\$ (123,350,649)
FPSC ADJUSTED	\$ 6,491,530,963	31,280,464	1,358,941,427	1,400,350,870	498,942,242	239,777,311	698,713,604	113,486,363	(5,794,318)	4,335,697,963	\$ 2,155,833,001
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ (208,828,900)	0	0	0	(150,357)	(80,497,748)	0	0	0	(80,648,105)	\$ (128,180,795)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,282,702,064	31,280,464	1,358,941,427	1,400,350,870	498,791,885	159,279,563	698,713,604	113,486,363	(5,794,318)	4,255,049,858	\$ 2,027,652,206
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 91,326,457										

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-16-0580-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
SYSTEM ADJUSTMENTS
JUNE, 2017

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	19,910,459	19,251,944
INTEREST & DIVIDENDS RECEIVABLE	(308,900)	(298,683)
NET UNDERRECOVERED FUEL, CAPACITY, ECCR, ECR	8,487,594	8,952,599
FUEL CLAUSE - GAS RESERVES (1)	(25,240)	(23,946)
CASH CAPITAL SUB ACCOUNT	(1)	(1)
POLE ATTACHMENTS RENTS RECEIVABLE	15,220,426	14,958,585
PREPAYMENTS - ECCR	52,152,352	52,152,352
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	10,291,512	9,906,572
TEMPORARY CASH INVESTMENTS	1,474,361	1,425,598
STORM DEFICIENCY RECOVERY	285,593,919	285,474,547
NUCLEAR COST RECOVERY	68,782	68,782
JOBGING ACCOUNTS	9,563,566	9,247,262
OTH REG ASSETS - CLAUSES	1,961,077	1,860,478
MISC. DEFERRED DEBIT - CLAUSES	15,921,943	15,105,185
CEDAR BAY TRANSACTION	684,903,426	649,785,872
ICL TRANSACTION	201,631,410	191,251,292
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,306,846,687	\$ 1,259,118,440

ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(200,161)	(193,983)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	91,291,800	91,291,800
ACCUM. PROV. - RATE REFUNDS	(112,486)	(113,501)
GAIN ON SALE OF EMISSION ALLOWANCE	(6,342)	(6,024)
JOBGING ACCOUNTS	(16,718,647)	(16,165,697)
FUEL CLAUSE - GAS RESERVES (1)	2,197,869	2,085,123
POLE ATTACHMENT RENTS PAYABLE	(7,297,155)	(7,171,621)
SURPP ACCELERATED RECOVERY	(18,988,436)	(18,010,898)
STORM DEFICIENCY RECOVERY	(80,821,715)	(80,821,715)
ASSET RETIREMENT OBLIGATION	(4,224,201,758)	(4,093,825,960)
MARGIN CALL CASH COLLATERAL	(494,231)	(477,885)
NUCLEAR COST RECOVERY	(245,128,856)	(245,128,856)
CEDAR BAY TRANSACTION	(5,914,931)	(5,610,426)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (4,506,395,049)	\$ (4,374,149,643)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,199,548,362)	\$ (3,115,031,203)

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
JUNE, 2017

SCHEDULE 2: PAGE 30 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	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)	\$ (208,828,900)	0	0	(150,357)	(80,497,748)	0	0	0	(80,648,105)	\$ (128,180,795)
TOTAL PROFORMA ADJUSTMENTS	\$ (208,828,900)	0	0	(150,357)	(80,497,748)	0	0	0	(80,648,105)	\$ (128,180,795)

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
INCOME STATEMENT
JUNE, 2017

SCHEDULE 3: 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	\$ 11,254,455,407	3,441,036,088	1,517,154,717	1,681,543,739	1,232,913,574	268,063,423	727,533,611	113,486,363	(6,459,756)	8,975,271,758	\$ 2,279,183,649
JURISDICTIONAL PER BOOKS	\$ 10,809,155,592	3,263,112,502	1,465,325,969	1,627,974,405	1,215,562,107	256,323,783	694,823,970	109,457,346	(6,426,348)	8,626,153,633	\$ 2,183,001,959
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (480,824,934)	0	0	0	(12,366,817)	(180,707,718)	0	0	0	(193,074,536)	\$ (287,750,398)
FRANCHISE EXPENSE	0	0	0	0	(468,457,956)	180,707,656	0	0	0	(287,750,299)	287,750,299
GROSS RECEIPTS TAX	(249,373,373)	0	0	0	(249,149,057)	(86,530)	0	0	0	(249,235,587)	(137,786)
FINANCIAL PLANNING SERVICES	0	0	(489,015)	0	0	188,638	0	0	0	(300,378)	300,378
INDUSTRY ASSOCIATION DUES	0	0	(2,354,007)	0	0	908,058	0	0	0	(1,445,949)	1,445,949
ECONOMIC DEVELOPMENT 5%	0	0	(129,535)	0	0	49,988	0	0	0	(79,567)	79,567
AVIATION EXPENSES	0	0	(133,139)	0	0	51,359	0	0	0	(81,781)	81,781
EXECUTIVE COMPENSATION	0	0	(31,300,381)	0	0	12,074,122	0	0	0	(19,226,259)	19,226,259
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(3,044,013,650)	(3,016,963,616)	(1,018,461)	4,000,000	(2,167,535)	31,210,615	(41,959,169)	0	0	(3,026,898,165)	(17,115,485)
CONSERVATION COST RECOVERY	(58,912,548)	0	(46,121,004)	(9,235,793)	(1,109,579)	(947,655)	4,044	0	0	(57,409,987)	(1,502,561)
CAPACITY COST RECOVERY	(329,465,634)	(216,381,499)	(33,959,235)	(18,976,321)	(390,728)	(22,087,262)	(964,329)	0	0	(292,759,374)	(36,706,260)
ENVIRONMENTAL COST RECOVERY	(209,758,208)	0	(38,075,001)	(47,475,818)	(311,372)	(70,565,112)	22,528,418	0	632,030	(133,266,856)	(76,491,353)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	3,668,294	(3,111,372)	(1,415,044)	0	0	0	2,253,249	(2,253,249)
STORM DEFICIENCY RECOVERY	(221,575,316)	0	(576,905)	(210,637,787)	0	(3,996,649)	0	0	0	(215,211,242)	(6,364,075)
INTEREST TAX DEFICIENCIES	0	0	528,948	0	0	(242,617)	0	0	0	366,331	(386,331)
INTEREST SYNCHRONIZATION	0	0	0	0	0	18,241,313	(7,784,535)	0	0	(10,466,778)	(10,466,778)
TOTAL FPSC ADJUSTMENTS	\$ (4,593,923,664)	(3,233,345,114)	(153,527,636)	(278,657,426)	(733,953,043)	(36,616,859)	(28,175,570)	0	632,030	(4,463,643,619)	\$ (130,280,045)
FPSC ADJUSTED	\$ 6,215,231,929	29,767,387	1,311,799,233	1,349,316,979	481,609,063	219,706,924	666,648,400	109,457,346	(5,794,319)	4,162,510,014	\$ 2,052,721,915
PRO FORMA ADJUSTMENTS	\$ (208,828,900)	0	0	0	(150,357)	(80,497,748)	0	0	0	(80,648,105)	\$ (128,180,795)
(SEE SCHEDULE 2, PAGE 2A OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,006,403,029	29,767,387	1,311,799,233	1,349,316,979	481,458,706	139,209,176	666,648,400	109,457,346	(5,794,319)	4,081,861,909	\$ 1,924,541,120

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL 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/DEMAND MILEAGE 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
JUNE, 2017

SCHEDULE 3, PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	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)	\$ (208,828,900)	0	0	(150,357)	(80,497,748)	0	0	0	(80,648,105)	\$ (128,180,795)
TOTAL PROFORMA ADJUSTMENTS	\$ (208,828,900)	0	0	(150,357)	(80,497,748)	0	0	0	(80,648,105)	\$ (128,180,795)

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
JUNE, 2017

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,628,879,969	\$ 1,547,101,164
FUEL AND CAPACITY	132,724,633	125,897,987
FUEL CLAUSE - GAS RESERVES (1)	0	0
CAPITALIZED EXECUTIVE COMPENSATION	17,747,026	17,199,282
LOAD CONTROL	47,398,615	47,398,615
ASSET RETIREMENT OBLIGATION	432,217,840	418,877,865
CAPITAL LEASES	59,410,224	57,576,586
TOTAL	<u>\$ 2,318,378,308</u>	<u>\$ 2,214,051,499</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (282,818,874)	\$ (268,619,799)
ACCUM PROV DECOMMISSIONING COSTS	(4,268,123,235)	(4,072,039,426)
ASSET RETIREMENT OBLIGATION	3,687,364	3,573,557
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,958,158,472	3,835,993,836
FUEL AND CAPACITY	(39,683,655)	(37,646,820)
FUEL CLAUSE - GAS RESERVES (1)	0	0
OTHER RATE CASE ADJUSTMENTS (2)	3,810,833	3,668,294
LOAD CONTROL	(20,189,116)	(20,189,116)
CAPITAL LEASES	(8,192,500)	(7,939,647)
TOTAL	<u>\$ (653,350,711)</u>	<u>\$ (563,199,121)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,835,822,761	\$ 1,741,190,829
CWIP - CLAUSE PROJECTS (1)	34,931,583	33,161,927
TOTAL	<u>\$ 1,870,754,344</u>	<u>\$ 1,774,352,656</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)	\$ (3,199,548,362)	\$ (3,115,031,203)
TOTAL ADJUSTMENTS	\$ 336,233,579	\$ 310,173,831

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
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
JUNE, 2017

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	\$ 11,254,455,407	3,441,096,088	1,517,154,717	1,681,543,738	1,232,913,574	268,063,423	727,533,611	113,486,363	(6,459,756)	8,975,271,758	\$ 2,279,183,649
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (480,824,934)	0	0	0	(12,366,817)	(180,707,718)	0	0	0	(193,074,536)	\$ (287,750,398)
FRANCHISE EXPENSE	0	0	0	0	(488,457,956)	180,707,656	0	0	0	(287,750,299)	287,750,289
GROSS RECEIPTS TAX	(249,373,372)	0	0	0	(249,149,057)	(86,530)	0	0	0	(249,235,587)	(137,786)
FINANCIAL PLANNING SERVICES	0	0	(504,589)	0	0	194,645	0	0	0	(309,944)	309,944
INDUSTRY ASSOCIATION DUES	0	0	(2,428,974)	0	0	936,977	0	0	0	(1,491,998)	1,491,998
ECONOMIC DEVELOPMENT 5%	0	0	(133,660)	0	0	51,559	0	0	0	(82,101)	82,101
AVIATION - EXPENSES	0	0	(137,379)	0	0	52,994	0	0	0	(84,385)	84,385
EXECUTIVE COMPENSATION	0	0	(32,297,202)	0	0	12,458,646	0	0	0	(19,838,556)	19,838,556
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(3,212,615,725)	(3,181,649,121)	(1,073,531)	4,000,000	(2,168,729)	30,118,026	(42,355,691)	0	0	(3,193,129,046)	(19,486,678)
CONSERVATION COST RECOVERY	(58,912,548)	0	(46,121,004)	(9,235,793)	(1,109,579)	(947,655)	4,044	0	0	(57,409,987)	(1,502,561)
CAPACITY COST RECOVERY	(329,864,340)	(228,106,503)	(35,802,365)	(19,144,760)	(399,347)	(16,938,855)	(964,329)	0	0	(301,356,158)	(28,508,181)
ENVIRONMENTAL COST RECOVERY	(209,758,208)	0	(39,769,906)	(49,965,360)	(319,848)	(68,952,864)	22,528,418	0	665,438	(195,834,122)	(73,924,086)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	3,810,833	0	(1,470,029)	0	0	0	2,340,804	(2,340,804)
STORM DEFICIENCY RECOVERY	(221,575,316)	0	(599,658)	(210,697,787)	0	(3,990,148)	0	0	0	(215,221,594)	(6,353,723)
INTEREST TAX DEFICIENCIES	0	0	648,978	0	0	(250,343)	0	0	0	398,635	(398,635)
INTEREST SYNCHRONIZATION	0	0	0	0	0	20,732,727	(8,032,449)	0	0	12,700,278	(12,700,278)
TOTAL FPSC ADJUSTMENTS	\$ (4,762,924,444)	(3,409,755,624)	(158,213,291)	(281,192,868)	(733,971,332)	(28,090,913)	(28,820,007)	0	665,438	(4,699,378,596)	\$ (123,545,848)
FPSC ADJUSTED	\$ 6,491,530,963	31,280,464	1,358,941,427	1,400,350,870	498,942,242	239,972,510	698,713,604	113,486,363	(5,794,318)	4,335,893,162	\$ 2,155,637,802
PRO FORMA ADJUSTMENTS	\$ (208,828,900)	0	0	0	(150,357)	(80,497,748)	0	0	0	(80,648,105)	\$ (128,180,795)
(SEE SCHEDULE 3, PAGE 3B OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,282,702,064	31,280,464	1,358,941,427	1,400,350,870	498,791,885	159,474,762	698,713,604	113,486,363	(5,794,318)	4,255,245,057	\$ 2,027,457,007
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 91,326,457										

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/DEPLETMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-A-S-EI.
THE PRO FORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PRO FORMA 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
JUNE, 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)	\$ (208,828,900)	0	0	0	(150,357)	(80,497,748)	0	0	0	(80,648,105)	\$ (128,180,795)
TOTAL PROFORMA ADJUSTMENTS	\$ (208,828,900)	0	0	0	(150,357)	(80,497,748)	0	0	0	(80,648,105)	\$ (128,180,795)

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
JUNE, 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	\$ 9,042,250,307	\$ 8,699,911,846	\$ 146,335,131	\$ (235,563,731)	\$ 8,610,683,246	27.70%	4.52%	1.25%	4.52%	4.52%	1.25%	4.52%	1.25%	4.52%	1.25%
SHORT TERM DEBT	911,549,711	876,312,686	15,150,054	0	891,462,740	2.87%	1.81%	0.05%	1.81%	1.81%	0.05%	1.81%	0.05%	1.81%	0.05%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	14,511,829,005	13,950,857,203	241,188,156	(0)	14,192,045,359	45.66%	9.60%	4.38%	10.55%	10.55%	4.82%	11.60%	5.30%	11.60%	5.30%
CUSTOMER DEPOSITS	413,005,420	412,711,376	7,135,124	0	419,846,500	1.35%	1.95%	0.03%	1.95%	1.95%	0.03%	1.95%	0.03%	1.95%	0.03%
DEFERRED INCOME TAX	7,446,254,723	7,158,980,675	117,372,100	(369,918,407)	6,906,434,369	22.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	207,879,306	198,151,236	1,019,745	(139,166,937)	60,004,044	0.19%	7.65%	0.01%	8.27%	8.27%	0.02%	8.90%	0.02%	8.90%	0.02%
TOTAL	\$ 32,532,768,472	\$ 31,296,925,024	\$ 528,200,310	\$ (744,649,075)	\$ 31,080,476,259	100.00%	5.73%	5.73%	6.17%	6.17%	6.17%	6.65%	6.65%	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	\$ 9,236,802,056	\$ 8,998,785,733	\$ 117,524,175	\$ (235,044,192)	\$ 8,881,265,716	27.27%	4.37%	1.19%	4.37%	4.37%	1.19%	4.37%	1.19%	4.37%	1.19%
SHORT TERM DEBT	1,105,103,175	1,076,113,293	14,430,974	0	1,090,544,267	3.35%	1.96%	0.07%	1.96%	1.96%	0.07%	1.96%	0.07%	1.96%	0.07%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	15,092,063,381	14,696,157,245	197,079,495	-	14,893,236,740	45.73%	9.60%	4.39%	10.55%	10.55%	4.82%	11.60%	5.30%	11.60%	5.30%
CUSTOMER DEPOSITS	399,971,543	399,801,589	5,361,449	(0)	405,163,038	1.24%	2.17%	0.03%	2.17%	2.17%	0.03%	2.17%	0.03%	2.17%	0.03%
DEFERRED INCOME TAX	7,678,052,012	7,472,494,826	95,247,496	(369,918,407)	7,197,823,914	22.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	247,968,945	238,049,188	1,365,552	(136,220,373)	103,194,368	0.32%	7.61%	0.02%	8.24%	8.24%	0.03%	8.87%	0.03%	8.87%	0.03%
TOTAL	\$ 33,759,961,112	\$ 32,881,401,874	\$ 431,009,141	\$ (741,182,972)	\$ 32,571,228,043	100.00%	5.70%	5.70%	6.13%	6.13%	6.13%	6.62%	6.62%	6.62%	6.62%

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
JUNE, 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	COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 9
LONG TERM DEBT	\$ 8,610,683,246	\$ -	\$ 8,610,683,246	27.70%	4.52%	1.25%	4.52%	1.25%	4.52%	1.25%	4.52%	1.25%	
SHORT TERM DEBT	891,462,740	-	891,462,740	2.87%	1.81%	0.05%	1.81%	0.05%	1.81%	0.05%	1.81%	0.05%	
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	14,192,045,359	-	14,192,045,359	45.66%	9.60%	4.38%	10.55%	4.82%	11.60%	5.30%	11.60%	5.30%	
CUSTOMER DEPOSITS	419,846,500	-	419,846,500	1.35%	1.95%	0.03%	1.95%	0.03%	1.95%	0.03%	1.95%	0.03%	
DEFERRED INCOME TAX	6,906,434,369	-	6,906,434,369	22.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	60,004,044	-	60,004,044	0.19%	7.65%	0.01%	8.27%	0.02%	8.90%	0.02%	8.90%	0.02%	
TOTAL	\$ 31,080,476,259	\$ -	\$ 31,080,476,259	100.00%		5.73%		6.17%		6.65%			
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	COST RATE (%) 9	WEIGHTED COST (%) 10	
LONG TERM DEBT	\$ 8,881,265,716	\$ -	\$ 8,881,265,716	27.27%	4.37%	1.19%	4.37%	1.19%	4.37%	1.19%	4.37%	1.19%	
SHORT TERM DEBT	1,090,544,267	-	1,090,544,267	3.35%	1.96%	0.07%	1.96%	0.07%	1.96%	0.07%	1.96%	0.07%	
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	14,893,236,740	-	14,893,236,740	45.73%	9.60%	4.39%	10.55%	4.82%	11.60%	5.30%	11.60%	5.30%	
CUSTOMER DEPOSITS	405,163,038	-	405,163,038	1.24%	2.17%	0.03%	2.17%	0.03%	2.17%	0.03%	2.17%	0.03%	
DEFERRED INCOME TAX	7,197,823,914	-	7,197,823,914	22.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	103,194,368	-	103,194,368	0.32%	7.61%	0.02%	8.24%	0.03%	8.87%	0.03%	8.87%	0.03%	
TOTAL	\$ 32,571,228,043	\$ -	\$ 32,571,228,043	100.00%		5.70%		6.13%		6.62%			

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
JUNE, 2017

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,320,796,443
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	20,822,940
INCOME TAXES	1,102,776,834
TOTAL	\$ 3,444,396,216
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 484,221,780
TIMES INTEREST EARNED WITH AFUDC	7.11

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 1,857,397,603
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(800,000,000)
AFUDC (DEBT & OTHER)	(91,326,457)
DEPRECIATION AND AMORTIZATION EXPENSE	1,681,543,738
DEFERRED INCOME TAXES	729,181,813
INVESTMENT TAX CREDITS	113,486,363
OTHER SOURCEUSES OF FUNDS	63,443,387
INTERNALLY GENERATED FUNDS	\$ 3,553,726,447

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,320,796,443
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(70,503,517)
INCOME TAXES	1,102,776,834
TOTAL	\$ 3,353,069,759
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 484,221,780
TIMES INTEREST EARNED WITHOUT AFUDC	6.92

CONSTRUCTION EXPENDITURES
PERCENT INTERNALLY GENERATED FUNDS

CONSTRUCTION EXPENDITURES	\$ 3,993,182,766
PERCENT INTERNALLY GENERATED FUNDS	88.99%

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 20,822,940
X (1 - INCOME_TAX_RATE)	0.6143
SUBTOTAL	\$ 12,790,491
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	70,503,517
TOTAL	\$ 83,294,008
NET INCOME AVAILABLE FOR COMMON	\$ 1,857,397,603
AFUDC AS PERCENT OF NET INCOME	4.48%

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	\$ 8,610,683,246
JURIS ADJUSTED SHORT TERM DEBT	891,462,740
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	14,192,045,359
TOTAL	\$ 23,694,191,346
LTD TO TOTAL INVESTOR FUNDS	36.34%
STD TO TOTAL INVESTOR FUNDS	3.76%

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	1.25%
SHORT TERM DEBT	0.05%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.02%
SUBTOTAL	1.35%
TOTAL	5.25%
DIVIDED BY COMMON EQUITY RATIO	45.66%
JURISDICTIONAL RETURN ON COMMON EQUITY	11.50%

FOOTNOTES

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

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF:

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

SCHEDULE 5: PAGE 2 OF 2

H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 6.19%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.25%
SHORT TERM DEBT	0.05%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.02%
SUBTOTAL	<u>1.35%</u>

PRO FORMA ROR LESS NON EQUITY COST

4.84%

PRO FORMA COMMON EQUITY RATIO

45.66%

PRO FORMA RETURN ON COMMON EQUITY

10.60%