



April 15, 2018

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 February 2018. 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 11.23%.

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
FEBRUARY, 2018

SCHEDULE 1: PAGE 1 OF 1

	ACTUAL PER BOOKS	FPSC ADJUSTMENTS	FPSC ADJUSTED	PRO FORMA ADJUSTMENTS	PRO FORMA ADJUSTED
<u>I. LEVERAGE RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,332,397,585 (A)	(237,591,869) (B)	2,094,805,717	(169,919,627)	\$ 1,924,886,089
RATE BASE	\$ 33,498,263,660	(433,137,046)	33,065,126,614	0	\$ 33,065,126,614
AVERAGE RATE OF RETURN	6.96%		6.34%		5.82%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,332,397,585 (A)	(216,301,539) (B)	2,116,096,047	(169,919,627)	\$ 1,946,176,419
RATE BASE	\$ 35,819,305,033	(737,531,322)	35,081,773,711	0	\$ 35,081,773,711
YEAR END RATE OF RETURN	6.51%		6.03%		5.55%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	5.61%
MIDPOINT	6.03%
HIGH	6.50%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.70	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.49	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	5.14%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	50.43%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	36.42%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	5.05%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.23%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.08%	(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 E. Ousdahl
for K. Ousdahl
(SIGNATURE)

4/15/18
(DATE)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
FEBRUARY, 2018

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	\$ 46,359,977,811	15,108,270,950	31,251,706,661	289,801,925	3,399,635,480	656,553,012	35,597,697,079	(727,799,249)	\$ 34,869,897,829
JURISDICTIONAL PER BOOKS	\$ 44,380,461,283	12,870,527,340	31,509,933,943	273,770,818	3,255,521,652	629,737,923	35,668,964,337	(2,170,700,677)	\$ 33,498,263,660
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,219,600,013)	(599,659,536)	(1,629,940,477)	0	(1,943,174,257)	0	(3,573,114,794)	3,139,977,688	\$ (433,137,046)
FPSC ADJUSTED:	\$ 42,160,861,270	12,280,867,804	29,879,993,466	273,770,818	1,312,347,395	629,737,923	32,095,849,603	969,277,011	\$ 33,065,126,614
PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
TOTAL PRO FORMA ADJUSTED	\$ 42,160,861,270	12,280,867,804	29,879,993,466	273,770,818	1,312,347,395	629,737,923	32,095,849,603	969,277,011	\$ 33,065,126,614

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
FEBRUARY, 2018

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	\$ 11,796,111,357	3,473,794,846	2,833,132,850	851,058,140	1,301,454,203	135,282,495	786,595,938	99,684,065	(6,021,158)	9,474,981,379	\$ 2,321,129,978
JURISDICTIONAL PER BOOKS	\$ 11,357,469,285	3,307,936,620	2,779,554,455	789,898,073	1,282,111,167	129,571,248	748,448,546	95,915,308	(6,015,185)	9,127,420,231	\$ 2,230,049,054
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (510,614,887)	0	0	0	(13,133,015)	(182,443,460)	0	0	0	(185,576,475)	\$ (315,038,412)
FRANCHISE EXPENSE	0	0	0	0	(497,479,230)	182,442,785	0	0	0	(315,036,445)	315,036,445
GROSS RECEIPTS TAX	(263,345,851)	0	0	0	(263,036,001)	(108,871)	0	0	0	(263,144,871)	(200,960)
FINANCIAL PLANNING SERVICES	0	0	(340,467)	0	0	128,424	0	0	0	(212,042)	212,042
INDUSTRY ASSOCIATION DUES	0	0	(2,235,601)	0	0	821,319	0	0	0	(1,414,282)	1,414,282
ECONOMIC DEVELOPMENT 5%	0	0	(142,115)	0	0	52,084	0	0	0	(90,031)	90,031
AVIATION - EXPENSES	0	0	(172,412)	0	0	63,435	0	0	0	(108,977)	108,977
EXECUTIVE COMPENSATION	0	0	(55,188,791)	0	0	13,047,248	0	0	0	(22,141,533)	22,141,533
FUEL COST REC RETAIL	(3,122,322,905)	(3,103,741,369)	(221,447)	6,717,342	(2,216,788)	(8,317,031)	(522,539)	0	0	(3,108,301,862)	(14,021,043)
CONSERVATION COST RECOVERY	(55,637,997)	0	(42,412,152)	(9,725,971)	(1,137,307)	(867,191)	(845)	0	0	(54,143,268)	(1,494,730)
CAPACITY COST RECOVERY	(301,379,754)	(181,915,200)	(36,399,534)	(3,133,551)	(373,873)	(23,664,616)	(5,083,544)	0	0	(250,580,318)	(50,799,436)
ENVIRONMENTAL COST RECOVERY	(197,497,531)	0	(34,509,377)	(43,524,507)	(283,270)	(59,974,871)	16,189,930	0	118,882	(121,985,013)	(75,512,518)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(441,979,729)	0	(120,117,320)	(314,085,990)	0	(2,654,312)	0	0	0	(437,057,623)	(4,922,106)
INTEREST TAX DEFICIENCIES	0	0	252,388	0	0	(91,109)	0	0	0	161,280	(161,280)
INTEREST SYNCHRONIZATION	0	0	0	0	0	20,196,283	(6,100,141)	0	0	12,096,143	(12,096,143)
TOTAL FPSC ADJUSTMENTS	\$ (4,892,778,653)	(3,285,656,599)	(271,486,818)	(383,752,678)	(777,659,484)	(61,569,881)	2,473,062	0	118,882	(4,757,535,315)	\$ (135,243,338)
FPSC ADJUSTED	\$ 6,464,690,632	22,280,021	2,508,067,637	426,145,395	504,451,683	68,001,567	750,921,608	95,915,306	(5,898,302)	4,369,884,915	\$ 2,094,805,717

PRO FORMA ADJUSTMENTS	PRO FORMA SYSTEM PER BOOKS ADJUSTED	PRO FORMA SYSTEM PER BOOKS ADJUSTED
(SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (269,265,639)	\$ (269,265,639)
	\$ 6,195,424,993	\$ 6,195,424,993

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE: ON A TOTAL COMPANY BASIS ON A JURISDICTIONAL BASIS	CURRENT MONTH AMOUNT	SYSTEM PER BOOKS	JURISDICTIONAL PER BOOKS
\$ 106,468,654	\$ 2,934,837	\$ 134,342,135	\$ 817,059,769	\$ 785,939,937
\$ 102,348,531	\$ 2,842,300	226,798,965	215,878,575	130,683,735

NOTES:	(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.
	642,737,318
	619,233,556

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
FEBRUARY, 2018

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)	\$ (269,265,639)	0	0	0	(193,871)	(99,152,141)	0	0	0	(99,346,012)	\$ (169,919,627)
TOTAL PROFORMA ADJUSTMENTS	\$ (269,265,639)	0	0	0	(193,871)	(99,152,141)	0	0	0	(99,346,012)	\$ (169,919,627)

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
FEBRUARY, 2018

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,619,373,758	\$ 1,540,640,813
FUEL AND CAPACITY	136,727,090	130,075,515
CAPITALIZED EXECUTIVE COMPENSATION	20,007,081	19,376,251
LOAD CONTROL	48,843,032	48,843,032
ASSET RETIREMENT OBLIGATION	436,945,332	423,168,870
CAPITAL LEASES	59,367,408	57,495,532
TOTAL	<u>\$ 2,321,264,300</u>	<u>\$ 2,219,600,013</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (281,841,342)	\$ (268,138,391)
ACCUM PROV DECOMMISSIONING COSTS	(4,319,299,226)	(4,131,014,260)
ASSET RETIREMENT OBLIGATION	(1,925,819)	(1,865,097)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,005,983,344	3,879,673,256
FUEL AND CAPACITY	(40,163,613)	(38,236,602)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
LOAD CONTROL	(21,914,305)	(21,914,305)
CAPITAL LEASES	(8,429,936)	(8,164,137)
TOTAL	<u>\$ (667,590,897)</u>	<u>\$ (589,659,536)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,016,184,031	\$ 1,900,823,556
CWIP - CLAUSE PROJECTS	44,519,116	42,350,700
TOTAL	<u>\$ 2,060,703,147</u>	<u>\$ 1,943,174,257</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)	\$ (3,225,519,269)	\$ (3,139,977,688)
TOTAL ADJUSTMENTS	\$ 488,857,281	\$ 433,137,046

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0860-AS-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
FEBRUARY, 2018

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	\$ 11,786,111,357	3,473,784,846	2,833,132,850	851,058,140	1,301,454,203	135,282,495	786,595,938	99,684,065	(6,021,158)	9,474,981,379	\$ 2,321,128,978
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (510,614,887)	0	0	0	(13,133,015)	(182,443,480)	0	0	0	(185,576,475)	\$ (315,038,412)
FRANCHISE EXPENSE	0	0	0	0	(487,479,230)	182,442,785	0	0	0	(315,038,445)	315,038,445
GROSS RECEIPTS TAX	(283,345,851)	0	0	0	(283,036,001)	(108,871)	0	0	0	(283,144,871)	(200,980)
FINANCIAL PLANNING SERVICES	0	0	(351,551)	0	0	132,808	0	0	0	(218,948)	218,948
INDUSTRY ASSOCIATION DUES	0	0	(2,308,385)	0	0	846,059	0	0	0	(1,460,327)	1,460,327
ECONOMIC DEVELOPMENT 5%	0	0	(146,742)	0	0	53,780	0	0	0	(92,962)	92,962
AVIATION - EXPENSES	0	0	(178,028)	0	0	65,500	0	0	0	(112,528)	112,525
EXECUTIVE COMPENSATION	0	0	(36,334,418)	0	0	13,472,028	0	0	0	(22,862,392)	22,862,392
FUEL COST RECOVERY	(3,275,472,712)	(3,259,137,303)	(232,559)	6,719,885	(2,217,981)	(6,922,739)	(769,238)	0	0	(3,282,569,914)	(12,982,788)
CONSERVATION COST RECOVERY	(55,637,987)	0	(42,412,152)	(8,725,971)	(1,137,307)	(887,181)	(645)	0	0	(54,143,286)	(1,484,730)
CAPACITY COST RECOVERY	(301,751,012)	(191,339,272)	(36,272,072)	(3,383,436)	(392,211)	(19,824,834)	(5,093,544)	0	0	(259,275,187)	(43,475,845)
ENVIRONMENTAL COST RECOVERY	(187,497,531)	0	(36,272,945)	(45,748,784)	(290,480)	(58,471,120)	16,189,930	0	122,856	(124,470,549)	(73,028,981)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(441,979,729)	0	(120,117,320)	(314,085,990)	0	(2,854,312)	0	0	0	(437,037,823)	(4,922,108)
INTEREST TAX DEFICIENCIES	0	0	280,805	0	0	(84,075)	0	0	0	166,530	(166,530)
INTEREST SYNCHRONIZATION	0	0	0	0	0	20,855,250	(8,383,856)	0	0	12,481,394	(12,481,394)
TOTAL FPSC ADJUSTMENTS	\$ (5,046,299,718)	(3,450,478,574)	(276,385,566)	(368,204,297)	(777,876,204)	(53,716,401)	1,932,648	0	122,856	(4,922,383,539)	\$ (123,916,179)
FPSC ADJUSTED	\$ 6,749,811,639	23,319,271	2,556,787,284	484,853,843	523,777,999	81,566,084	788,528,586	99,684,065	(5,888,302)	4,552,597,840	\$ 2,197,213,798
PRO FORMA ADJUSTMENTS	\$ (289,285,639)	0	0	0	(193,871)	(98,152,141)	0	0	0	(68,346,012)	\$ (169,919,627)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,460,545,999	23,319,271	2,556,787,284	484,853,843	523,584,128	(17,586,047)	788,528,586	99,684,065	(5,888,302)	4,453,251,828	\$ 2,027,294,171

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 106,488,654

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EL.

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
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
FEBRUARY, 2018

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	21,274,265	20,571,272
INTEREST & DIVIDENDS RECEIVABLE	23,641	22,860
NET UNDERRECOVERED FUEL, CAPACITY, ECCR, ECRC	19,049,505	19,111,133
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	15,025,534	15,025,534
PREPAYMENTS - ECCR	50,156,090	50,156,090
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	10,245,459	9,848,980
TEMPORARY CASH INVESTMENTS	601,295	581,426
STORM DEFICIENCY RECOVERY	214,436,133	214,333,369
NUCLEAR COST RECOVERY	14,574	14,574
JOBGING ACCOUNTS	15,151,410	14,650,742
OTH REG ASSETS - CLAUSES	2,323,932	2,212,883
MISC. DEFERRED DEBIT - CLAUSES	13,204,118	12,573,161
CEDAR BAY TRANSACTION	665,533,933	632,969,949
ICL TRANSACTION	418,055,556	397,601,342
SJRPP TRANSACTION	13,454,181	12,795,908
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,458,549,625	\$ 1,402,469,222
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(212,826)	(206,115)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	357,026,881	357,026,881
ACCUM. PROV. - RATE REFUNDS	(584)	0
GAIN ON SALE OF EMISSION ALLOWANCE	(2,397)	(2,281)
JOBGING ACCOUNTS	(20,236,183)	(19,567,493)
POLE ATTACHMENT RENTS PAYABLE	(7,612,313)	(7,612,313)
SJRPP ACCELERATED RECOVERY	(13,057,554)	(12,418,687)
STORM DEFICIENCY RECOVERY	(305,152,929)	(305,152,929)
ASSET RETIREMENT OBLIGATION	(4,441,032,394)	(4,301,005,054)
MARGIN CALL CASH COLLATERAL	(532,692)	(515,090)
NUCLEAR COST RECOVERY	(247,899,481)	(247,899,481)
CEDAR BAY TRANSACTION	(5,356,421)	(5,094,347)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (4,684,068,894)	\$ (4,542,446,910)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,225,519,269)	\$ (3,139,977,688)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
FEBRUARY, 2018

SCHEDULE 2: PAGE 30 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)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (269,265,639)	0	0	0	(193,871)	(99,152,141)	0	0	0	(99,346,012)	\$ (169,919,627)
TOTAL PROFORMA ADJUSTMENTS	\$ (269,265,639)	0	0	0	(193,871)	(99,152,141)	0	0	0	(99,346,012)	\$ (169,919,627)

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
FEBRUARY, 2018

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	\$ 47,523,698,575	15,114,171,971	32,409,526,604	343,520,794	3,765,911,801	609,529,908	37,128,489,107	(727,799,249)	\$ 36,400,689,857
JURISDICTIONAL PER BOOKS	\$ 45,508,595,539	12,023,943,545	33,484,651,994	324,181,346	3,596,537,023	584,635,347	37,990,005,710	(2,170,700,677)	\$ 35,819,305,083
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,210,596,553)	(599,804,125)	(1,610,792,529)	0	(2,286,716,481)	0	(3,877,509,010)	3,139,977,688	\$ (737,531,322)
FPSC ADJUSTED:	\$ 43,297,998,986	11,424,139,421	31,873,859,465	324,181,346	1,329,820,541	584,635,347	34,112,496,700	969,277,011	\$ 35,081,773,711

PRO-FORMA ADJUSTMENTS

TOTAL PRO-FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO-FORMA ADJUSTED	\$ 43,297,998,986	11,424,139,421	31,873,859,465	324,181,346	1,329,820,541	584,635,347	34,112,496,700	969,277,011	\$ 35,081,773,711

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
FEBRUARY, 2018

SCHEDULE 3, PAGE 2 OF 3

	OPERATING REVENUES	NET INTERCHANGE	FUEL & OPERATION & MAINTENANCE	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	\$ 11,796,111,357	3,473,764,846	2,833,132,850	2,833,132,850	851,058,140	1,301,454,203	135,282,465	786,595,938	99,684,065	(8,021,158)	9,474,981,379	\$ 2,321,129,678
JURISDICTIONAL PER BOOKS	\$ 11,357,469,285	3,307,939,620	2,779,554,455	2,779,554,455	789,898,073	1,282,111,167	129,571,248	748,448,548	95,915,306	(6,015,165)	9,127,420,231	\$ 2,530,049,054
FPSC ADJUSTMENTS												
FRANCHISE REVENUE	\$ (510,914,887)	0	0	0	0	(13,133,015)	(182,443,460)	0	0	0	(195,576,475)	\$ (315,038,412)
FRANCHISE EXPENSE	0	0	0	0	0	(487,479,230)	182,442,785	0	0	0	(315,036,445)	315,036,445
GROSS RECEIPTS TAX	(283,345,851)	0	0	0	0	(283,038,001)	(108,871)	0	0	0	(283,144,871)	(200,980)
FINANCIAL PLANNING SERVICES	0	0	(340,467)	(340,467)	0	0	128,424	0	0	0	(212,042)	212,042
INDUSTRY ASSOCIATION DUES	0	0	(2,235,601)	(2,235,601)	0	0	821,319	0	0	0	(1,414,282)	1,414,282
ECONOMIC DEVELOPMENT 5%	0	0	(142,115)	(142,115)	0	0	52,084	0	0	0	(90,031)	90,031
AVIATION - EXPENSES	0	0	(172,412)	(172,412)	0	0	63,435	0	0	0	(108,977)	108,977
EXECUTIVE COMPENSATION	0	0	(65,188,781)	(65,188,781)	0	0	13,047,248	0	0	0	(22,141,533)	22,141,533
FUEL COST REC RETAIL	(3,122,322,905)	(3,103,741,399)	(221,447)	(221,447)	6,717,942	(2,216,788)	(8,317,031)	0	0	0	(3,108,301,862)	(14,021,043)
CONSERVATION COST RECOVERY	(55,637,987)	0	(42,412,152)	(42,412,152)	(9,725,971)	(1,137,307)	(887,191)	(522,530)	0	0	(54,143,266)	(1,484,730)
CAPACITY COST RECOVERY	(301,378,754)	(181,915,200)	(28,399,534)	(28,399,534)	(3,133,551)	(373,873)	(23,684,616)	(5,095,544)	0	0	(250,580,318)	(50,799,438)
ENVIRONMENTAL COST RECOVERY	(197,497,531)	0	(34,509,377)	(34,509,377)	(43,524,507)	(283,270)	(59,974,671)	16,169,930	0	116,882	(121,985,013)	(75,512,518)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(441,978,729)	0	(120,117,320)	(120,117,320)	(314,085,990)	0	(2,854,312)	0	0	0	(437,057,623)	(4,922,106)
INTEREST TAX DEFICIENCIES	0	0	252,388	252,388	0	0	(91,109)	0	0	0	(81,280)	(161,280)
INTEREST SYNCHRONIZATION	0	0	0	0	0	0	(1,094,047)	(8,100,141)	0	0	(9,194,187)	9,194,187
TOTAL FPSC ADJUSTMENTS	\$ (4,892,778,653)	(3,285,656,599)	(271,488,816)	(271,488,816)	(363,752,678)	(777,659,484)	(82,860,011)	2,473,062	0	116,882	(4,778,825,645)	\$ (113,953,008)
FPSC ADJUSTED	\$ 6,464,690,632	22,280,021	2,508,067,637	2,508,067,637	428,145,395	504,451,683	46,711,237	750,821,608	95,915,306	(5,899,302)	4,348,594,585	\$ 2,116,096,047

PRO FORMA ADJUSTMENTS	\$ (289,265,699)	0	0	0	0	(193,871)	(99,152,141)	0	0	0	(99,346,012)	\$ (168,919,627)
(SEE SCHEDULE 2, PAGE 2A OF 3)												
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,195,424,933	22,280,021	2,508,067,637	2,508,067,637	428,145,395	504,257,812	(52,440,904)	750,821,608	95,915,306	(5,899,302)	4,249,248,573	\$ 1,946,176,419

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

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-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
FEBRUARY, 2018

SCHEDULE 3: PAGE 2A 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)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (269,265,639)	0	0	0	(193,871)	(99,152,141)	0	0	0	(99,346,012)	\$ (169,919,627)
TOTAL PROFORMA ADJUSTMENTS	\$ (269,265,639)	0	0	0	(193,871)	(99,152,141)	0	0	0	(99,346,012)	\$ (169,919,627)

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
FEBRUARY, 2018

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,572,646,844	\$ 1,496,185,732
FUEL AND CAPACITY	150,262,758	142,948,828
CAPITALIZED EXECUTIVE COMPENSATION	25,317,024	24,518,769
LOAD CONTROL	51,310,628	51,310,628
ASSET RETIREMENT OBLIGATION	452,358,730	438,095,697
CAPITAL LEASES	59,410,224	57,536,999
TOTAL	<u>\$ 2,311,306,208</u>	<u>\$ 2,210,596,653</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (259,114,813)	\$ (246,516,812)
ACCUM PROV DECOMMISSIONING COSTS	(4,512,444,563)	(4,315,740,092)
ASSET RETIREMENT OBLIGATION	(18,579,513)	(17,993,694)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,186,717,031	4,054,708,346
FUEL AND CAPACITY	(42,206,502)	(40,179,442)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
LOAD CONTROL	(25,226,582)	(25,226,582)
CAPITAL LEASES	(9,144,167)	(8,855,848)
TOTAL	<u>\$ (679,999,109)</u>	<u>\$ (599,804,125)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,342,129,088	\$ 2,204,362,221
CWIP - CLAUSE PROJECTS	65,544,395	62,354,261
TOTAL	<u>\$ 2,407,673,483</u>	<u>\$ 2,266,716,481</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)	\$ (3,225,519,269)	\$ (3,199,977,688)
TOTAL ADJUSTMENTS	\$ 813,461,313	\$ 737,531,322

NOTES:
(1) 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
FEBRUARY, 2018

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	\$ 11,796,111,357	3,473,794,846	2,833,132,850	851,058,140	1,301,454,203	135,282,485	786,585,938	99,684,065	(6,021,159)	9,474,981,379	\$ 2,321,129,978
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (510,614,887)	0	0	0	(13,133,015)	(182,443,460)	0	0	0	(195,576,475)	\$ (315,038,412)
FRANCHISE EXPENSE	0	0	0	0	(497,479,230)	182,442,785	0	0	0	(315,036,445)	315,036,445
GROSS RECEIPTS TAX	(263,345,851)	0	0	0	(283,036,001)	(108,871)	0	0	0	(263,144,871)	(200,980)
FINANCIAL PLANNING SERVICES	0	0	(351,551)	0	0	132,606	0	0	0	(218,946)	218,946
INDUSTRY ASSOCIATION DUES	0	0	(2,308,385)	0	0	848,059	0	0	0	(1,460,327)	1,460,327
ECONOMIC DEVELOPMENT 5%	0	0	(146,742)	0	0	53,780	0	0	0	(92,962)	92,962
AVIATION - EXPENSES	0	0	(178,026)	0	0	65,500	0	0	0	(112,525)	112,525
EXECUTIVE COMPENSATION	0	0	(36,334,418)	0	0	13,472,026	0	0	0	(22,862,392)	22,862,392
FUEL COST REC RETAIL	(3,275,472,712)	(3,259,137,303)	(232,559)	6,719,885	(2,217,961)	(6,922,738)	0	0	0	(3,282,589,914)	(12,882,795)
CONSERVATION COST RECOVERY	(55,937,997)	0	(42,412,152)	(9,725,971)	(1,137,307)	(667,191)	(799,238)	0	0	(54,143,266)	(1,494,780)
CAPACITY COST RECOVERY	(301,751,012)	(191,338,272)	(38,272,072)	(3,363,436)	(382,211)	(19,824,634)	(5,083,544)	0	0	(258,275,167)	(43,475,845)
ENVIRONMENTAL COST RECOVERY	(197,497,531)	0	(36,272,045)	(45,748,784)	(290,480)	(58,471,126)	16,189,930	0	122,856	(124,470,549)	(73,026,981)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(441,979,729)	0	(120,117,320)	(314,085,990)	0	(2,854,312)	0	0	0	(437,057,623)	(4,922,106)
INTEREST TAX DEFICIENCIES	0	0	260,605	0	0	(94,075)	0	0	0	166,530	(166,530)
INTEREST SYNCHRONIZATION	0	0	0	0	0	1,931,158	(8,363,656)	0	0	(6,432,698)	6,432,698
TOTAL FPSC ADJUSTMENTS	\$ (5,046,298,718)	(3,450,476,574)	(276,365,566)	(366,204,297)	(777,676,204)	(72,640,493)	1,932,648	0	122,856	(4,941,307,631)	\$ (104,992,088)
FPSC ADJUSTED	\$ 6,749,811,639	23,318,271	2,556,767,284	484,853,843	523,777,999	62,642,002	788,528,596	99,684,065	(5,898,302)	4,533,673,748	\$ 2,216,137,890
PRO FORMA ADJUSTMENTS	\$ (269,265,639)	0	0	0	(193,871)	(99,152,141)	0	0	0	(99,346,012)	\$ (169,919,627)
(SEE SCHEDULE 3, PAGE 3B OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,480,545,999	23,318,271	2,556,767,284	484,853,843	523,584,128	(36,510,138)	788,528,596	99,684,065	(5,898,302)	4,434,327,737	\$ 2,046,218,263

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 106,468,654

NOTES:
(1) 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
FEBRUARY, 2018

SCHEDULE 3: PAGE 3B 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)	\$ (269,265,639)	0	0	(193,871)	(99,152,141)	0	0	0	(99,346,012)	\$ (169,919,627)
TOTAL PROFORMA ADJUSTMENTS	\$ (269,265,639)	0	0	(193,871)	(99,152,141)	0	0	0	(99,346,012)	\$ (169,919,627)

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
FEBRUARY, 2018

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	\$ 9,665,811,620	\$ 9,285,559,849	\$ 59,336,163	\$ (191,647,459)	\$ 9,153,248,552	27.68%	4.35%	1.20%	4.35%	1.20%	4.35%	1.20%	4.35%	1.20%	
SHORT TERM DEBT	1,312,229,661	1,259,828,756	8,220,159	0	1,268,048,914	3.84%	2.11%	0.08%	2.11%	0.08%	2.11%	0.08%	2.11%	0.08%	
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	15,221,092,624	14,613,272,932	95,349,010	(0)	14,708,621,942	44.48%	9.60%	4.27%	10.55%	4.69%	11.60%	5.16%	11.60%	5.16%	
CUSTOMER DEPOSITS	403,140,112	402,636,105	2,627,129	(0)	405,263,234	1.23%	2.09%	0.03%	2.09%	0.03%	2.09%	0.03%	2.09%	0.03%	
DEFERRED INCOME TAX (1)	8,003,413,475	7,684,543,182	48,049,915	(320,371,063)	7,412,222,034	22.42%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (2)	264,210,339	252,422,835	763,135	(135,464,034)	117,721,937	0.36%	7.55%	0.03%	8.17%	0.03%	8.79%	0.03%	8.79%	0.03%	
TOTAL	\$ 34,869,897,829	\$ 33,498,263,660	\$ 214,345,510	\$ (647,482,556)	\$ 33,065,126,614	100.00%		5.61%		6.03%		6.50%		6.50%	

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	\$ 10,430,022,135	\$ 10,265,988,844	\$ (26,823,499)	\$ (190,997,215)	\$ 10,048,168,130	28.64%	4.41%	1.26%	4.41%	1.26%	4.41%	1.26%	4.41%	1.26%	
SHORT TERM DEBT	1,824,544,373	1,795,663,974	(4,780,748)	(0)	1,790,883,226	5.10%	2.22%	0.11%	2.22%	0.11%	2.22%	0.11%	2.22%	0.11%	
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	15,255,421,710	15,013,946,262	(39,972,894)	0	14,973,973,368	42.68%	9.60%	4.10%	10.55%	4.50%	11.60%	4.95%	11.60%	4.95%	
CUSTOMER DEPOSITS	392,366,957	391,782,616	(1,043,076)	(0)	390,739,540	1.11%	2.17%	0.02%	2.17%	0.02%	2.17%	0.02%	2.17%	0.02%	
DEFERRED INCOME TAX	8,164,762,111	8,028,206,345	(20,521,219)	(320,371,063)	7,687,314,063	21.91%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	333,572,572	323,716,992	(609,060)	(132,512,549)	190,685,384	0.54%	7.49%	0.04%	8.08%	0.04%	8.68%	0.05%	8.68%	0.05%	
TOTAL	\$ 36,400,689,857	\$ 35,819,305,033	\$ (93,650,496)	\$ (643,880,825)	\$ 35,081,773,711	100.00%		5.54%		5.95%		6.40%		6.40%	

NOTE:
(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$753.2 MILLION OF EXCESS DEFERRED TAXES
(2) INVESTMENT TAX CREDITS COST RATES ARE BASED ON THE WEIGHTED AVERAGE COST OF LONG TERM DEBT, PREFERRED STOCK AND COMMON EQUITY.
(3) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
PROFORMA ADJUSTED BASIS
FEBRUARY, 2018

SCHEDULE 4: PAGE 2 OF 2

AVERAGE	LOW POINT				MIDPOINT				HIGH POINT			
	1	2	3	4	5	6	7	8	9	10	11	12
	FISC ADJUSTED	PRO-FORMA ADJUSTMENTS	TOTAL PRO-FORMA ADJUSTED	TOTAL RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	\$ 9,153,248,552	\$ -	\$ 9,153,248,552	27.68%	4.35%	1.20%	4.35%	1.20%	4.35%	1.20%	4.35%	1.20%
SHORT TERM DEBT	1,268,048,914	-	1,268,048,914	3.84%	2.11%	0.08%	2.11%	0.08%	2.11%	0.08%	2.11%	0.08%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	14,708,621,942	-	14,708,621,942	44.48%	9.60%	4.27%	10.55%	4.69%	11.60%	5.16%	11.60%	5.16%
CUSTOMER DEPOSITS	405,263,234	-	405,263,234	1.23%	2.09%	0.03%	2.09%	0.03%	2.09%	0.03%	2.09%	0.03%
DEFERRED INCOME TAX	7,412,222,034	-	7,412,222,034	22.42%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	117,721,937	-	117,721,937	0.36%	7.55%	0.03%	8.17%	0.03%	8.79%	0.03%	8.79%	0.03%
TOTAL	\$ 33,065,126,614	\$ -	\$ 33,065,126,614	100.00%	5.61%	5.61%	5.61%	6.03%	6.03%	6.03%	6.03%	6.50%
YEAR END	LOW POINT				MIDPOINT				HIGH POINT			
	1	2	3	4	5	6	7	8	9	10	11	12
	FISC ADJUSTED	PRO-FORMA ADJUSTMENTS	TOTAL PRO-FORMA ADJUSTED	TOTAL RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	\$ 10,048,168,130	\$ -	\$ 10,048,168,130	28.64%	4.41%	1.26%	4.41%	1.26%	4.41%	1.26%	4.41%	1.26%
SHORT TERM DEBT	1,790,883,226	-	1,790,883,226	5.10%	2.22%	0.11%	2.22%	0.11%	2.22%	0.11%	2.22%	0.11%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	14,973,973,368	-	14,973,973,368	42.68%	9.60%	4.10%	10.55%	4.50%	11.60%	4.95%	11.60%	4.95%
CUSTOMER DEPOSITS	390,739,540	-	390,739,540	1.11%	2.17%	0.02%	2.17%	0.02%	2.17%	0.02%	2.17%	0.02%
DEFERRED INCOME TAX	7,687,314,063	-	7,687,314,063	21.91%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	190,695,384	-	190,695,384	0.54%	7.49%	0.04%	8.08%	0.04%	8.68%	0.05%	8.68%	0.05%
TOTAL	\$ 35,081,773,711	\$ -	\$ 35,081,773,711	100.00%	5.54%	5.54%	5.54%	5.95%	5.95%	5.95%	5.95%	6.40%

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
FEBRUARY, 2018

SCHEDULE 5: PAGE 1 OF 2

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,394,358,720
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	23,107,439
INCOME TAXES	998,378,670
TOTAL	\$ 3,415,844,829
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 509,642,309
TIMES INTEREST EARNED WITH AFUDC	6.70

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,394,358,720
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(83,361,215)
INCOME TAXES	998,378,670
TOTAL	\$ 3,309,376,175
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 509,642,309
TIMES INTEREST EARNED WITHOUT AFUDC	6.49

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 23,107,439
X (1 - INCOME_TAX_RATE) (1)	0.6363
SUBTOTAL	\$ 14,703,284
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	83,361,215
TOTAL	\$ 98,064,478
NET INCOME AVAILABLE FOR COMMON	\$ 1,907,823,850
AFUDC AS PERCENT OF NET INCOME	5.14%

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 177,356,850
GAINS ON DISPOSITION OF PROPERTY	(6,021,158)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	0
	\$ 171,335,692

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF:

NOTE:

(1) INCOME TAX RATE IS BASED ON A PHASED IN RATE FOR THE TWELVE MONTHS ENDED FEBRUARY 2018

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 1,907,823,850
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(1,450,000,000)
AFUDC (DEBT & OTHER)	(106,468,654)
DEPRECIATION AND AMORTIZATION EXPENSE	851,058,140
DEFERRED INCOME TAXES	778,141,804
INVESTMENT TAX CREDITS	99,684,065
OTHER SOURCE/USES OF FUNDS	171,335,692
INTERNALLY GENERATED FUNDS	\$ 2,251,574,898
CONSTRUCTION EXPENDITURES	\$ 4,464,943,333
PERCENT INTERNALLY GENERATED FUNDS	50.43%

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	\$ 9,153,248,552
JURIS ADJUSTED SHORT TERM DEBT	1,268,048,914
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	14,708,621,942
TOTAL	\$ 25,129,919,408
LTD TO TOTAL INVESTOR FUNDS	36.42%
STD TO TOTAL INVESTOR FUNDS	5.05%

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.34%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	1.20%
SHORT TERM DEBT	0.08%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.03%
SUBTOTAL	1.34%
TOTAL	5.00%
DIVIDED BY COMMON EQUITY RATIO	44.48%
JURISDICTIONAL RETURN ON COMMON EQUITY	11.23%

FLORIDA POWER & LIGHT COMPANY
 AND SUBSIDIARIES
 FINANCIAL INTEGRITY INDICATORS
 FEBRUARY, 2018

SCHEDULE 5: PAGE 2 OF 2

H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 5.82%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.20%
SHORT TERM DEBT	0.08%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.03%
SUBTOTAL	<u>1.34%</u>

PRO FORMA ROR LESS NON EQUITY COST 4.48%

PRO FORMA COMMON EQUITY RATIO 44.48%

PRO FORMA RETURN ON COMMON EQUITY 10.08%