



August 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 June 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 11.52%.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jason Chin", is written over a horizontal line.

Jason Chin
Sr. Manager of Regulatory Accounting

Enclosures

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
EARNINGS SURVEILLANCE REPORT SUMMARY
JUNE, 2018

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	\$ 2,469,244,845 (A)	(239,136,936) (B)	2,230,107,909	(53,349,025)	\$ 2,176,758,884
RATE BASE	\$ 34,672,758,413	(301,520,119)	34,371,238,294	0	\$ 34,371,238,294
AVERAGE RATE OF RETURN	7.12%		6.49%		6.33%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,469,244,845 (A)	(223,941,627) (B)	2,245,303,218	(53,349,025)	\$ 2,191,954,193
RATE BASE	\$ 36,627,051,327	(220,870,352)	36,406,180,975	0	\$ 36,406,180,975
YEAR END RATE OF RETURN	6.74%		6.17%		6.02%

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

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

LOW	5.63%
MIDPOINT	6.06%
HIGH	6.53%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.29	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.08	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	5.03%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	54.97%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	36.86%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	4.77%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.52%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	11.17%	(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.


 FOR KEITH FERGUSON
 (SIGNATURE)

8/15/2018
 (DATE)

KEITH FERGUSON
 (VICE PRESIDENT ACCOUNTING AND CONTROLLER)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
JUNE, 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	\$ 47,238,925,238	15,257,773,829	31,981,151,409	315,347,148	3,569,528,900	628,543,251	36,494,570,708	(413,092,850)	\$ 36,081,478,179
JURISDICTIONAL PER BOOKS	\$ 45,232,157,177	12,828,589,289	32,605,567,908	297,794,621	3,413,435,799	602,872,144	36,919,670,471	(2,246,912,058)	\$ 34,672,758,413
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,225,553,130)	(622,848,416)	(1,602,704,714)	0	(2,030,335,241)	0	(3,633,039,956)	3,331,519,837	\$ (301,520,119)
FPSC ADJUSTED:	\$ 43,006,604,047	12,003,740,853	31,002,863,194	297,794,621	1,383,100,557	602,872,144	33,286,630,515	1,084,607,779	\$ 34,371,238,294

PRO FORMA ADJUSTMENTS

TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 43,006,604,047	12,003,740,853	31,002,863,194	297,794,621	1,383,100,557	602,872,144	33,286,630,515	1,084,607,779	\$ 34,371,238,294

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, 2018

SCHEDULE 2: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 11,618,729,942	3,356,751,316	2,801,132,271	858,835,833	1,304,371,030	47,470,113	584,226,348	208,181,723	(6,085,374)	9,154,883,960	\$ 2,463,845,982
JURISDICTIONAL PER BOOKS	\$ 11,181,322,672	3,194,807,141	2,748,885,675	793,208,270	1,284,177,765	45,459,064	556,102,926	200,310,989	(6,079,599)	8,816,872,231	\$ 2,364,450,441
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (496,442,835)	0	0	0	(12,768,510)	(157,769,496)	0	0	0	(170,538,006)	\$ (325,904,829)
FRANCHISE EXPENSE	0	0	0	0	(484,046,152)	157,863,735	0	0	0	(326,182,417)	326,182,417
GROSS RECEIPTS TAX	(257,902,370)	0	0	0	(257,585,708)	(96,818)	0	0	0	(257,684,526)	(217,844)
FINANCIAL PLANNING SERVICES	0	0	(329,491)	0	0	105,537	0	0	0	(223,954)	223,954
INDUSTRY ASSOCIATION DUES	0	0	(2,304,184)	0	0	753,099	0	0	0	(1,551,085)	1,551,085
ECONOMIC DEVELOPMENT 5%	0	0	(127,244)	0	0	41,778	0	0	0	(85,465)	85,465
AVIATION - EXPENSES	0	0	(160,093)	0	0	51,987	0	0	0	(108,105)	108,105
EXECUTIVE COMPENSATION	0	0	(36,244,460)	0	0	11,957,198	0	0	0	(24,287,263)	24,287,263
FUEL COST REC RETAIL	(3,033,472,668)	(3,006,942,492)	(154,635)	4,103,008	(2,140,452)	(6,240,090)	(5,206,014)	0	0	(3,016,560,676)	(16,891,992)
CONSERVATION COST RECOVERY	(56,469,830)	0	(43,180,198)	(9,999,370)	(1,122,310)	(710,881)	(685)	0	0	(55,013,443)	(1,455,386)
CAPACITY COST RECOVERY	(277,121,636)	(186,736,002)	(33,863,489)	(802,726)	(351,613)	(24,323,550)	(2,890)	0	0	(226,080,271)	(51,041,365)
ENVIRONMENTAL COST RECOVERY	(189,767,324)	0	(33,820,974)	(43,295,829)	(273,606)	(44,964,474)	8,396,784	0	115,780	(113,842,319)	(75,925,005)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(340,461,086)	0	(120,256,115)	(213,146,519)	0	(2,293,510)	0	0	0	(335,696,144)	(4,782,942)
INTEREST TAX DEFICIENCIES	0	0	293,055	0	0	(93,025)	0	0	0	200,030	(200,030)
INTEREST SYNCHRONIZATION	0	0	0	0	0	17,660,332	(7,298,901)	0	0	10,361,430	(10,361,430)
TOTAL FPSC ADJUSTMENTS	\$ (4,651,656,748)	(3,173,678,494)	(270,149,829)	(263,141,436)	(758,288,352)	(48,060,178)	(4,111,707)	0	115,780	(4,517,314,215)	\$ (134,342,532)
FPSC ADJUSTED	\$ 6,529,665,924	21,128,647	2,478,735,846	530,066,834	525,889,413	(2,601,114)	551,991,219	200,310,989	(5,963,818)	4,299,559,015	\$ 2,230,107,909
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (97,309,927)	0	0	0	(70,063)	(43,890,839)	0	0	0	(43,960,902)	\$ (53,349,025)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,432,355,997	21,128,647	2,478,735,846	530,066,834	525,819,350	(46,491,954)	551,991,219	200,310,989	(5,963,818)	4,255,597,113	\$ 2,176,758,884
(A) THE ADDITION OF EARNINGS FROM AFJDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 109,012,986										
	\$ 104,794,403										
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:	\$ 2,627,724										
ON A TOTAL COMPANY BASIS	\$ 2,544,871										
ON A JURISDICTIONAL BASIS											
CURRENT MONTH AMOUNT	\$ 1,036,224,962	283,508,315	122,940,968	155,488,261	111,972,298	78,447,990	(1,480,422)	(1,032,829)	(508,802)	749,335,778	\$ 286,889,184
SYSTEM PER BOOKS	\$ 988,357,316	269,135,839	118,845,385	149,738,637	110,206,292	73,440,845	(1,452,939)	(993,781)	(508,801)	719,411,477	\$ 269,945,839
JURISDICTIONAL PER BOOKS											

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
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
JUNE, 2018

SCHEDULE 2: PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE		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)
		FUEL & NET INTERCHANGE	OTHER								
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (97,309,927)	0	0	0	(70,063)	(43,890,839)	0	0	0	(43,960,902)	\$ (53,349,025)
TOTAL PROFORMA ADJUSTMENTS	\$ (97,309,927)	0	0	0	(70,063)	(43,890,839)	0	0	0	(43,960,902)	\$ (53,349,025)

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, 2018

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,605,951,257	\$ 1,529,645,094
FUEL AND CAPACITY	143,533,961	136,759,481
CAPITALIZED EXECUTIVE COMPENSATION	23,160,271	22,430,019
LOAD CONTROL	50,010,870	50,010,870
ASSET RETIREMENT OBLIGATION	443,143,129	429,170,667
CAPITAL LEASES	59,410,224	57,536,999
TOTAL	<u>\$ 2,325,209,713</u>	<u>\$ 2,225,553,130</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (294,630,263)	\$ (280,631,018)
ACCUM PROV DECOMMISSIONING COSTS	(4,421,166,835)	(4,228,441,301)
ASSET RETIREMENT OBLIGATION	(13,294,809)	(12,875,619)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,100,503,499	3,971,213,157
FUEL AND CAPACITY	(41,720,439)	(39,732,491)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
LOAD CONTROL	(23,757,108)	(23,757,108)
CAPITAL LEASES	(8,904,808)	(8,624,036)
TOTAL	<u>\$ (702,970,762)</u>	<u>\$ (622,848,416)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,098,721,679	\$ 1,976,141,030
CWIP - CLAUSE PROJECTS	56,774,745	54,194,212
TOTAL	<u>\$ 2,155,496,424</u>	<u>\$ 2,030,335,241</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)	\$ (3,422,359,414)	\$ (3,331,519,837)
TOTAL ADJUSTMENTS	\$ 355,375,961	\$ 301,520,119

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
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
JUNE, 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	\$ 11,618,729,342	3,356,751,316	2,801,132,271	858,835,933	1,304,371,030	47,470,113	584,226,348	208,181,723	(6,085,374)	9,154,863,360	\$ 2,463,845,982
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (496,442,835)	0	0	0	(12,788,510)	(157,789,496)	0	0	0	(170,538,006)	\$ (325,804,829)
FRANCHISE EXPENSE	0	0	0	0	(484,046,152)	157,863,735	0	0	0	(326,182,417)	326,182,417
GROSS RECEIPTS TAX	(257,902,370)	0	0	0	(257,585,708)	(98,818)	0	0	0	(257,684,526)	(217,844)
FINANCIAL PLANNING SERVICES	0	0	(340,219)	0	0	108,973	0	0	0	(231,246)	231,246
INDUSTRY ASSOCIATION DUES	0	0	(2,379,202)	0	0	777,618	0	0	0	(1,601,583)	1,601,583
ECONOMIC DEVELOPMENT 5%	0	0	(131,386)	0	0	43,138	0	0	0	(88,248)	88,248
AVIATION - EXPENSES	0	0	(165,305)	0	0	53,680	0	0	0	(111,625)	111,625
EXECUTIVE COMPENSATION	0	0	(37,424,467)	0	0	12,346,487	0	0	0	(25,077,981)	25,077,981
FUEL COST RECOVERY	(3,184,106,281)	(3,159,625,340)	(162,399)	4,108,180	(2,141,674)	(4,242,504)	(5,249,903)	0	0	(3,167,313,640)	(16,792,641)
CONSERVATION COST RECOVERY	(56,468,830)	0	(43,180,198)	(9,899,370)	(1,122,310)	(710,881)	(885)	0	0	(55,013,443)	(1,455,386)
CAPACITY COST RECOVERY	(277,525,114)	(175,007,234)	(35,534,043)	(1,042,577)	(359,406)	(21,095,336)	(2,890)	0	0	(233,041,487)	(44,483,627)
ENVIRONMENTAL COST RECOVERY	(189,787,324)	0	(35,508,130)	(45,455,636)	(280,439)	(43,721,712)	8,386,784	0	121,556	(116,447,577)	(73,319,746)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(340,481,086)	0	(120,258,115)	(213,146,519)	0	(2,293,510)	0	0	0	(335,698,144)	(4,782,942)
INTEREST TAX DEFICIENCIES	0	0	302,596	0	0	(96,054)	0	0	0	206,542	(206,542)
INTEREST SYNCHRONIZATION	0	0	0	0	0	18,249,064	(7,536,531)	0	0	10,712,533	(10,712,533)
TOTAL FPSC ADJUSTMENTS	\$ (4,802,693,838)	(3,334,632,574)	(274,780,888)	(265,535,922)	(758,304,199)	(40,585,615)	(4,393,226)	0	121,556	(4,678,110,848)	\$ (124,582,990)
FPSC ADJUSTED	\$ 6,816,035,504	22,118,742	2,526,351,404	593,300,011	546,066,831	6,884,498	579,833,122	208,181,723	(5,963,818)	4,476,772,512	\$ 2,339,262,992
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ (97,309,927)	0	0	0	(70,063)	(43,890,839)	0	0	0	(43,960,902)	\$ (53,349,025)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,718,725,577	22,118,742	2,526,351,404	593,300,011	545,996,767	(37,006,342)	579,833,122	208,181,723	(5,963,818)	4,432,811,610	\$ 2,285,913,967
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 109,012,986										

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DEMAND/RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. FPC-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
SYSTEM ADJUSTMENTS
JUNE, 2018

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	21,136,254	20,437,821
INTEREST & DIVIDENDS RECEIVABLE	40,843	39,494
NET UNDERRECOVERED FUEL, CAPACITY, ECCR, ECR	29,888,338	29,884,965
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	14,315,690	14,315,690
PREPAYMENTS - ECCR	49,157,959	49,157,959
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	10,238,515	9,842,305
TEMPORARY CASH INVESTMENTS	751,300	726,474
STORM DEFICIENCY RECOVERY	176,799,523	176,798,156
NUCLEAR COST RECOVERY	0	0
JOBGING ACCOUNTS	27,031,409	26,138,175
OTH REG ASSETS - CLAUSES	4,150,874	3,952,420
MISC. DEFERRED DEBIT - CLAUSES	8,161,215	7,771,026
CEDAR BAY TRANSACTION	635,531,148	605,653,068
ICL TRANSACTION	401,333,333	382,465,542
SJRPP TRANSACTION	51,971,836	49,521,760
	\$ 1,430,508,238	\$ 1,376,704,854
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(147,663)	(143,007)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	268,087,770	268,087,770
ACCUM. PROV. - RATE REFUNDS	(320)	0
GAIN ON SALE OF EMISSION ALLOWANCE	(1,434)	(1,366)
JOBGING ACCOUNTS	(31,109,750)	(30,081,750)
POLE ATTACHMENT RENTS PAYABLE	(7,112,203)	(7,112,203)
SJRPP ACCELERATED RECOVERY	(10,779,603)	(10,272,824)
STORM DEFICIENCY RECOVERY	(288,250,287)	(288,250,287)
ASSET RETIREMENT OBLIGATION	(4,530,380,756)	(4,387,536,231)
MARGIN CALL CASH COLLATERAL	(551,923)	(533,685)
NUCLEAR COST RECOVERY	(247,508,532)	(247,508,532)
CEDAR BAY TRANSACTION	(5,112,949)	(4,872,575)
	\$ (4,852,867,652)	\$ (4,708,224,691)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,422,359,414)	\$ (3,331,519,837)

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

SCHEDULE 2: PAGE 3C 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)	\$ (97,309,927)	0	0	(70,063)	(43,890,839)	0	0	0	(43,960,902)	\$ (53,349,025)
TOTAL PROFORMA ADJUSTMENTS	\$ (97,309,927)	0	0	(70,063)	(43,890,839)	0	0	0	(43,960,902)	\$ (53,349,025)

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, 2018

SCHEDULE 3: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE 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)
SYSTEM PER BOOKS	\$ 11,618,729,342	3,356,751,316	858,835,933	1,304,371,030	47,470,113	564,226,348	206,181,723	(6,085,374)	9,154,893,360	\$ 2,463,845,982
JURISDICTIONAL PER BOOKS	\$ 11,161,322,672	3,194,807,141	793,208,270	1,284,177,765	45,459,064	556,102,926	200,310,989	(6,079,599)	8,816,672,231	\$ 2,364,450,441
FPSC ADJUSTMENTS										
FRANCHISE REVENUE	(496,442,835)	0	0	(12,768,510)	(157,769,496)	0	0	0	(170,538,006)	\$ (325,904,829)
FRANCHISE EXPENSE	0	0	0	(484,046,152)	157,863,735	0	0	0	(326,182,417)	326,182,417
GROSS RECEIPTS TAX	(257,902,370)	0	0	(257,585,708)	(98,818)	0	0	0	(516,488,088)	(217,844)
FINANCIAL PLANNING SERVICES	0	0	0	0	105,537	0	0	0	(257,984,526)	(217,844)
INDUSTRY ASSOCIATION DUES	0	0	0	0	753,099	0	0	0	(233,964)	223,964
ECONOMIC DEVELOPMENT 5%	0	0	0	(127,244)	41,778	0	0	0	(1,561,065)	1,551,065
AVIATION - EXPENSES	0	0	0	(160,093)	51,987	0	0	0	(68,465)	85,465
EXECUTIVE COMPENSATION	0	0	0	(36,244,460)	11,957,198	0	0	0	(24,287,263)	106,105
FUEL COST REC RETAIL	(3,033,472,668)	(3,006,942,492)	4,103,008	(2,140,452)	(6,240,090)	(6,206,014)	0	0	(3,016,560,676)	24,287,263
CONSERVATION COST RECOVERY	(56,468,830)	0	(9,999,370)	(1,122,310)	(710,881)	(685)	0	0	(59,013,443)	(16,891,992)
CAPACITY COST RECOVERY	(277,121,636)	(166,736,002)	(802,726)	(351,613)	(24,323,550)	(2,860)	0	0	(226,080,271)	(51,041,365)
ENVIRONMENTAL COST RECOVERY	(188,767,324)	0	(43,295,823)	(273,606)	(44,864,474)	8,396,764	0	115,760	(113,842,319)	(75,925,005)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(340,481,086)	0	(213,146,519)	0	(2,293,510)	0	0	0	(335,696,144)	(4,762,942)
INTEREST TAX DEFICIENCIES	0	0	0	0	(63,023)	0	0	0	200,030	(200,030)
INTEREST SYNCHRONIZATION	0	0	0	0	2,465,023	(7,298,901)	0	0	(4,833,878)	4,833,878
TOTAL FPSC ADJUSTMENTS	\$ (4,651,656,746)	(3,173,678,494)	(263,141,436)	(758,268,352)	(63,255,486)	(4,111,707)	0	115,760	(4,652,509,524)	\$ (119,147,224)
FPSC ADJUSTED	\$ 6,529,665,924	21,128,647	530,066,834	525,889,413	(17,796,423)	551,991,219	200,310,989	(6,963,819)	4,284,362,707	\$ 2,245,303,218
PRO FORMA ADJUSTMENTS	\$ (97,309,827)	0	0	(70,063)	(43,890,839)	0	0	0	(43,960,902)	\$ (53,349,025)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,432,355,997	21,128,647	530,066,834	525,819,350	(61,887,262)	551,991,219	200,310,989	(6,963,819)	4,240,401,804	\$ 2,191,954,193

(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 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, 2018

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)	\$ (97,309,927)	0	0	(70,063)	(43,890,839)	0	0	0	(43,960,902)	\$ (53,349,025)
TOTAL PROFORMA ADJUSTMENTS	\$ (97,309,927)	0	0	(70,063)	(43,890,839)	0	0	0	(43,960,902)	\$ (53,349,025)

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, 2018

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,595,903,482	\$ 1,520,074,734
FUEL AND CAPACITY	153,289,487	146,056,450
CAPITALIZED EXECUTIVE COMPENSATION	27,508,698	26,641,339
LOAD CONTROL	49,410,317	49,410,317
ASSET RETIREMENT OBLIGATION	452,358,730	438,095,697
CAPITAL LEASES	59,410,224	57,536,999
TOTAL	<u>\$ 2,337,880,938</u>	<u>\$ 2,237,815,535</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (320,482,873)	\$ (305,255,347)
ACCUM PROV DECOMMISSIONING COSTS	(4,544,989,218)	(4,346,866,074)
ASSET RETIREMENT OBLIGATION	(30,697,740)	(29,729,830)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,216,430,827	4,083,485,254
FUEL AND CAPACITY	(44,486,851)	(42,368,926)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
LOAD CONTROL	(25,151,375)	(25,151,375)
CAPITAL LEASES	(9,627,500)	(9,323,941)
TOTAL	<u>\$ (759,004,830)</u>	<u>\$ (675,210,238)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,049,037,921	\$ 1,924,635,335
CWIP - CLAUSE PROJECTS	68,206,353	65,149,557
TOTAL	<u>\$ 2,117,244,274</u>	<u>\$ 1,989,784,892</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)	\$ (3,422,359,414)	\$ (3,331,519,837)
TOTAL ADJUSTMENTS	\$ 273,760,968	\$ 220,870,352

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
JUNE, 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	\$ 11,618,729,342	3,356,751,316	2,801,132,271	858,835,933	1,304,371,030	47,470,113	584,226,348	208,181,723	(6,085,374)	9,154,883,360	\$ 2,463,845,982
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (496,442,835)	0	0	0	(12,768,510)	(157,769,496)	0	0	0	(170,538,006)	\$ (325,904,829)
FRANCHISE EXPENSE	0	0	0	0	(484,046,152)	157,863,735	0	0	0	(326,182,417)	326,182,417
GROSS RECEIPTS TAX	(257,902,370)	0	0	0	(257,686,708)	(98,818)	0	0	0	(257,684,526)	(217,844)
FINANCIAL PLANNING SERVICES	0	0	(340,219)	0	0	108,973	0	0	0	(231,246)	231,246
INDUSTRY ASSOCIATION DUES	0	0	(2,379,202)	0	0	777,618	0	0	0	(1,601,583)	1,601,583
ECONOMIC DEVELOPMENT 5%	0	0	(131,386)	0	0	43,138	0	0	0	(88,248)	88,248
AVIATION - EXPENSES	0	0	(165,305)	0	0	53,680	0	0	0	(111,625)	111,625
EXECUTIVE COMPENSATION	0	0	(37,424,467)	0	0	12,346,487	0	0	0	(25,077,981)	25,077,981
FUEL COST REC RETAIL	(3,184,106,281)	(3,159,625,340)	(162,399)	4,108,180	(2,141,674)	(4,242,504)	(5,249,903)	0	0	(3,167,313,640)	(16,792,641)
CONSERVATION COST RECOVERY	(56,468,830)	0	(43,180,198)	(9,899,370)	(1,122,310)	(710,881)	(685)	0	0	(65,013,443)	(1,455,386)
CAPACITY COST RECOVERY	(277,525,114)	(175,007,234)	(35,534,043)	(1,042,577)	(359,406)	(21,095,336)	(2,890)	0	0	(233,041,487)	(44,483,627)
ENVIRONMENTAL COST RECOVERY	(189,767,324)	0	(35,508,130)	(45,455,636)	(280,439)	(43,721,712)	8,396,784	0	121,556	(116,447,577)	(73,319,746)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(340,481,086)	0	(120,258,115)	(213,146,519)	0	(2,293,510)	0	0	0	(335,698,144)	(4,782,942)
INTEREST TAX DEFICIENCIES	0	0	302,596	0	0	(96,054)	0	0	0	206,542	(206,542)
INTEREST SYNCHRONIZATION	0	0	0	0	0	4,700,952	(7,536,531)	0	0	(2,835,579)	2,835,579
TOTAL FPSC ADJUSTMENTS	\$ (4,802,693,838)	(3,334,632,574)	(274,780,868)	(265,535,922)	(758,304,199)	(54,133,728)	(4,393,226)	0	121,556	(4,691,658,960)	\$ (111,034,878)
FPSC ADJUSTED	\$ 6,816,035,504	22,118,742	2,526,351,404	593,300,011	546,066,831	(6,663,615)	579,833,122	208,181,723	(5,963,818)	4,463,224,400	\$ 2,352,811,104
PRO FORMA ADJUSTMENTS	\$ (97,309,927)	0	0	0	(70,063)	(43,890,839)	0	0	0	(43,960,902)	\$ (53,349,025)
(SEE SCHEDULE 3, PAGE 3B OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,718,725,577	22,118,742	2,526,351,404	593,300,011	546,996,767	(50,554,454)	579,833,122	208,181,723	(5,963,818)	4,419,263,498	\$ 2,299,462,079
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 109,012,986											

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0660-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, 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)	\$ (97,309,927)	0	0	(70,063)	(43,890,839)	0	0	0	(43,960,902)	\$ (53,349,025)
TOTAL PROFORMA ADJUSTMENTS	\$ (97,309,927)	0	0	(70,063)	(43,890,839)	0	0	0	(43,960,902)	\$ (53,349,025)

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, 2018

SCHEDULE 4: PAGE 1 OF 2

AVERAGE	SYSTEM PER BOOKS			RETAIL PER BOOKS		ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT			MIDPOINT			HIGH POINT		
	1	2	3	4	5	6	7			8	9	10	11	12				
LONG TERM DEBT	\$ 10,119,337,404	\$ 9,723,663,142	\$ 80,198,565	\$ (169,430,141)	\$ 9,694,431,587	28.03%	4.35%	1.22%	4.35%	1.22%	4.35%	1.22%	4.35%	1.22%	4.35%	1.22%		
SHORT TERM DEBT	1,286,840,636	1,235,914,342	10,374,311	0	1,246,288,653	3.63%	2.48%	0.09%	2.48%	0.09%	2.48%	0.09%	2.48%	0.09%	2.48%	0.09%		
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
COMMON EQUITY	15,756,443,216	15,132,887,171	127,026,014	0	15,259,913,185	44.40%	9.60%	4.26%	10.55%	4.68%	11.60%	5.15%	11.60%	5.15%	11.60%	5.15%		
CUSTOMER DEPOSITS	399,925,807	399,419,016	3,352,738	(0)	402,771,754	1.17%	2.24%	0.03%	2.24%	0.03%	2.24%	0.03%	2.24%	0.03%	2.24%	0.03%		
DEFERRED INCOME TAX	8,199,724,596 (1)	7,875,414,836	63,717,997	(284,550,394)	7,654,582,439	22.27%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
INVESTMENT TAX CREDITS (2)	319,206,520	305,459,905	1,442,167	(193,651,395)	173,250,677	0.50%	7.54%	0.04%	8.15%	0.04%	8.76%	0.04%	8.76%	0.04%	8.76%	0.04%		
TOTAL	\$ 36,081,478,179	\$ 34,672,758,413	\$ 286,111,811	\$ (587,631,929)	\$ 34,371,238,294	100.00%	5.63%			6.06%		6.53%				6.53%		

YEAR END	SYSTEM PER BOOKS			RETAIL PER BOOKS		ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT			MIDPOINT			HIGH POINT		
	1	2	3	4	5	6	7			8	9	10	11	12				
LONG TERM DEBT	\$ 10,934,840,338	\$ 10,682,861,317	\$ 105,921,932	\$ (168,730,235)	\$ 10,620,053,014	29.17%	4.41%	1.29%	4.41%	1.29%	4.41%	1.29%	4.41%	1.29%	4.41%	1.29%		
SHORT TERM DEBT	873,180,996	852,914,122	8,592,466	(0)	861,506,587	2.37%	2.98%	0.07%	2.98%	0.07%	2.98%	0.07%	2.98%	0.07%	2.98%	0.07%		
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
COMMON EQUITY	16,683,105,902	16,295,884,456	164,168,732	(0)	16,460,053,188	45.21%	9.60%	4.34%	10.55%	4.77%	11.60%	5.24%	11.60%	5.24%	11.60%	5.24%		
CUSTOMER DEPOSITS	390,728,092	390,292,998	3,931,907	0	394,224,844	1.08%	2.17%	0.02%	2.17%	0.02%	2.17%	0.02%	2.17%	0.02%	2.17%	0.02%		
DEFERRED INCOME TAX	8,187,082,915	7,982,442,696	77,651,195	(284,550,394)	7,785,543,437	21.39%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
INVESTMENT TAX CREDITS (2)	425,657,235	412,665,869	2,840,528	(130,696,483)	284,799,904	0.78%	7.53%	0.06%	8.14%	0.06%	8.75%	0.06%	8.75%	0.06%	8.75%	0.06%		
TOTAL	\$ 37,494,595,478	\$ 36,627,051,327	\$ 363,106,769	\$ (583,977,111)	\$ 36,406,180,975	100.00%	5.78%			6.21%		6.69%				6.69%		

NOTE:
(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$1,733 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
JUNE, 2018

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 (%) 8	COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10	
LONG TERM DEBT	\$ 9,634,431,587	\$ -	\$ 9,634,431,587	28.03%	4.35%	1.22%	4.35%	1.22%	4.35%	4.35%	1.22%	
SHORT TERM DEBT	1,246,288,653	-	1,246,288,653	3.63%	2.48%	0.09%	2.48%	0.09%	2.48%	2.48%	0.09%	
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	15,259,913,185	-	15,259,913,185	44.40%	9.60%	4.26%	10.55%	4.68%	11.60%	11.60%	5.15%	
CUSTOMER DEPOSITS	402,771,754	-	402,771,754	1.17%	2.24%	0.03%	2.24%	0.03%	2.24%	2.24%	0.03%	
DEFERRED INCOME TAX	7,654,582,439	-	7,654,582,439	22.27%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	173,250,677	-	173,250,677	0.50%	7.54%	0.04%	8.15%	0.04%	8.76%	8.76%	0.04%	
TOTAL	\$ 34,371,238,294	\$ -	\$ 34,371,238,294	100.00%		5.63%		6.06%			6.53%	

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	WEIGHTED COST (%) 8	COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10	
LONG TERM DEBT	\$ 10,620,053,014	\$ -	\$ 10,620,053,014	29.17%	4.41%	1.29%	4.41%	1.29%	4.41%	4.41%	1.29%	
SHORT TERM DEBT	861,506,587	-	861,506,587	2.37%	2.98%	0.07%	2.98%	0.07%	2.98%	2.98%	0.07%	
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	16,460,053,188	-	16,460,053,188	45.21%	9.60%	4.34%	10.55%	4.77%	11.60%	11.60%	5.24%	
CUSTOMER DEPOSITS	394,224,844	-	394,224,844	1.08%	2.17%	0.02%	2.17%	0.02%	2.17%	2.17%	0.02%	
DEFERRED INCOME TAX	7,785,543,437	-	7,785,543,437	21.39%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	284,799,904	-	284,799,904	0.78%	7.53%	0.06%	8.14%	0.06%	8.76%	8.76%	0.07%	
TOTAL	\$ 36,406,180,975	\$ -	\$ 36,406,180,975	100.00%		5.78%		6.21%			6.69%	

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, 2018

SCHEDULE 5: PAGE 1 OF 2

<u>A. TIMES INTEREST EARNED WITH AFUDC</u>			
EARNINGS BEFORE INTEREST CHARGES	\$ 2,533,316,733	NET INCOME	\$ 2,019,731,659
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	23,262,114	PREFERRED DIVIDENDS DECLARED	0
INCOME TAXES	818,351,501	COMMON DIVIDENDS	(1,050,000,000)
TOTAL	\$ 3,374,930,348	AFUDC (DEBT & OTHER)	(109,012,986)
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 536,847,188	DEPRECIATION AND AMORTIZATION EXPENSE	888,835,933
TIMES INTEREST EARNED WITH AFUDC	6.29	DEFERRED INCOME TAXES	578,667,993
		INVESTMENT TAX CREDITS	208,181,723
		OTHER SOURCE/USES OF FUNDS	131,871,192
		INTERNALLY GENERATED FUNDS	\$ 2,638,295,514
<u>B. TIMES INTEREST EARNED WITHOUT AFUDC</u>		CONSTRUCTION EXPENDITURES	\$ 4,799,923,824
EARNINGS BEFORE INTEREST CHARGES	\$ 2,533,316,733	PERCENT INTERNALLY GENERATED FUNDS	54.97%
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(85,750,873)		
INCOME TAXES	818,351,501		
TOTAL	\$ 3,265,917,361		
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 536,847,188		
TIMES INTEREST EARNED WITHOUT AFUDC	6.08		
<u>C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS</u>			
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 23,262,114		
X (1 - INCOME TAX RATE) (1)	0.6804		
SUBTOTAL	\$ 15,827,542		
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	\$ 85,750,873		
TOTAL	\$ 101,578,415		
NET INCOME AVAILABLE FOR COMMON	\$ 2,019,731,659		
AFUDC AS PERCENT OF NET INCOME	5.03%		
<u>FOOTNOTES</u>			
CLAUSE OVER/UNDER RECOVERY	\$ 137,956,566		
GAINS ON DISPOSITION OF PROPERTY	(6,085,374)		
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0		
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	0		
	\$ 131,871,192		
** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF:			
	0		
<u>NOTE:</u>			
(1) INCOME TAX RATE IS BASED ON A PHASED IN RATE FOR THE TWELVE MONTHS ENDED JUNE 2018			
<u>D. PERCENT INTERNALLY GENERATED FUNDS</u>			
<u>E. LONG TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL</u>			
<u>F. SHORT TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL</u>			
<u>G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY</u>			
<u>AVERAGE RETAIL AMOUNTS</u>			
JURIS ADJUSTED LONG TERM DEBT	\$ 9,634,938,239		
JURIS ADJUSTED SHORT TERM DEBT	1,246,354,193		
JURIS ADJUSTED PREFERRED STOCK	0		
JURIS ADJUSTED COMMON STOCK	15,260,715,669		
TOTAL	\$ 26,142,008,101		
LTD TO TOTAL INVESTOR FUNDS	36.86%		
STD TO TOTAL INVESTOR FUNDS	4.77%		
<u>FPSC RATE OF RETURN</u>			
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR:			6.49%
LONG TERM DEBT			1.22%
SHORT TERM DEBT			0.09%
PREFERRED STOCK			0.00%
CUSTOMER DEPOSITS			0.03%
TAX CREDITS - WTD COST			0.04%
SUBTOTAL			1.38%
TOTAL			5.11%
DIVIDED BY COMMON EQUITY RATIO			44.40%
JURISDICTIONAL RETURN ON COMMON EQUITY			11.52%

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

SCHEDULE 5: PAGE 2 OF 2

H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 6.33%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.22%
SHORT TERM DEBT	0.09%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.04%
SUBTOTAL	<u>1.38%</u>

PRO FORMA FOR LESS NON EQUITY COST

4.96%

PRO FORMA COMMON EQUITY RATIO

44.40%

PRO FORMA RETURN ON COMMON EQUITY

11.17%