Florida Power & Light Company, P. O. Box 14000, Juno Beach, FL 33408-0420

March 29, 2004

VIA HAND DELIVERY

Blanca S. Bayó, Director
Division of the Commission Clerk &
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Florida Power & Light Company's Report of Consummation
Docket No. 021084-EI

Dear Ms. Bayó:

Enclosed are one signed and three conformed copies of Florida Power & Light Company's Report of Consummation in connection with the Application for Authority to Issue and Sell Securities during 2003, pursuant to Florida Statutes, Section 366.04 (Docket No. 021084-EI).

Very truly yours,

Paul I. Cutler
Treasurer

Enclosure

Copy to: W.G. Walker, III (w/o exhibits)

DOCUMENT NUMBER-DATE
04071 MAR 30 04
FPSC-COMMISSION CLERK

DOCKET NO. 021084-EI
ORDER NO. PSC-02-1704-FOF-EI

FLORIDA PUBLIC SERVICE COMMISSION
TALLAHASSEE, FLORIDA

REPORT OF CONSUMMATION

IN CONNECTION WITH

APPLICATION OF
FLORIDA POWER & LIGHT COMPANY
FOR AUTHORITY TO ISSUE AND SELL SECURITIES DURING 2003

Address communications in connection with this Report of Consummation to:

Paul I. Cutler
Treasurer
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Telephone (561) 694-6204

Date: March 29, 2004

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

IN RE: APPLICATION OF FLORIDA POWER & LIGHT COMPANY
FOR AUTHORITY TO ISSUE AND SELL SECURITIES DURING 2003

REPORT OF CONSUMMATION

In compliance with the requirements of Rule 25-8.009, Florida Administrative Code and Order No. PSC-02-1704-FOF-EI, issued by the Commission on December 6, 2002 in the above-captioned matter (Docket No. 021084-EI), the Applicant, Florida Power & Light Company ("FPL"), hereby submits its Report of Consummation regarding transactions involving: (i) the execution of a loan agreement, dated as of May 1, 2003, between FPL and St. Lucie County, Florida, relating to the loan to FPL of the proceeds from the sale of $78,785,000 principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "St. Lucie Series 2003 Solid Waste Disposal Bonds"), (ii) the execution of a loan agreement, dated as of June 1, 2003, between FPL and Miami-Dade County Industrial Development Authority, relating to the loan to FPL of proceeds from the sale of $15,000,000 principal amount of Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Miami-Dade Series 2003 Solid Waste Disposal Bonds"; and together with the St. Lucie Series 2003 Solid Waste Disposal Bonds, the "SWD Bonds"), (iii) the issuance and sale of $500,000,000 principal amount of First Mortgage Bonds, 5 5/8% Series due April 1, 2034 (the "5 5/8% Mortgage Bonds") and $300,000,000 principal amount of First Mortgage Bonds, 5.95% Series due October 1, 2033 (the "5.95% Mortgage Bonds"; and together with the 5 5/8% Mortgage Bonds, the "Mortgage Bonds") under FPL's registration statement filed pursuant to Rule 415 of the Rules and Regulations under the Securities Act of 1933, as amended (the "Securities Act"), (Registration No. 333-102172 which became effective March 28, 2003), (iv) the issuance and sale of commercial paper and (v) certain debt guarantees.

This Report of Consummation deals with the SWD Bonds, the Mortgage Bonds, the commercial paper and the debt guarantees. It provides the information required for submission by Rule 25-8.009 of the Florida Administrative Code as follows (all references to proceeds are before expenses):

(1) On May 1, 2003 (the closing date of the transaction), St. Lucie County, Florida sold to an underwriter, $78,785,000 principal amount of the St. Lucie Series 2003 Solid Waste Disposal Bonds. The St. Lucie Series 2003 Solid Waste Disposal Bonds were then sold through a negotiated underwritten public offering by the underwriter, and the proceeds were loaned to FPL pursuant to a loan agreement, dated as of May 1, 2003, between FPL and St. Lucie County, Florida. The proceeds received by FPL on May 1, 2003 were $78,785,000. The proceeds from the sale of the St. Lucie Series 2003 Solid Waste Disposal Bonds, together with funds provided by FPL, were used to refund and redeem: (a) on May 2, 2003, (i) $5,315,000 of the outstanding principal amount of $12,015,000 St. Lucie County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1992, and (ii) $4,000,000 of the outstanding principal amount of $4,000,000 Broward County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991, and (b) on July 29, 2003, (i) $65,420,000 of the outstanding principal amount of $65,420,000 St. Lucie County, Florida Solid Waste Disposal Revenue Refunding

Bonds (Florida Power & Light Company Project), Series 2000B, and (ii) $4,050,000 of the outstanding principal amount of $4,050,000 Martin County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1993. The redeemed bonds were originally issued to finance or refinance a portion of the cost of the acquisition, installation and construction of certain solid waste disposal and/or sewage facilities at (a) Units 1 and 2 of the St. Lucie Electrical Generating Plant, an undivided interest in which is owned by FPL, and related support facilities, (b) Units 4 and 5 of the Lauderdale Electrical Generating Plant, which is owned by FPL, and related support facilities, and (c) Units 3 and 4 of the Martin County Electrical Generating Plant, which is owned by FPL, and related support facilities.

(2) On June 25, 2003 (the closing date of the transaction), Miami-Dade County Industrial Development Authority sold to an underwriter $15,000,000 principal amount of the Miami-Dade Series 2003 Solid Waste Disposal Bonds. The Miami-Dade Series 2003 Solid Waste Disposal Bonds were then sold through a negotiated underwritten public offering by the underwriter, and the proceeds were loaned to FPL pursuant to a loan agreement, dated as of June 1, 2003, between FPL and Miami-Dade County Industrial Development Authority. The proceeds received by FPL on June 25, 2003 were $15,000,000. The proceeds from the sale of the Miami-Dade Series 2003 Solid Waste Disposal Bonds, together with funds provided by FPL, were used to refund and redeem on June 26, 2003, $15,000,000 of the outstanding principal amount of $15,000,000 Dade County Industrial Development Authority Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991. The redeemed bonds were issued to finance a portion of the cost of acquisition, construction and installation of certain sewage and solid waste disposal facilities at Units 3 and 4 of the Turkey Point Electrical Generating Plant and Units 5 and 6 of the Cutler Electrical Generating Plant, each owned by FPL, and in each case related support facilities.

(3) The SWD Bonds may bear interest at varying rates established following FPL's determination of a specific interest rate period. If any series of SWD Bonds bear interest at a Long-Term Interest Rate (as defined in the applicable Trust Indenture as set forth as Exhibits (a)-3 or (a)-3A), the SWD Bonds will be secured by a series of FPL's newly-issued First Mortgage Bonds in like principal amount, or to the extent permitted in the applicable loan agreement, other acceptable collateral.

(4) On April 4, 2003 (the closing date of the transaction), FPL sold through a negotiated underwritten sale, $500,000,000 principal amount of the 5 5/8% Mortgage Bonds. The proceeds received by FPL were $493,520,000 in cash covering principal less underwriting discount.

(5) On October 15, 2003 (the closing date of the transaction), FPL sold, through a negotiated underwritten sale, $300,000,000 principal amount of the 5.95% Mortgage Bonds. The proceeds received by FPL were $294,198,000 in cash covering principal less underwriting discount.

(6) FPL regularly issues commercial paper for terms up to but not exceeding 270 days from the date of issuance. The commercial paper is issued pursuant to a Commercial Paper Dealer Agreement dated as of July 22, 1994, with Banc One Capital Markets,

Inc. (successor to First Chicago Capital Markets, Inc.), and a similar arrangement with Merrill Lynch Money Markets Inc. The commercial paper is sold at a discount, including the underwriting discount of the commercial paper dealers, at a rate comparable to rates being paid in the commercial paper market by borrowers of similar creditworthiness. Given the frequency of these sales, it is not practicable to provide the details of each issue. However, FPL's 2003 commercial paper activity can be summarized as follows:

2003 Commercial Paper Activity
($ in thousands)

Commercial paper issued:	$5,122,200
Commercial paper matured:	$5,232,600
Average outstanding:	$371,753
Weighted average yield:	1.24%
Weighted average term:	32 days

(7) FPL's nuclear fuel leases obligate FPL to purchase portions of the nuclear fuel from the non-affiliated lessor company (the "Fuel Company") at the net investment value of such fuel, if required to enable the Fuel Company to pay maturing notes or other borrowings. Also, upon the occurrence of certain events which constitute a default by FPL under such nuclear fuel leases or give rise to termination of such fuel leases, FPL may be required to purchase all of the Fuel Company's interest in such leased nuclear fuel at a purchase price equal to (i) the net investment value of such fuel, plus (ii) such additional amounts as are sufficient to enable the Fuel Company to retire all of its debt obligations and any other charges or fees under the appropriate financing agreements which correspond to such fuel leases and to which the Fuel Company is a party. On June 11, 2003, the Fuel Company issued $72,500,000 principal amount of its 2.34% Series A Senior Notes due June 11, 2006 and $62,500,000 principal amount of its 2.34% Series B Senior Notes due June 11, 2006 (collectively, "Fuel Notes"); proceeds were used to refinance existing debt, for the procurement of nuclear fuel and for other corporate purposes. As of June 1, 2003, the Fuel Company established a 364-day $65 million senior secured revolving credit facility which expires June 16, 2004 (as the same may be extended from time to time with the consent of the lenders thereunder), to provide backup support to the Fuel Company's commercial paper program (the "Fuel Facility"). On June 11, 2003, FPL entered into an agreement to directly and unconditionally guarantee the payment obligations of the Fuel Company under the Fuel Notes and the Fuel Facility. At December 31, 2003, there were no outstanding borrowings under the Fuel Facility, and approximately $19 million under the Fuel Company's commercial paper program. The guaranteed obligations duplicate FPL's obligations under the nuclear fuel leases, such that FPL's satisfaction of its obligations under the nuclear fuel leases will discharge the guaranteed indebtedness, and conversely, direct payment on the guarantees reduces the amounts due under the nuclear fuel leases.

FPL's credit facilities provide back-up for its commercial paper program. As of October 21, 2003, FPL entered into two new revolving credit facilities (the "2003 Credit Facilities") with banks and other lenders, a $500 million 3-year revolving credit facility and a $500 million 364-day revolving credit facility. Borrowings under both facilities are available for general corporate purposes, including support

of FPL's commercial paper program and to provide support for FPL's self-insurance program covering its transmission and distribution facilities. The 364-day revolving credit facility is renewable annually at the discretion of the lenders and permits FPL, under certain conditions, to repay any balance outstanding under such facility one year following the expiration of such 364-day period (or any renewal). The 3-year revolving credit facility provides for, in addition to direct borrowing thereunder, the issuance of letters of credit up to $250 million in aggregate amount at any one time outstanding for general corporate purposes. During 2003 no loans were made to FPL pursuant to the 2003 Credit Facilities.

In March 2003, FPL established an uncommitted credit facility with a single bank (the "2003 Uncommitted Credit Facility"), whereby the bank may, at its discretion, upon the request of FPL, make a loan or loans to FPL from time to time in an aggregate amount at any one time outstanding of up to an amount determined by the bank, which is subject to change at any time. The terms of the specific borrowings under the 2003 Uncommitted Credit Facility, including maturity, are negotiated as draw requests are made by FPL. During 2003, activity under the 2003 Uncommitted Credit Facility is summarized as follows:

2003 Uncommitted Credit Facility Summary
($ in thousands)

Notes issued:	$530,000
Notes matured:	$530,000
Average outstanding:	$87,096
Weighted average yield:	1.45%
Weighted average term:	60 days

For terms and conditions of issues: See Exhibits (a)-4, (a)-4A, (c)-1A, (c)-1B, (a)-7 and (a)-8, as the case may be.

For a consolidated statement of capitalization: See Exhibit (c)-2.

For a statement of pretax interest coverage, together with debt interest: See Exhibit (c)-3.

Annual Preferred Stock dividend requirement for the fiscal year ended as of December 31, 2003: $13,066,238.

The other costs incurred to date by FPL in connection with the SWD Bonds and the Mortgage Bonds are tabulated as follows:

	5 5/8% Mortgage Bonds	5.95% Mortgage Bonds	St. Lucie Series 2003 Solid Waste Disposal Bonds	Miami-Dade Series 2003 Solid Waste Disposal Bonds
Filing Fees for Registration Statement	$46,000	$27,600	N/A	N/A
Legal, Accounting, Rating Agency, Issuer and Trustee Fees	$308,824	$303,709	$355,947	$287,200
Printing & Miscellaneous (S-3, Prospectus, Official Statement, etc.)	$13,899	$7,750	$8,410	$4,358
Florida Taxes and Recording Fees	$1,887,331	$1,126,161	N/A	N/A
Underwriters' Discounts and Commissions	$4,375,000	$2,625,000	$26,730	$30,000
Total Costs[1]	$6,631,054	$4,090,220	$391,087	$321,558

(1) Under the terms of the Trust Indentures set forth as Exhibits (a)-3, and (a)-3A (the "SWD Trust Indentures"), the holders of the applicable series of SWD Bonds are entitled to tender the SWD Bonds for purchase. FPL has executed Remarketing Agreements with Wachovia Bank, National Association, in the case of both the St. Lucie Series 2003 Solid Waste Disposal Bonds and the Miami-Dade Series 2003 Solid Waste Disposal Bonds, to act as the remarketing agent for the remarketing of tendered SWD Bonds. Under the terms of such agreements, FPL pays each such remarketing agent a fee for their services equal to 0.075% per annum of the weighted average principal amount of the applicable series of SWD Bonds outstanding during each annual period that such SWD Bonds bear interest at the Daily, Weekly or Commercial Paper Interest Rate (as each is defined in the applicable SWD Trust Indenture) and in an amount to be agreed to by FPL and the remarketing agent if such SWD Bonds bear interest at a Long-Term Interest Rate or at an alternate interest rate as may be established pursuant to the applicable SWD Trust Indenture.

The other costs incurred to date by FPL in connection with the 2003 commercial paper issuances include fees relating to banking and credit ratings. The aggregate of these costs is $108,000.

The aggregate other costs incurred by FPL to date in connection with the 2003 Credit Facilities is $2,875,793, including arrangement, administrative and facility fees and legal fees.

There were no other costs incurred by FPL to date in connection with the 2003 Uncommitted Credit Facility.

The other costs incurred to date by FPL in connection with the guarantees of the Fuel Notes and Fuel Facility, including costs relating to the Fuel Company offering and issuance of the Fuel Notes and the establishment of the Fuel Facility, totaled $1,240,460 (including $391,885 for legal, accounting, rating agency and trustees fees, and $848,575 for underwriters' discounts and commissions).

There are other miscellaneous costs, which have not been reported to FPL as of this date, but it is the belief of FPL that any costs not so reported would be minor.

List of Exhibits (Corresponds to sections of Rule 25-8.009)

* (a)-1	Restated Articles of Incorporation of FPL dated March 23, 1992 were filed with the Florida Public Service Commission (FPSC) in connection with Docket No. 910904-EI as Exhibit (a)-1 of Report of Consummation No. 2.
* (a)-1A	Amendment to FPL's Restated Articles of Incorporation dated March 23, 1992 was filed with the FPSC in connection with Docket No. 910904-EI as Exhibit (a)-1A of Report of Consummation No. 2.
* (a)-1B	Amendment to FPL's Restated Articles of Incorporation dated May 11, 1992 was filed with the FPSC in connection with Docket No. 910904-EI as Exhibit (a)-1B of Report of Consummation No. 2.
* (a)-1C	Amendment to FPL's Restated Articles of Incorporation dated March 12, 1993 was filed with the FPSC in connection with Docket No. 920955-EI as Exhibit (a)-1C of Report of Consummation No. 1.
* (a)-1D	Amendment to FPL's Restated Articles of Incorporation dated June 16, 1993 was filed with the FPSC in connection with the 1994 Application of FPL for Authority to Issue and Sell Securities Docket No. 930855-EI.
* (a)- 1E	Amendment to FPL's Restated Articles of Incorporation dated August 31, 1993 was filed with the FPSC in connection with Docket No. 920955-EI as Exhibit (a)-1E of Report of Consummation No. 6.
* (a)-1F	Amendment to FPL's Restated Articles of Incorporation dated November 30, 1993 was filed with the FPSC in connection with Docket No. 920955-EI as Exhibit (a)-1F of Report of Consummation No. 7.
* (a)-2	Mortgage and Deed of Trust dated as of January 1, 1944, between FPL and Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), the Trustee, and One hundred and two Supplements thereto were filed

with the FPSC as follows: Exhibit D, Docket No. 3417-EU; Exhibit D-1, Docket No. 3758-EU; Exhibit D-1A, Docket No. 4147-EU; Exhibit D-1B, Docket No. 4685-EU; Exhibit D-1C, Docket No. 4922-EU; Exhibit D-1D, Docket No. 5057-EU; Exhibit D-1E, Docket No. 5315-EU; Exhibit D-1F, Docket No. 5745-EU; Exhibit D-1G, Docket No. 5872-EU; Exhibit D-1H, Docket No. 6659-EU; Exhibit D-1I, Docket No. 7427-EU; Exhibit D-1J, Docket No. 7831-EU; Exhibit D-1K, Docket No. 8308-EU; Exhibit D-1L, Docket No. 8738-EU; Exhibit D-1M, Docket No. 9097-EU; Exhibit D-1N, Docket No. 9676-EU; Exhibit D-1O, Docket No. 9892-EU; Exhibit D-IP, Docket No. 69262-EU; Exhibit D-IQ, Docket No. 70255-EU; Exhibit D-1R, Docket No. 70565-EU; Exhibit D-1S, Docket No. 71363-EU; Exhibit D-1T, Docket No. 72281-EU; Exhibit D-1U, Docket No. 72685-EU; Exhibit D-1V, Docket No. 73428-EU; Exhibit D-1W, Docket No. 73743-EU; Exhibit D-1X, Docket No. 74249-EU; Exhibit D-1Y, Docket No. 750108-EU; Exhibit D-1Z, Docket No. 750201-EU; Exhibit D-2A, Docket No. 750439-EU; Exhibit D-3A, Docket No. 760335-EU; Exhibit D-3B, Docket No. 770929-EU (F1); Exhibit D-3C, Docket No. 770928-EU (F1); Exhibit D-3D, Docket No. 790592-EU; Exhibit D-3E, Docket No. 790830-EU; Exhibit D-3F, Docket No. 800082-EU(MC); Exhibit D-3G, Docket No. 800319-EU; Exhibit D-3H, Docket No. 800591-EU; Exhibits D-3I, D-3J, D-3K and D-3L, Docket No. 800755-EU(SS), Reports of Consummation Nos. 1, 3, 5 and 6 respectively; Exhibits (a)-3, (a)-4, Docket No. 810421-EU (SS), Reports of Consummation Nos. 1, 3 and 5 respectively; Exhibits (a)-3, Docket No. 820403-EU, Reports of Consummation Nos. 2 and 4, respectively; Exhibit (a)-4, Docket No. 830491-EI, Report of Consummation No. 3; Exhibits (a)-3, Docket No. 830445-EU, Reports of Consummation Nos. 1 and 4, respectively; Exhibits (a)-2A, (a)-2B and (a)-2A, Docket No. 840353-EI, Reports of Consummation Nos. 1, 2 and 3, respectively; Exhibits (a)-2A and (a)-2B, Docket No. 850664-EI, Reports of Consummation Nos. 1, 2, 4 and 5, respectively; Exhibits (a)-2A, Docket No. 861209-EI, Reports of Consummation Nos. 2 and 3, respectively; Exhibits (a)-2A, Docket No. 870952-EI, Reports of Consummation Nos. 1, 2 and 3, respectively; Exhibit (a)-2A, Docket No. 881158-EI, Reports of Consummation Nos. 1 and 2, respectively; Exhibit (a)-2A and Exhibit (a)-2B, Docket No. 891104-EI, Report of Consummation No. 2; Exhibit (a)-2A, Docket No. 891104-EI, Report of Consummation No. 3; Exhibit (a)-2A, Exhibit (a)-2B, Exhibit (a)-2C and Exhibit (a)-2D, Docket No. 900736-EI, Report of Consummation No. 2; Exhibit (a)-2A, Docket No. 900736-EI, Report of Consummation No. 3; Exhibit (a)-2A,

Docket No. 910904-EI, Report of Consummation No. 3; Exhibit (a)-2A, Docket No. 910904-EI, Report of Consummation No. 2; Exhibit (a)-2B, Docket No. 910904-EI, Report of Consummation No. 3; Exhibit (a)-2A, Docket No. 910904-EI, Report of Consummation No. 5; Exhibit (a)-2A, Docket No. 910904-EI, Report of Consummation No. 7; Exhibit (a)-2A, Docket No. 920955-EI, Report of Consummation No. 1; Exhibit (a)-2A, Docket No. 920955-EI, Report of Consummation No. 3; Exhibit (a)-2B, Docket No. 920955-EI, Report of Consummation No. 3; Exhibit (a)-2C, Docket No. 920955-EI, Report of Consummation No. 3, Exhibit (a)-2B, Docket No. 920955-EI, Report of Consummation No. 3; Exhibit (a)-2A, Docket No. 920955-EI, Report of Consummation No. 4; Exhibit (a)-2B, Docket No. 920955-EI, Report of Consummation No. 4; Exhibit (a)-2C, Docket No. 920955-EI, Report of Consummation No. 4; Exhibit (a)-2A, Docket No. 920955-EI, Report of Consummation No. 6; Exhibit (a)-2B, Docket No. 920955-EI, Report of Consummation No. 6; Exhibit (a)-2A, Docket No. 920955-EI, Report of Consummation No. 7; Exhibit (a)-2A, Docket No. 930855-EI, Report of Consummation No. 1; Exhibit (a)-2A, Docket No. 940912-EI, Report of Consummation No. 1; Exhibit (a)-2A, Docket No. 971304-EI, Report of Consummation; Exhibit (a)-3, Docket No. 981242-EI, Report of Consummation; Exhibit (a)-3D, Docket No. 991287-EI, Report of Consummation; Exhibit (a)-3E, Docket No. 991287-EI, Report of Consummation; and Exhibit (a)-3, Docket No. 011340-EI, Report of Consummation.

(a)-3 Trust Indenture, dated as of May 1, 2003, between St. Lucie County, Florida and The Bank of New York Trust Company of Florida, N.A., as trustee, with respect to the St. Lucie Series 2003 Solid Waste Disposal Bonds.

(a)-3A Trust Indenture, dated as of June 1, 2003, between Miami-Dade County Industrial Development Authority and The Bank of New York Trust Company of Florida, N.A., as trustee, with respect to Miami-Dade Series 2003 Solid Waste Disposal Bonds.

(a)-3B One Hundred Third Supplemental Indenture dated as of April 1, 2003 between FPL and Deutsche Bank Trust Company Americas, as Trustee, with respect to the 5 5/8% Mortgage Bonds.

(a)-3C One Hundred Fourth Supplemental Indenture dated as of October 1, 2003 between FPL and Deutsche Bank Trust Company Americas, as Trustee, with respect to the 5.95% Mortgage Bonds.

(a)-4	Official Statement and Appendices thereto dated April 30, 2003 with respect to the St. Lucie Series 2003 Solid Waste Disposal Bonds.
(a)-4A	Official Statement and Appendices thereto dated June 24, 2003 with respect to the Miami-Dade Series 2003 Solid Waste Disposal Bonds.
(a)-5	Loan Agreement, dated as of May 1, 2003, between FPL and St. Lucie County, Florida, with respect to the St. Lucie Series 2003 Solid Waste Disposal Bonds.
(a)-5A	Loan Agreement, dated as of June 1, 2003, between FPL and Miami-Dade County Industrial Development Authority, with respect to the Miami-Dade Series 2003 Solid Waste Disposal Bonds.
(a)-6	For Prospectus and Prospectus Supplements relating to the Mortgage Bonds, see Exhibits (c)-1A and (c)-1B.
* (a)-7	Commercial Paper Offering Memorandum dated November 16, 2001 of Banc One Capital Markets, Inc. was filed with the FPSC in connection with Docket No. 001510-EI as Exhibit (a)-1 of Report of Consummation.
* (a)-8	Commercial Paper Offering Memorandum dated November 16, 2001 of Merrill Lynch Money Markets Inc. was filed with the FPSC in connection with Docket No. 001510-EI as Exhibit (a)-2 of Report of Consummation.
(a)-9	Guaranty, dated as of June 11, 2003, from FPL to the beneficiaries referred to therein, relating to the Fuel Notes and Fuel Facility.
(b)-1	Signed opinion of FPL's legal counsel with respect to the legality of the loan agreement executed by FPL in connection with the St. Lucie Series 2003 Solid Waste Disposal Bonds.
(b)-1A	Signed opinion of FPL's legal counsel with respect to the legality of the loan agreement executed by FPL in connection with the Miami-Dade Series 2003 Solid Waste Disposal Bonds.
(b)-1B	Signed opinion of FPL's legal counsel with respect to the legality of the issue of the 5 5/8% Mortgage Bonds.
(b)-1C	Signed opinion of FPL's legal counsel with respect to the legality of the issue of the 5.95% Mortgage Bonds.
(b)-1D	Signed opinion of FPL's legal counsel in respect to the legality of the issuance of the commercial paper.
(b)-1E	Signed opinion of FPL's legal counsel in respect to the legality of the issuance of the guarantees relating to the Fuel Notes and Fuel Facility.

(c)-1	Form S-3 Registration Statement pursuant to which the Mortgage Bonds were issued (Registration No. 333-102172 filed with the Securities and Exchange Commission on December 23, 2002).
(c)-1A	Prospectus Supplement dated March 31, 2003 (including Prospectus) with respect to the 5 5/8% Mortgage Bonds.
(c)-1B	Prospectus Supplement dated October 9, 2003 (including Prospectus) with respect to the 5.95% Mortgage Bonds.
(c)-1C	Quarterly Report on Form 10-Q for the quarter ended March 31, 2003.
(c)-1D	Quarterly Report on Form 10-Q for the quarter ended June 30, 2003.
(c)-1E	Quarterly Report on Form 10-Q for the quarter ended September 30, 2003.
(c)-1F	Annual Report on Form 10-K for the year ended December 31, 2003.
(c)-2	Consolidated Statement of Capitalization.
(c)-3	Computation of Ratio of Earnings to Fixed Charges and Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends.
(d)-1	Underwriting Agreement, dated April 30, 2003, with respect to the St. Lucie Series 2003 Solid Waste Disposal Bonds.
(d)-1A	Underwriting Agreement, dated June 24, 2003, with respect to the Miami-Dade Series 2003 Solid Waste Disposal Bonds
(d)-1B	Underwriting Agreement, dated March 31, 2003, with respect to the 5 5/8% Mortgage Bonds.
(d)-1C	Underwriting Agreement, dated October 9, 2003, with respect to the 5.95% Mortgage Bonds.
(d)-2	Remarketing Agreement, dated May 1, 2003, with respect to the St. Lucie Series 2003 Solid Waste Disposal Bonds.
(d)-2A	Remarketing Agreement, dated June 25, 2003, with respect to the Miami-Dade Series 2003 Solid Waste Disposal Bonds.
(d)-3	Tender Agreement, dated as of May 1, 2003, with respect to the St. Lucie Series 2003 Solid Waste Disposal Bonds.
(d)-3A	Tender Agreement, dated as of June 1, 2003, with respect to the Miami-Dade Series 2003 Solid Waste Disposal Bonds.
* (d)-4	Commercial Paper Dealer Agreement dated as of July 22, 1994 between FPL and Banc One Capital Markets, Inc. (successor to First Chicago

Capital Markets, Inc.) was filed with the FPSC in connection with Docket No. 001510-EI as Exhibit (d)-1 of Report of Consummation.

(e) Statement as to Underwriters' Fees.

(1)-A See Exhibit (a)-4, Page 30 (as to Underwriter and fee) of the Official Statement with respect to the St. Lucie Series 2003 Solid Waste Disposal Bonds.

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600

(1)-B See Exhibit (a)-4A, Page 30 (as to Underwriter and fee) of the Official Statement with respect to the Miami-Dade Series 2003 Solid Waste Disposal Bonds.

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600

(1)-C See Exhibit (c)-1A, Page S-1 (as to fee) and Page S-7 (as to Underwriters) of the Prospectus Supplement with respect to the 5 5/8% Mortgage Bonds.

Banc of America Securities LLC
9 West 57th Street
New York, NY 10019

Wachovia Securities, Inc.
301 South College Street
Charlotte, NC 28288

J.P. Morgan Securities Inc.
270 Park Avenue
New York, NY 10017

Salomon Smith Barney Inc.
388 Greenwich Street
New York, NY 10013

Mellon Financial Markets, LLC
One Mellon Center
Room 151-0410
Pittsburgh, PA 15258-0001

Merrill Lynch, Pierce, Fenner & Smith Incorporated
4 World Financial Center
New York, NY 10080

Scotia Capital (USA) Inc.
1 Liberty Plaza, 25th Floor
New York, NY 10006

SunTrust Capital Markets, Inc.
303 Peachtree Street, 23rd Floor
Atlanta, GA 30308

(1)-D See Exhibit (c)-1B, Page S-1 (as to fee) and Page S-10 (as to Underwriters) of the Prospectus Supplement with respect to the 5.95% Mortgage Bonds.

Barclays Capital Inc.
200 Park Avenue
New York, NY 10166

Lehman Brothers Inc.
745 Seventh Avenue
New York, NY 10019

Credit Lyonnais Securities (USA) Inc.
1301 Avenue of the Americas
New York, NY 10019

Scotia Capital (USA) Inc.
1 Liberty Plaza, 25th Floor
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100 Federal Street
Boston, MA 02110

Mellon Financial Markets, LLC
One Mellon Center
Room 151-0410
Pittsburgh, PA 15258-0001

SunTrust Capital Markets, Inc.
303 Peachtree Street, 23rd Floor
Atlanta, GA 30308

* (e)-1 Statement as to Placement Agents/Dealers' Fees.

(1) Banc One Capital Markets, Inc. and Merrill Lynch Money Markets Inc. act as private placement agents and/or dealers with respect to the commercial paper, in return for which they receive fees based on the differential between the bid and ask price for the commercial paper.

Banc One Capital Markets, Inc.
1 Bank Plaza,
Mail Suite 1L1-0033
Chicago, IL 60670-0033

Merrill Lynch Money Markets Inc.
World Financial Center
North Tower
New York, NY 10281-1311

(2) None.

(3) No affiliation.

(4) Commercial paper dealers' agreements, and the use of placement agents/dealers in public company commercial paper programs, is standard practice, and the fees charged are consistent with fees charged to companies of similar creditworthiness for commercial paper transactions. The services provided by the placement agents/dealers are described in Exhibit (d)-4.

---

* Incorporated by reference.

Respectfully submitted this 29th day of March, 2004.

FLORIDA POWER & LIGHT COMPANY

By: 

Paul I. Cutler
Treasurer

Exhibit (a)-3

ST. LUCIE COUNTY, FLORIDA

and

THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A.,
Trustee

TRUST INDENTURE

Dated as of May 1, 2003

Relating to

$78,785,000

St. Lucie County, Florida
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

TABLE OF CONTENTS

(This Table of Contents is not part of the Trust Indenture
but is for convenience of reference only.)

Page

ARTICLE I

DEFINITIONS

SECTION 101. Meaning of Words and Terms 6
SECTION 102. Rules of Construction 11

ARTICLE II

FORM, EXECUTION, AUTHENTICATION AND DELIVERY OF BONDS

SECTION 201. Issuance of Bonds 13
SECTION 202. Purchase of Bonds 24
SECTION 203. Execution and Payment 26
SECTION 204. Authentication of Bonds 27
SECTION 205. Exchange of Bonds 27
SECTION 206. Transfer of Bonds 27
SECTION 207. Ownership of Bonds 28
SECTION 208. Prerequisite to Execution of Bonds 29
SECTION 209. Temporary Bonds 30
SECTION 210. Mutilated, Destroyed, Stolen or Lost Bonds 30
SECTION 211. Delivery of First Mortgage Bonds 31
SECTION 212. Rights Under the Agreement and any First Mortgage Bonds 31
SECTION 213. Rights of Trustee Regarding First Mortgage Bonds 31
SECTION 214. Release of First Mortgage Bonds 32

ARTICLE III

REDEMPTION OF BONDS

SECTION 301. Redemption Dates and Prices 33
SECTION 302. Notice of Redemption 35
SECTION 303. Effect of Redemption 36
SECTION 304. Partial Redemption 37

ARTICLE IV

REFUNDING OF REFUNDED BONDS

SECTION 401. Application of Proceeds of Series 2003 Bonds 38
SECTION 402. Redemption of Refunded Bonds 38

ARTICLE V

BOND FUND

SECTION 501. Creation of Bond Fund....39
SECTION 502. Payments into Bond Fund....39
SECTION 503. Use of Moneys in Bond Fund....39
SECTION 504. Custody of Bond Fund....39
SECTION 505. Non-Presentment of Bonds....39
SECTION 506. Cancellation and Destruction of Bonds....40

ARTICLE VI

DEPOSITARIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

SECTION 601. Deposits Constitute Trust Funds....41
SECTION 602. Investment of Moneys....41

ARTICLE VII

PARTICULAR COVENANTS AND PROVISIONS

SECTION 701. Covenant of Issuer as to Performance of Obligations....42
SECTION 702. Covenant to Perform Obligations....42
SECTION 703. Covenant to Perform Further Acts....43
SECTION 704. Bonds Not to Become Arbitrage Bonds....43

ARTICLE VIII

DEFAULTS AND REMEDIES

SECTION 801. Events of Default....44
SECTION 802. Acceleration of Maturities....44
SECTION 803. Other Remedies....46
SECTION 804. Application of Moneys....46
SECTION 805. Effect of Discontinuance of Proceedings....48
SECTION 806. Right of Bondholders to Direct Proceedings....48
SECTION 807. Rights and Remedies of Bondholders....48
SECTION 808. Appointment of Receiver by Trustee....49
SECTION 809. Action by Trustee without Possession of Bonds....49
SECTION 810. No Remedy Exclusive....49
SECTION 811. Waiver of Default....49
SECTION 812. Notice of Default....49
SECTION 813. Remedies in Article VIII in Addition to Remedies in Agreement, Pledge Agreement and Mortgage....50

ARTICLE IX

TRUSTEE; PAYING AGENT

SECTION 901. Acceptance of Trusts and Performance of Duties....51
SECTION 902. Indemnification of Trustee....51

SECTION 903. Limitation on Obligations and Responsibilities of the Trustee 51
SECTION 904. Trustee Not Liable for Failure of Issuer to Act.....52
SECTION 905. Compensation of Trustee 52
SECTION 906. Records Open to Inspection 53
SECTION 907. Trustee May Rely on Certificates 53
SECTION 908. Trustee Not Deemed to Have Notice of Default.....53
SECTION 909. Trustee May Deal in Bonds and take Action as Bondholder.....53
SECTION 910. Trustee Not Responsible for Recitals, Etc 53
SECTION 911. Trustee Protected in Relying on Certain Documents.....54
SECTION 912. Qualifications of Trustee.....54
SECTION 913. Resignation by and Removal of Trustee 54
SECTION 914. Appointment of Successor Trustee 55
SECTION 915. Separate Trustee or Co-Trustee 56
SECTION 916. Reserved.....56
SECTION 917. Paying Agent.....56
SECTION 918. Qualifications of Paying Agent; Resignation; Removal.....57
SECTION 919. Registrar.....57
SECTION 920. Qualifications of Registrar; Resignation; Removal 58
SECTION 921. Procedures with DTC.....58

ARTICLE X

EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND PROOF OF OWNERSHIP OF BONDS

SECTION 1001. Consents, etc., of Bondholders 59

ARTICLE XI

SUPPLEMENTAL INDENTURES

SECTION 1101. Supplemental Indentures Not Requiring Consent of Bondholders.....60
SECTION 1102. Supplemental Indentures Requiring Consent of Bondholders.....61
SECTION 1103. Any Supplemental Indenture Shall Be Deemed a Part of Indenture 62
SECTION 1104. Discretion of Trustee; Reliance on Counsel 62

ARTICLE XII

SUPPLEMENTAL AGREEMENTS AND SUPPLEMENTAL PLEDGE AGREEMENTS

SECTION 1201. Supplemental Agreements and Supplemental Pledge Agreements Not Requiring Consent of Bondholders 63
SECTION 1202. Supplemental Agreements and Supplemental Pledge Agreements Requiring Consent of Bondholders 63

ARTICLE XIII

DEFEASANCE

SECTION 1301. Defeasance of Bonds.....64

ARTICLE XIV

REMARKETING AGENT; TENDER AGENT; PURCHASE AND REMARKETING OF BONDS; INDEXING AGENT

SECTION 1401. Remarketing Agent and Tender Agent 66
SECTION 1402. Qualifications of Remarketing Agent and Tender Agent; Resignation; Removal 67
SECTION 1403. Notice of Bonds Delivered for Purchase; Purchase of Bonds 68
SECTION 1404. Indexing Agent 68
SECTION 1405. Qualifications of Indexing Agent 69
SECTION 1406. Remarketing of Bonds; Notice of Interest Rates 69
SECTION 1407. Delivery of Bonds 70
SECTION 1408. Delivery of Proceeds of Sale 70

ARTICLE XV

MISCELLANEOUS PROVISIONS

SECTION 1501. Covenants Binding Upon Successors 71
SECTION 1502. Notices 71
SECTION 1503. Manner of Notice 72
SECTION 1504. Issuer, Trustee, FPL and Bondholders Alone Have Rights Under Indenture 72
SECTION 1505. Severability and Effect of Invalidity 72
SECTION 1506. Release of Officers, Employees and Agents of Issuer 72
SECTION 1507. If Payment or Performance Date not a Business Day 72
SECTION 1508. Headings Not Part of Indenture 73
SECTION 1509. Counterparts 73
SECTION 1510. Applicable Law 73

Exhibit A - Form of Bond
Exhibit B - Notices of Tender of Book-Entry Bonds

TRUST INDENTURE

THIS TRUST INDENTURE, made and entered into as of the first day of May, 2003, is by and between ST. LUCIE COUNTY, FLORIDA, a political subdivision of the State of Florida (the "Issuer"), and THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., a national banking association having a corporate trust office in Jacksonville, Florida (said national banking association and any bank or trust company becoming successor trustee under this Indenture being herein called the "Trustee"),

WITNESSETH:

WHEREAS, each of the Issuer, Broward County, Florida ("Broward") and Martin County, Florida ("Martin" and together with the Issuer and Broward, the "Counties") is a "local agency" as defined in Chapter 159, Part II, Florida Statutes, as amended (the "Act"), and as such each is authorized to finance and refinance capital projects including industrial and manufacturing plants and solid waste and sewage facilities or devices with appurtenant facilities, for the purpose of promoting effective and efficient solid waste disposal; to issue revenue bonds payable solely from revenues derived from the sale, operation or leasing of such capital projects or other payments received under financing agreements with respect thereto; and to provide for the issuance of revenue refunding bonds for the purpose of refunding any bonds or notes then outstanding which shall have been issued under the provisions of the Act, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds or notes and for constructing improvements, additions, extensions, or enlargements of the project in connection with which the bonds to be refunded shall have been issued and for paying the cost of any additional project; and

WHEREAS, in furtherance of the statutory purposes of the Act, the Issuer entered into four (4) separate Loan Agreements, each with Florida Power & Light Company ("FPL"), a corporation duly organized and validly existing under the laws of the State of Florida, dated as of June 15, 1990 as to the hereinafter described St. Lucie Series 1990 Bonds, August 1, 1991 as to the hereinafter described St. Lucie Series 1991 Bonds, May 1, 1992 as to the hereinafter described St. Lucie Series 1992 Bonds, and July 1, 1993 as to the hereinafter described St. Lucie Series 1993 Bonds, to finance the acquisition, installation and construction of certain solid waste disposal facilities (collectively, the "St. Lucie Project"), described in Exhibit A to the hereinafter described Agreement, located at Units 1 and 2 (the "St. Lucie Units") of the St. Lucie Electrical Generating Plant in St. Lucie County, Florida, an undivided interest in which is owned by FPL; and

WHEREAS, in order to provide funds to finance the St. Lucie Project, the Issuer issued (i) pursuant to a Trust Indenture dated as of June 15, 1990, between the Issuer and The Bank of New York, as successor trustee (the "Prior Trustee"), its $9,835,000 Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1990 (the "St. Lucie Series 1990 Bonds"), which St. Lucie Series 1990 Bonds are no longer outstanding; (ii) pursuant to a Trust Indenture dated as of August 1, 1991, between the Issuer and the Prior Trustee, its $32,985,000 Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "St. Lucie Series 1991 Bonds"), which St. Lucie Series 1991 Bonds are no longer outstanding; (iii) pursuant to a Trust Indenture dated as of May 1, 1992 (the "St. Lucie

Series 1992 Indenture"), between the Issuer and the Prior Trustee, its $12,015,000 Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1992 (the "St. Lucie Series 1992 Bonds"), currently outstanding in the principal amount of $5,315,000; and (iv) pursuant to a Trust Indenture dated as of July 1, 1993, between the Issuer and the Prior Trustee, its $16,500,000 Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1993 (the "St. Lucie Series 1993 Bonds"), which St. Lucie Series 1993 Bonds are no longer outstanding; and

WHEREAS, the Issuer, pursuant to a Trust Indenture dated as of June 1, 2000, between the Issuer and the Prior Trustee and a Loan Agreement dated as of June 1, 2000, between the Issuer and FPL, issued its $48,900,000 Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2000A (the "St. Lucie Series 2000A Bonds"), which St. Lucie Series 2000A Bonds are no longer outstanding, to refund all of the principal amount of the St. Lucie Series 1990 Bonds and the St. Lucie Series 1993 Bonds and to purchase and cancel a portion of the principal amount of the St. Lucie Series 1991 Bonds and the St. Lucie Series 1992 Bonds; and

WHEREAS, the Issuer, pursuant to a Trust Indenture dated as of December 1, 2000 (the "St. Lucie Series 2000B Indenture"), between the Issuer and the Prior Trustee and a Loan Agreement dated as of December 1, 2000, between the Issuer and FPL, issued its $65,420,000 Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2000B (the "St. Lucie Series 2000B Bonds"), all of which St. Lucie Series 2000B Bonds are currently outstanding, to refund all of the outstanding principal amount of the St. Lucie Series 1991 Bonds and the St. Lucie Series 2000A Bonds; and

WHEREAS, in furtherance of the statutory purposes of the Act, Broward entered into a Loan Agreement with FPL dated as of August 1, 1991, to finance the acquisition, installation and construction of certain solid waste disposal and sewage facilities (the "Broward Project"), described in Exhibit A to the Agreement, located at Units 4 and 5 (the "Broward Units") of the Lauderdale Electrical Generating Plan in Broward County, Florida, owned by FPL; and

WHEREAS, in order to provide funds to finance the Broward Project, Broward issued, pursuant to a Trust Indenture dated as of August 1, 1991 (the "Broward Indenture"), between Broward and the Prior Trustee, its $4,000,000 Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "Broward Bonds"), all of which Broward Bonds are currently outstanding; and

WHEREAS, in furtherance of the statutory purposes of the Act, Martin entered into a Loan Agreement with FPL dated as of July 1, 1993, to finance the acquisition, installation and construction of certain solid waste disposal and sewage facilities (the "Martin Project" and together with the St. Lucie Project and the Broward Project, the "Project"), described in Exhibit A to the Agreement, located at Units 3 and 4 (the "Martin Units" and together with the St. Lucie Units and the Broward Units, the "Units") of the Martin County Electrical Generating Plant in Martin County, Florida, owned by FPL; and

WHEREAS, in order to provide funds to finance the Martin Project, Martin issued, pursuant to a Trust Indenture dated as of July 1, 1993 (the "Martin Indenture"), between Martin

and the Prior Trustee, its $4,050,000 Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1993 (the "Martin Bonds"), all of which Martin Bonds are currently outstanding; and

WHEREAS, the Issuer is authorized and empowered pursuant to Section 163.01, Florida Statutes, as amended (the "Interlocal Act"), to enter into interlocal agreements with other local government units of the State of Florida for the purpose of permitting the most efficient use of their local government powers; and

WHEREAS, pursuant to the provisions of the Interlocal Act, (i) the Issuer and Broward have entered into an Interlocal Agreement dated March 25, 2003 (the "Broward Interlocal Agreement"), authorizing the Issuer to issue the hereinafter described Bonds to refund the Broward Bonds, and (ii) the Issuer and Martin have entered into an Interlocal Agreement dated as of April 1, 2003 (together with the Broward Interlocal Agreement, the "Interlocal Agreements"), authorizing the Issuer to issue the Bonds to refund the Martin Bonds, which Interlocal Agreements have been filed with the Clerk of the Circuit Court in each of the respective Counties; and

WHEREAS, in order to finance the refunding by redemption of the outstanding principal amount of the St. Lucie Series 1992 Bonds, the St. Lucie Series 2000B Bonds, the Broward Bonds and the Martin Bonds (collectively, the "Refunded Bonds"), FPL has requested the Issuer to issue, pursuant to the Act, the Interlocal Agreements and this Indenture, its St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003, in the aggregate principal amount of $78,785,000 (the "Series 2003 Bonds" or "Bonds"); and

WHEREAS, concurrently with the issuance of the Bonds, FPL and the Issuer have entered into the Loan Agreement, dated as of May 1, 2003 (the "Agreement"), whereby the Issuer has agreed to lend the proceeds of the Bonds to FPL to pay the principal portion of the redemption price of the Refunded Bonds on the redemption thereof, and FPL has agreed to make Loan Repayments under the Agreement equal to the principal of and interest and any premium on the Bonds and the Issuer will assign its right, title and interest in the Agreement (except for certain reserved rights described below) to the Trustee for the benefit of the holders of the Bonds; and

WHEREAS, the Issuer has determined that the Bonds to be issued initially hereunder and the certificate of authentication by the Registrar (hereinafter identified) to be endorsed on all such Bonds shall be, respectively, substantially in the form attached hereto as Exhibit A, with such variations, omissions and insertions as are required or permitted by this Indenture; and

WHEREAS, the execution and delivery of this Indenture and the Agreement have been duly authorized by a resolution of the Issuer; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of Florida to happen, exist and be performed precedent to and in the execution and delivery of this Indenture and the Agreement have happened, exist and have been performed as so required in order to make this Indenture a valid and binding trust indenture for the security of the

Bonds in accordance with its terms and in order to make the Agreement a valid and binding loan agreement in accordance with its terms; and

WHEREAS, the Trustee has accepted the trusts created by this Indenture and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in consideration of the premises, of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the holders thereof, and also for and in consideration of the sum of One Dollar ($1.00) to the Issuer in hand paid by the Trustee at or before the execution and delivery of this Indenture, the receipt of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become holders thereof, and in order to secure the payment of the principal of all the Bonds at any time issued and outstanding hereunder and the premium, if any, and interest thereon according to their tenor, purport and effect, and in order to secure the performance and observance of all the covenants, agreements and conditions therein and herein contained, the Issuer has executed and delivered this Indenture and has pledged and assigned and does hereby pledge and assign to the Trustee the Issuer's rights under the Agreement (except its rights under Sections 5.1(c) and 9.4 of the Agreement to payment of certain costs and expenses and under Section 7.3 of the Agreement to indemnification), including its rights to the Loan Repayments, revenues and other income derived from the sale, leasing or operation of the Project and other moneys to the extent provided in this Indenture and under the Agreement, and has granted and does hereby grant a security interest in the Bond Fund, all as security for the payment of the Bonds and the premium, if any, and interest thereon and as security for the satisfaction of any other obligation assumed by it in connection with such Bonds, and it is so mutually agreed and covenanted by and between the parties hereto.

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended so to be, to the Trustee, its successors in trust and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit and security, except as otherwise hereinafter expressly provided, of all and singular the present and future holders of the Bonds issued and to be issued under this Indenture, without preference, priority or distinction as to lien or otherwise, except as otherwise hereinafter expressly provided, of any one Bond over any other Bond, by reason of priority in the issue, sale or negotiation thereof or otherwise;

PROVIDED, HOWEVER, that if, after the rights, title and interest of the Trustee in and to the estate pledged and assigned to it under this Indenture shall have ceased, terminated and become void in accordance with Article XIII hereof, the principal of and premium, if any, and interest on all of the Bonds shall have been paid to the Bondholders or shall have been paid to FPL pursuant to Section 505 hereof, then this Indenture and all covenants, agreements and other obligations of the Issuer hereunder shall cease, determine and be void, and thereupon the Trustee shall cancel and discharge this Indenture and shall execute and deliver to the Issuer and FPL such instruments in writing prepared by or on behalf of the Issuer or FPL as shall be required to

evidence the discharge hereof; otherwise this Indenture shall be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said Loan Repayments, revenues and other income and moneys hereby pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective holders and owners, from time to time, of the Bonds, or any part thereof, as follows:

ARTICLE I

DEFINITIONS

SECTION 101. Meaning of Words and Terms. All words and terms defined in Article I of the Agreement shall have the same meanings in this Indenture, unless otherwise specifically defined herein. In addition, the following words and terms as used in this Indenture shall have the following meanings unless some other meaning is plainly intended:

"Alternate Long-Term Interest Rate Index" shall mean 75% of the average annual yield shown for United States Treasury Notes or Bonds having the same number of 30-day periods to maturity as the number of such periods in the applicable Long-Term Interest Rate Period, as published in the Federal Reserve Bulletin (published by the Board of Governors of the Federal Reserve System in Washington, D.C.) most recently published prior to the date of determination of the Alternate Long-Term Interest Rate Index, as computed by the Indexing Agent; provided, that, if the most recently published Federal Reserve Bulletin does not publish a yield for United States Treasury Notes or Bonds having the number of 30-day periods to maturity described above, the Alternate Long-Term Interest Rate Index shall mean 75% of an assumed yield for United States Treasury Notes or Bonds having the same number of 30-day periods to maturity as the applicable Long-Term Interest Rate Period (determined by the Indexing Agent by linear interpolation based on the yield for United States Treasury Notes or Bonds having the next shorter and the next longer number of 30-day periods to maturity), as published in such Federal Reserve Bulletin.

"Authorized FPL Representative" shall mean each person at the time designated to act on behalf of FPL by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of FPL by the Chairman or any Vice Chairman of the Board, the President, any Senior or Administrative Vice President, any Vice President, the Treasurer or any Assistant Treasurer of FPL. Such certificate may designate an alternate or alternates who shall have the same authority, duties and powers as the Authorized FPL Representative.

"Authorized Denominations" shall mean: (i) with respect to any Long-Term Interest Rate Period, $5,000 and any integral multiple thereof; (ii) with respect to any Daily Interest Rate Period or Weekly Interest Rate Period, $25,000 and any integral multiple of $25,000 and, as necessary in order to total the outstanding principal amount, a single bond in the denomination of any integral multiple of $5,000 in excess of $25,000; and (iii) with respect to any Commercial Paper Interest Rate Period, $25,000 and any integral multiple of $5,000 in excess of $25,000.

"Authorized Newspaper" means a financial journal or newspaper, including without limitation The Bond Buyer and any successor thereto, in English customarily published each business day and generally circulated in the financial community in the Borough of Manhattan, City and State of New York.

"Bond Fund" means the fund created by Section 501 hereof.

"Bonds" or "Series 2003 Bonds" means the Bonds authorized to be issued under Section 201 of this Indenture for the purpose of financing the refunding by redemption of the outstanding principal amount of the Refunded Bonds.

"Business Day" shall mean a day on which banks located in the cities in which the Principal Offices of the Trustee and the Tender Agent are located, are not required or authorized to remain closed and on which The New York Stock Exchange, Inc. is not closed.

"Chairman" shall mean the person at the time occupying the office of Chairman of the County Board, or his designee, or any successor to the principal functions thereof.

"Clerk" shall mean the person at the time occupying the office of Clerk of the County Board, and such term shall include any Deputy Clerks appointed by the Clerk of the County Board and authorized to act on behalf of the Clerk.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time. References to the Code and Sections of the Code include relevant applicable regulations and proposed regulations thereunder and under the Internal Revenue Code of 1954, as amended to the date of enactment of the Tax Reform Act of 1986, and any successor provisions to those Sections, regulations or proposed regulations and, in addition, all revenue rulings, announcements, notices, procedures and judicial determinations under the foregoing applicable to the Bonds.

"Commercial Paper Interest Rate Period" shall mean each period, comprised of Commercial Paper Terms, during which Commercial Paper Term Rates are in effect.

"Commercial Paper Term" shall mean, with respect to any Bond, each period established in accordance with Section 201(g) hereof during which such Bond shall bear interest at a Commercial Paper Term Rate.

"Commercial Paper Term Rate" shall mean, with respect to each Bond, a fixed, non-variable interest rate on such Bond established periodically in accordance with Section 201(g) hereof.

"County Board" shall mean the Board of County Commissioners of the Issuer, as its governing body.

"Daily Interest Rate" shall mean a variable interest rate on the Bonds established in accordance with Section 201(d) hereof.

"Daily Interest Rate Period" shall mean each period during which a Daily Interest Rate is in effect.

"Defeasance Obligations" means (i) Government Obligations and (ii) evidences of ownership of a proportionate interest in specified Government Obligations, which Government Obligations are held by a bank or trust company in the capacity of custodian.

"DTC" shall mean The Depository Trust Company, its successors and their assigns.

"Favorable Opinion of Bond Counsel" shall mean an opinion of Bond Counsel addressed to the Issuer and the Trustee to the effect that the action proposed to be taken is authorized or permitted by the laws of the State and this Indenture and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Bonds.

"First Mortgage Bonds" means FPL's First Mortgage Bonds, executed and delivered by FPL to the Trustee in the form set forth in a supplemental indenture to the Mortgage.

"First Mortgage Trustee" means the trustee or trustees at the time serving as such under the Mortgage.

"Government Obligations" means obligations issued or unconditionally guaranteed as to the timely payment of principal and interest by the United States.

"Indexing Agent" shall mean the initial and any successor indexing agent appointed in accordance with Section 1404 hereof and any successor thereto.

"Interest Accrual Date" shall mean (i) with respect to any Daily Interest Rate Period, the first day thereof and, thereafter, the first day of each calendar month during that Daily Interest Rate Period, (ii) with respect to any Weekly Interest Rate Period, the first day thereof and, thereafter, the first Wednesday of each calendar month during that Weekly Interest Rate Period, (iii) with respect to any Long-Term Interest Rate Period, the first day thereof and, thereafter, each Interest Payment Date in respect thereof, other than the last such Interest Payment Date, and (iv) with respect to each Commercial Paper Term, the first day thereof.

"Interest Payment Date" shall mean (i) with respect to any Daily Interest Rate Period, the fifth Business Day of each calendar month, (ii) with respect to any Weekly Interest Rate Period, the first Wednesday of each calendar month, or, if such first Wednesday shall not be a Business Day, the next succeeding Business Day, (iii) with respect to any Long-Term Interest Rate Period, each May 1 and November 1, (iv) with respect to any Commercial Paper Term, the day next succeeding the last day thereof, and (v) with respect to each Interest Rate Period, the day next succeeding the last day thereof.

"Interest Rate Period" shall mean any Daily Interest Rate Period, any Weekly Interest Rate Period, any Commercial Paper Interest Rate Period or any Long-Term Interest Rate Period.

"Investment Obligations" means: (i) certificates of deposit issued by, or time deposits with, or bankers' acceptances drawn on and accepted by, foreign, national or state banks, including the Trustee, which have combined capital and surplus of at least $10,000,000; (ii) bonds and other obligations issued by, or by authority of, any state of the United States, any territory or possession of the United States, including the Commonwealth of Puerto Rico and agencies thereof, or any political subdivision of any of the foregoing; (iii) commercial paper; (iv) other corporate debt securities; (v) repurchase agreements (including repurchase agreements with the Trustee) fully secured by any of the foregoing obligations; (vi) Government Obligations; or (vii) any other obligations or securities which may lawfully be purchased by the Trustee.

"Letter of Representations" shall mean any letter of representations with DTC with respect to Bonds deposited with DTC in its book-entry system.

"Long-Term Interest Rate" shall mean, with respect to each Bond, a fixed, non-variable interest rate on such Bond established in accordance with Section 201(f) hereof.

"Long-Term Interest Rate Period" shall mean each period during which a Long-Term Interest Rate is in effect.

"Maturity Date" shall mean May 1, 2024.

"Moody's" shall mean Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by FPL by notice to the Trustee, the Tender Agent, the Issuer, the Remarketing Agent and the Indexing Agent.

"Mortgage" means the Mortgage and Deed of Trust, dated as of January 1, 1944, between FPL and Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as trustee, and The Florida National Bank of Jacksonville, as co-trustee (now resigned), as supplemented and amended.

"No Call Period" means the period during a Long-Term Interest Rate Period during which the Bonds are not subject to optional redemption by the Issuer at the direction of FPL pursuant to Section 301(c)(ii) hereof.

"Outstanding" or "outstanding" means all Bonds which have been authenticated and delivered by the Trustee under this Indenture, except:

(a) Bonds paid or redeemed or delivered to or acquired by the Trustee for cancellation;

(b) Bonds deemed to have been paid in accordance with Article XIII hereof;

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under this Indenture; and

(d) Undelivered Bonds;

provided, however, that in determining whether the holders of the requisite principal amount of outstanding Bonds have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Bonds owned by the Issuer or FPL or any other obligor upon the Bonds or the Agreement or any Affiliate of FPL or such other obligor shall be disregarded and deemed not to be outstanding (unless all of the outstanding Bonds are then owned by FPL or any other obligor upon the Bonds or the Agreement or any Affiliate of FPL or such other obligor), except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Trustee knows to be so owned shall be so disregarded. Bonds so owned which have been pledged in good faith may be

regarded as outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer or FPL or any other obligor upon the Bonds or the Agreement or any Affiliate of FPL or such other obligor. "Affiliate of FPL or such other obligor" as used in this definition means any person directly or indirectly controlling or controlled by or under direct or indirect common control with FPL or such other obligor. For the purposes of this definition, "control" when used with respect to FPL or such other obligor means the power to direct the management and policies of FPL or such other obligor, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Paying Agent" shall mean the initial and any successor paying agent or agents appointed in accordance with Section 917 hereof. "Principal Office" of the Paying Agent shall mean the Principal Office of the Tender Agent or such other office thereof designated in writing to the Issuer, the Trustee, the Tender Agent and the Remarketing Agent.

"Pledge Agreement" means a Pledge Agreement to be entered into by and between FPL and the Trustee, pursuant to which the First Mortgage Bonds are pledged as collateral security for the payment of the principal of and interest on the Bonds, as provided in Section 5.3 of the Agreement.

"Principal Office" of the Trustee means the office at which, at the time in question, its corporate trust activities relating to the Bonds are principally conducted.

"Purchase Fund" shall mean the fund created by Section 1401 hereof.

"Rating Category" shall mean a generic securities rating category, without regard, in the case of a long-term rating category, to any refinement or gradation of such long-term rating category by a numerical modifier or otherwise.

"Record Date" shall mean (a) with respect to any Interest Payment Date in respect of any Daily Interest Rate Period, the last Business Day of each calendar month or, in the case of the last Interest Payment Date in respect of a Daily Interest Rate Period, the Business Day immediately preceding such Interest Payment Date, (b) with respect to any Interest Payment Date in respect of any Weekly Interest Rate Period or any Commercial Paper Term, the Business Day immediately preceding such Interest Payment Date, and (c) with respect to any Interest Payment Date in respect of any Long-Term Interest Rate Period, the fifteenth day (whether or not a Business Day) immediately preceding such Interest Payment Date or, in the event that an Interest Payment Date shall occur less than 15 days after the first day of a Long-Term Interest Rate Period, such first day.

"Registrar" shall mean the registrar or registrars appointed in accordance with Section 206 hereof. "Principal Office" of the Registrar shall mean the Principal Office of the Tender Agent or such other office thereof designated in writing to the Issuer, the Trustee, the Tender Agent and the Remarketing Agent.

"Remarketing Agent" shall mean the initial and any successor remarketing agent appointed in accordance with Section 1401(a) hereof. "Principal Office" of the Remarketing

Agent shall mean Wachovia Bank, National Association, 301 South College Street, DC-8, Charlotte, North Carolina 28288-0600, Attention: Municipal Trading Desk, or such other office thereof designated in writing to the Issuer, the Trustee and the Tender Agent.

"S&P" shall mean Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by FPL by notice to the Trustee, the Tender Agent, the Issuer, the Remarketing Agent and the Indexing Agent.

"Special Record Date" shall mean, with respect to any Bond, the date established by the Trustee in connection with the payment of overdue interest on that Bond pursuant to Section 203 hereof.

"Tender Agent" shall mean the initial and any successor tender agent appointed in accordance with Section 1401(b) hereof. "Principal Office" of the Tender Agent shall mean The Bank of New York Trust Company of Florida, N.A., 10161 Centurion Parkway, Jacksonville, Florida 32256, Attention: Corporate Trust Division, or such other office thereof designated in writing to the Issuer, the Trustee and the Remarketing Agent.

"Tender Agreement" shall mean the Tender Agreement, dated as of May 1, 2003, between the Trustee, FPL, the Tender Agent and the Remarketing Agent, relating to the Bonds, as supplemented or amended in accordance with the provisions thereof.

"Treasury Rate" shall mean the interest rate applicable to 13-week United States Treasury bills determined by the Indexing Agent on the basis of the average per annum discount rate at which such 13-week Treasury bills shall have been sold at the most recent Treasury auction.

"Undelivered Bonds" shall mean any Bond so designated in accordance with the provisions of Section 202(f) hereof.

"Weekly Interest Rate" shall mean a variable interest rate on the Bonds established in accordance with Section 201(e) hereof.

"Weekly Interest Rate Period" means each period during which a Weekly Interest Rate is in effect.

SECTION 102. Rules of Construction.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words "Bond", "owner", "holder" and "person" shall include the plural as well as the singular number; the word "person" shall include any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof; and the words "holder" or "Bondholder" or "Owner" when used herein with respect to Bonds shall mean the registered owner of one or more Bonds at the time issued and outstanding hereunder.

(b) Words importing the redemption or calling for redemption of the Bonds shall not be deemed to refer to or connote payment of Bonds at their stated maturity.

(c) The captions or headings in this Indenture are for convenience only and in no way limit the scope or intent of any provision or section of this Indenture.

(d) All reference herein to particular articles or sections are references to articles or sections of this Indenture unless some other reference is indicated.

ARTICLE II

FORM, EXECUTION, AUTHENTICATION AND DELIVERY OF BONDS

SECTION 201. Issuance of Bonds.

(a) (i) Limitations on Issuance. No Bonds may be issued under the provisions of this Indenture except in accordance with the provisions of this Article. There shall be issued under and secured by this Indenture the Bonds of the Issuer in the aggregate principal amount of Seventy-eight Million Seven Hundred Eighty-five Thousand Dollars ($78,785,000) for the purpose of refunding and redeeming the Refunded Bonds. The Bonds shall be designated "St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003" and shall be dated their date of original issuance. The Bonds shall mature, subject to the right of prior redemption as hereinafter set forth, on the Maturity Date and shall bear interest at the rate or rates determined as hereinafter provided.

(ii) Form of Bonds. The Bonds are issuable as registered Bonds without coupons in Authorized Denominations and shall initially be issued and held under the book-entry system maintained by DTC; provided, however, that FPL may at any time elect to discontinue the use of such book-entry system. The Bonds shall be substantially in the form set forth as Exhibit A hereto, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

(b) (i) The Bonds bearing interest at a rate other than a Commercial Paper Term Rate shall bear interest from and including the Interest Accrual Date immediately preceding the date of authentication thereof, or, if such date of authentication shall be an Interest Accrual Date to which interest on the Bonds has been paid in full or duly provided for or the date of initial authentication of the Bonds, from such date of authentication and each Bond bearing interest at a Commercial Paper Term Rate shall bear interest from and including the first day of the related Commercial Paper Term; provided, however, that if, as shown by the records of the Trustee, interest on the Bonds shall be in default, Bonds issued in exchange for Bonds surrendered for registration of transfer or exchange shall bear interest from the date to which interest has been paid in full on the Bonds or, if no interest has been paid on the Bonds, the date of the first authentication of Bonds hereunder.

(ii) For any Daily Interest Rate Period, interest on the Bonds shall be payable on each Interest Payment Date for the period commencing on the second preceding Interest Accrual Date and ending on the day immediately preceding the immediately preceding Interest Accrual Date, unless the Interest Payment Date shall be the day next succeeding the last day of a Daily Interest Rate Period, in which case interest shall be payable on such Interest Payment Date for the period commencing on the Interest Accrual Date to which interest shall have been paid in full and ending on the day immediately preceding such Interest Payment Date. For any Weekly Interest Rate Period, interest on the Bonds shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date (or, if any Interest Payment Date is not a Wednesday, commencing on the second preceding Interest Accrual Date) and

ending on the Tuesday immediately preceding the Interest Payment Date (or, if the period ends sooner than that Tuesday, ending on the last day of the Weekly Rate Period). For any Commercial Paper Interest Rate Period or Long-Term Interest Rate Period, interest on the Bonds shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date and ending on the day immediately preceding such Interest Payment Date. In any event, interest on the Bonds shall be payable for the final Interest Rate Period to the date on which the Bonds shall have been paid in full.

(iii) Interest shall be computed, in the case of a Long-Term Interest Rate Period, on the basis of a 360-day year consisting of twelve, 30-day months, and in the case of any other Interest Rate Period, on the basis of a 365 or 366-day year, as appropriate, and the actual number of days elapsed.

(c) In the manner hereinafter provided, the term of the Bonds will be divided into consecutive Interest Rate Periods during each of which the Bonds shall bear interest at the Daily Interest Rate, the Weekly Interest Rate, Commercial Paper Term Rates or Long-Term Interest Rates. The first Interest Rate Period shall commence on the date of issuance and delivery of the Bonds and shall be a Daily Interest Rate Period. The Bonds shall initially bear interest at the rates per annum determined in accordance with the provisions hereof as set forth in the acceptance of its appointment as Remarketing Agent signed by Wachovia Bank, National Association, on the date of issuance and delivery of the Bonds.

(d) (i) Determination of Daily Interest Rate. During each Daily Interest Rate Period, the Bonds shall bear interest at the Daily Interest Rate, which shall be determined by the Remarketing Agent on each Business Day for such Business Day. The Daily Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof. If for any reason, the Daily Interest Rate cannot be determined for any Business Day by the Remarketing Agent as hereinbefore provided, the Daily Interest Rate for such Business Day shall be a percentage per annum determined by the Indexing Agent equal to 75% of the Treasury Rate. The Daily Interest Rate for any day which is not a Business Day shall be the same as the Daily Interest Rate in effect for the immediately preceding Business Day. In no event shall the Daily Interest Rate exceed 15% per annum.

(ii) Adjustment to Daily Interest Rate. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Daily Interest Rate. Such direction shall specify (1) the effective date of such adjustment to a Daily Interest Rate, which shall be (A) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, (B) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would

otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur, and (C) in the case of an adjustment from a Commercial Paper Interest Rate Period, either the day immediately following the last day of the Commercial Paper Interest Rate Period or, as to any Bond, the day immediately following the last day of the Commercial Paper Term then in effect (or to be in effect) with respect to that Bond, and (2) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Daily Interest Rate. In addition, the direction shall be accompanied by a Favorable Opinion of Bond Counsel unless the then-current Interest Rate Period is a Weekly Interest Rate Period or a Commercial Paper Interest Rate Period. During each Daily Interest Rate Period commencing on a date so specified and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the Bonds shall be a Daily Interest Rate.

(iii) Notice of Adjustment to Daily Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Daily Interest Rate Period to the Owners of the Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of such Daily Interest Rate Period. FPL shall cause the form of such notice to be provided to the Registrar. Such notice shall state (1) that the interest rate on the Bonds will be adjusted to a Daily Interest Rate, (2) the effective date of such Daily Interest Rate Period, (3) the method by which the Daily Interest Rate shall be determined during the Daily Interest Rate Period, (4) the Interest Payment Dates during the Daily Interest Rate Period, (5) that the Bonds are subject to mandatory tender for purchase on such effective date, setting forth the applicable purchase price, (6) that, subsequent to such effective date, the Owners of the Bonds will have the right to require the purchase of Bonds on any Business Day upon notice to the Tender Agent, (7) the procedures of such purchase, (8) the optional redemption provisions set forth herein which are applicable to the Bonds during a Daily Interest Rate Period, and (9) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Daily Interest Rate.

(e) (i) Determination of Weekly Interest Rate. During each Weekly Interest Rate Period, the Bonds shall bear interest at the Weekly Interest Rate, which shall be determined by the Remarketing Agent no later than the Business Day immediately preceding the first day of each Weekly Interest Rate Period and thereafter no later than the Business Day immediately preceding Wednesday of each week during such Weekly Interest Rate Period. The Weekly Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof. If for any reason, the Weekly Interest Rate cannot be determined for any week by the Remarketing Agent as hereinbefore provided, the Weekly Interest Rate for such week shall be a percentage per annum determined by the Indexing Agent equal to 80% of the Treasury Rate. In no event shall the Weekly Interest Rate exceed 15% per annum. The first Weekly Interest Rate determined for each Weekly Interest Rate Period shall apply to the period commencing on the first day of such period and ending on the next succeeding Tuesday. Thereafter, each Weekly Interest Rate shall apply to the period commencing on Wednesday and

ending on the earlier of the next succeeding Tuesday or the day immediately preceding the effective date of the next Interest Rate Period.

(ii) Adjustment to Weekly Interest Rate. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Weekly Interest Rate. Such direction shall specify (1) the effective date of such adjustment to a Weekly Interest Rate, which shall be (A) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, (B) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur, and (C) in the case of an adjustment from a Commercial Paper Interest Rate Period, either the day immediately following the last day of the Commercial Paper Interest Rate Period or, as to any Bond, the day immediately following the last day of the Commercial Paper Term then in effect (or to be in effect) with respect to that Bond, and (2) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Weekly Interest Rate. In addition, the direction shall be accompanied by a Favorable Opinion of Bond Counsel unless the then-current Interest Rate Period is a Daily Interest Rate Period or a Commercial Paper Interest Rate Period. During each Weekly Interest Rate Period commencing on a date so specified and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the Bonds shall be a Weekly Interest Rate.

(iii) Notice of Adjustment to Weekly Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Weekly Interest Rate Period to the Owners of the Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of such Weekly Interest Rate Period. FPL shall cause the form of such notice to be provided to the Registrar. Such notice shall state (1) that the interest rate on the Bonds will be adjusted to a Weekly Interest Rate, (2) the effective date of such Weekly Interest Rate Period, (3) the method by which the Weekly Interest Rate shall be determined during the Weekly Interest Rate Period, (4) the Interest Payment Dates during the Weekly Interest Rate Period, (5) that the Bonds are subject to mandatory tender for purchase on such effective date, setting forth the applicable purchase price, (6) that, subsequent to such effective date, the Owners of the Bonds will have the right to require the purchase of Bonds on any Business Day upon not less than seven days' notice to the Tender Agent, (7) the procedures of such purchase, (8) the optional redemption provisions set forth herein which are applicable to the Bonds during a Weekly Interest Rate Period, and (9) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Weekly Interest Rate.

(f) (i) Determination of Long-Term Interest Rate. During each Long-Term Interest Rate Period, the Bonds shall bear interest at the Long-Term Interest Rate. The Long-Term Interest Rate for the Bonds, or, in the case of an adjustment from a Commercial Paper Interest Rate Period in accordance with Alternative II set forth in Section 201(g)(iv) hereof, the Long-Term

Interest Rate for each Bond, shall be determined by the Remarketing Agent on the effective date, or on a Business Day selected by it not more than 30 days prior to such effective date, of such Long-Term Interest Rate Period, with respect to the Bonds or such Bond. The Long-Term Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such effective date at a price (without regard to accrued interest) equal to the principal amount thereof. If for any reason, the Long-Term Interest Rate for any Long-Term Interest Rate Period cannot be determined by the Remarketing Agent as hereinabove provided, the Long-Term Interest Rate for such Long-Term Interest Rate Period shall be a percentage per annum equal to the Alternate Long-Term Interest Rate Index. Except during a Long-Term Interest Rate Period ending on the day immediately preceding the Maturity Date, the Long-Term Interest Rate shall in no event exceed 15% per annum.

(ii) Adjustment to Long-Term Interest Rate. (A) At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, and upon satisfaction of the conditions set forth in Section 211 hereof, may elect that the Bonds shall bear interest at a Long-Term Interest Rate or Rates. As a part of such election, FPL also may determine that the initial Long-Term Interest Rate Period shall be followed by successive Long-Term Interest Rate Periods. Such direction (A) shall specify the duration of the Long-Term Interest Rate Period or Periods during which the Bonds shall bear interest at such Long-Term Interest Rate or Rates; (B) shall specify the effective date of each such Long-Term Interest Rate Period, which date shall be (1) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, (2) in the case of an adjustment from a Long-Term Interest Rate Period to another Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur, (3) in the case of the determination of successive Long-Term Interest Rate Periods, the day immediately following the last day of the immediately preceding Long-Term Interest Rate Period and (4) in the case of an adjustment from a Commercial Paper Interest Rate Period, the date or dates determined in accordance with Alternatives I or II set forth in Section 201(g)(iv) hereof (provided, that if prior to FPL's making such election, any Bonds shall have been called for redemption and such redemption shall not have theretofore been effected, the effective date of such Long-Term Interest Rate Period shall not precede such redemption date); (C) shall specify the duration of such Long-Term Interest Rate Period or, if successive Long-Term Interest Rate Periods shall have been designated, of each such Long-Term Interest Rate Period, in accordance with Section 201(f)(iii) hereof; (D) shall specify a date or dates on or prior to which Owners are required to deliver such Bonds to be purchased (if other than the effective date); (E) with respect to any such Long-Term Interest Rate Period, may specify redemption prices greater or lesser, and after periods longer or shorter, than those set forth in Section 301(c)(ii) hereof; and (F) state the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Long-Term Interest Rate or Rates.

(B) Unless the Long-Term Interest Rate Period or Periods so determined are part of a series of successive Long-Term Interest Rate Periods which, together with the then-current Long-Term Interest Rate Period, shall be equal in length, as nearly as possible taking into account the requirements of this Section 201(f)(ii), such notice shall be accompanied by a Favorable Opinion of Bond Counsel. In any event, a Favorable Opinion of Bond Counsel shall be required prior to adjustment from a Long-Term Interest Rate Period of a duration in excess of one year to a Long-Term Interest Rate Period of a duration of exactly one year. If FPL shall designate successive Long-Term Interest Rate Periods, but shall not, with respect to the second or any subsequent Long-Term Interest Rate Period, specify any of the information described in clauses (D), (E) or (F) of Section 2.01(f)(ii)(A) above, FPL, by written direction to the Issuer, the Trustee, the Tender Agent and the then current Remarketing Agent, given not later than the third Business Day preceding the 15th day prior to the first day of such Long-Term Interest Rate Period, may specify any of such information not previously specified with respect to such Long-Term Interest Rate Period, accompanied by a Favorable Opinion of Bond Counsel if such opinion was required pursuant to the provisions above at the time of the determination of the initial Long-Term Interest Rate Period. During the Long-Term Interest Rate Period commencing and ending on the dates so determined and during each successive Long-Term Interest Rate Period, if any, so determined, the interest rate borne by the Bonds shall be a Long-Term Interest Rate.

(C) If, in connection with the expiration of any Long-Term Interest Rate Period (other than one of a succession of Long-Term Interest Rate Periods of equal duration, determined as aforesaid), by the Business Day preceding the date on which the Registrar must mail notice to the Owners of an adjustment of Interest Rate Period pursuant to Section 201(f)(iv) hereof, the Trustee shall not have received notice of FPL's election that, during the next succeeding Interest Rate Period, the Bonds shall bear interest at a Daily Interest Rate, a Weekly Interest Rate or a Long-Term Interest Rate, or at Commercial Paper Term Rates, the next succeeding Interest Rate Period shall be (i) if the Long-Term Interest Rate Period to expire is longer than one year in duration, a Long-Term Interest Rate Period ending on the day immediately preceding the next Interest Payment Date which is at least one year and one day after the first day of the new Long-Term Interest Rate Period, in which case no Favorable Opinion of Bond Counsel need be delivered and FPL shall not be required to deliver First Mortgage Bonds or other credit enhancement to the Trustee pursuant to Section 5.3 of the Agreement in connection with the commencement of the new Long-Term Interest Rate Period or (ii) if the Long-Term Interest Rate Period to expire is one year in duration, a Daily Interest Rate Period, in which case no Favorable Opinion of Bond Counsel need be delivered.

(iii) Selection of Long-Term Interest Rate Period. The Long-Term Interest Rate Period shall be established by FPL in the notice given pursuant to Section 201(f)(ii) hereof (the first such Long-Term Interest Rate Period commencing on the date of adjustment of the Bonds to the Long-Term Interest Rate) and thereafter each successive Long-Term Interest Rate Period shall be the same as that so established by FPL until a different Long-Term Interest Rate Period is specified by FPL in accordance with this Section or until the adjustment of the Bonds to a Daily, Weekly or Commercial Paper Interest Rate Period or the Maturity Date. Each Long-Term Interest Rate Period shall be at least one year in duration and shall end on the day next preceding an Interest Payment Date (which must be a Business Day). Prior to the adjustment to a Long-Term Interest Rate Period or the commencement of any subsequent Long-Term Interest

Rate Period, and except as otherwise provided in Section 5.3 of the Agreement, FPL shall deliver First Mortgage Bonds to the Trustee in compliance with said Section 5.3 of the Agreement, in the principal amount of the then Outstanding Bonds and maturing on the last day of such Long-Term Interest Rate Period. Except as otherwise provided in Section 5.3 of the Agreement, if the First Mortgage Bonds are not delivered prior to the adjustment to a Long-Term Interest Rate Period or the commencement of any subsequent Long-Term Interest Rate Period, the Bonds shall bear interest (i) if the Interest Rate Period to expire is of one year or less in duration, at the Daily Interest Rate, and (ii) if the Interest Rate Period to expire is longer than one year in duration, at the Long-Term Interest Rate for a Long-Term Interest Rate Period ending on the day immediately preceding the next Interest Payment Date which is at least one year and one day after the first day of the new Long-Term Interest Rate Period.

(iv) Notice of Adjustment to Long-Term Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Long-Term Interest Rate Period to the Owners of the Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date (or each effective date in the case of an adjustment from a Commercial Paper Interest Rate Period in accordance with Alternative II set forth in Section 201(g)(iv) hereof) of such Long-Term Interest Rate Period. FPL shall cause the form of such notice to be provided to the Registrar. Such notice shall state: (1) that the interest rate on the Bonds shall be adjusted to a Long-Term Interest Rate, (2) the effective date or dates and the last day of such Long-Term Interest Rate Period, (3) that the Long-Term Interest Rate or Rates for such Long-Term Interest Rate Period will be determined on or prior to the effective date or dates thereof, (4) how such Long-Term Interest Rate or Rates may be obtained from the Remarketing Agent, (5) the Interest Payment Dates during the Long-Term Interest Rate Period, (6) that the Bonds are subject to mandatory tender for purchase on such effective date, (7) that, during such Long-Term Interest Rate Period, the Owners of the Bonds will not have the right to require the purchase of Bonds, (8) the optional redemption provisions set forth herein that are applicable to the Bonds during such Long-Term Interest Rate Period, (9) either (A) that the adjustment is conditioned upon the Trustee receiving First Mortgage Bonds in compliance with Section 5.3 of the Agreement or (B) that the adjustment is conditioned upon the Trustee receiving other credit enhancement in compliance with Section 5.3 of the Agreement and describing such credit enhancement and the provider thereof, and (10) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Long-Term Interest Rate or Rates.

(v) Adjustment from Long-Term Interest Rate Period. In addition to an adjustment from a Long-Term Interest Rate Period on the day immediately following the last day of the Long-Term Interest Rate Period, at any time during a Long-Term Interest Rate Period (subject to the provisions set forth in this paragraph (v)) FPL may elect that the Bonds no longer shall bear interest at a Long-Term Interest Rate and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Term Rates or a new Long-Term Interest Rate, as specified in such election. In the notice of such election, FPL shall also specify (1) the effective date of the new Interest Rate Period, which date shall be no earlier than the first date, not less than thirty-five days following the date of receipt by the Trustee of the notice of election from FPL, on which the Bonds shall be subject to optional redemption in accordance with Section 301(c)(ii) hereof, and (2) the name and Principal Office of the Remarketing Agent while the

Bonds bear interest based on such new interest rate determination method. Bonds shall be subject to mandatory tender for purchase on the effective date of the new Interest Rate Period thereof, in accordance with Section 202(d) hereof, at a purchase price equal to the optional redemption price set forth in Section 301(c)(ii) hereof which would be applicable on that date. Notwithstanding any other provision of this Indenture, in the event that FPL elects to adjust from a Long-Term Interest Rate Period prior to the day following the last day thereof, the Registrar shall give the notice of adjustment to the new Interest Rate Period required by Sections 201(d)(iii), (e)(iii), (f)(iv) and (g)(iii), as applicable, not less than 30 days prior to the effective date of the new Interest Rate Period.

(g) (i) Determination of Commercial Paper Terms and Commercial Paper Term Rates. (A) During each Commercial Paper Interest Rate Period, each Bond shall bear interest during each Commercial Paper Term for such Bond at the Commercial Paper Term Rate for such Bond. Each of such Commercial Paper Terms and Commercial Paper Term Rates for each Bond shall be determined by the Remarketing Agent no later than the first day of each Commercial Paper Term. Each Commercial Paper Term for each Bond shall be a period of not more than 364 days, determined by the Remarketing Agent to be the period which, together with all other Commercial Paper Terms for all Bonds then Outstanding, will result in the lowest overall interest expense on the Bonds over the next succeeding 364 days. However, any Bond purchased on behalf of FPL and remaining unsold by the Remarketing Agent as of the close of business on the first day of the Commercial Paper Term for that Bond shall have a Commercial Paper Term of one day or, if that Commercial Paper Term would not end on a day immediately preceding a Business Day, a Commercial Paper Term ending on a day immediately preceding the next Business Day. Further, each Commercial Paper Term shall end on either a day which immediately precedes a Business Day or on the day immediately preceding the Maturity Date. If for any reason a Commercial Paper Term for any Bond can not be so determined by the Remarketing Agent, such Commercial Paper Term either (1) shall have the same number of days as the immediately preceding Commercial Paper Term for such Bond, (2) if there should be no such immediately preceding Commercial Paper Term, shall be 30 days, (3) if the last day determined in accordance with clause (1) or (2) above shall not be a day immediately preceding a Business Day, shall end on the first day immediately preceding the Business Day next succeeding such last day, or (4) if such last day would be on or after the Maturity Date, shall end on the day immediately preceding the Maturity Date. In determining the number of days in each Commercial Paper Term, the Remarketing Agent shall take into account the following factors: (I) existing short-term tax-exempt market rates and indices of such short-term rates, (II) the existing market supply and demand for short-term tax-exempt securities, (III) existing yield curves for short-term and long-term tax-exempt securities for obligations of credit quality comparable to the Bonds, (IV) general economic conditions, (V) industry economic and financial conditions that may affect or be relevant to the Bonds, and (VI) such other facts, circumstances and conditions as the Remarketing Agent, in its sole discretion, shall determine to be relevant. Not later than 12:30 p.m. on the first day of each Commercial Paper Term the Remarketing Agent shall notify the Tender Agent of each Commercial Paper Term and Commercial Paper Term Rate established on such day.

(B) The Commercial Paper Term Rate for each Commercial Paper Term for each Bond shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing

Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by such Bond, would enable the Remarketing Agent to sell such Bond on the date and at the time of such determination at a price (without regard to accrued interest) equal to the principal amount thereof. If for any reason, the Commercial Paper Term Rate for any Commercial Paper Term cannot be so determined by the Remarketing Agent as hereinabove provided, the Commercial Paper Term Rate for such Bond for such Commercial Paper Term shall be a percentage per annum, determined by the Remarketing Agent on the basis of the table set forth below, equal to the applicable percentage of the interest rate for taxable commercial paper (prime paper placed through dealers) of the applicable term most recently announced by the Federal Reserve Bank of New York at the time of such determination (where t = the maximum marginal corporate tax rate of federal income taxation):

Duration of the next Commercial Paper Term	Applicable Term of Commercial Paper	Applicable Percentage
1 – 30 days	30 days	1.00 (1-t)
31 – 60 days	60 days	1.05 (1-t)
61 – 180 days	90 days	1.15 (1-t)
181 – 364 days	180 days	1.20 (1-t)

In no event shall any Commercial Paper Term Rate exceed 15% per annum.

(ii) Adjustment to Commercial Paper Term Rates. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at Commercial Paper Term Rates. Such direction shall specify (1) the effective date of the Commercial Paper Interest Rate Period (during which the Bonds shall bear interest at Commercial Paper Term Rates), which shall be (A) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, and (B) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur; provided that, if prior to FPL's making such election any Bonds shall have been called for redemption and such redemption shall not have theretofore been effected, the effective date of such Commercial Paper Interest Rate Period shall not precede such redemption date; and (2) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Commercial Paper Term Rates. In addition, the direction shall be accompanied by a Favorable Opinion of Bond Counsel unless the then-current Interest Rate Period is a Daily Interest Rate Period or a Weekly Interest Rate Period. During each Commercial Paper Interest Rate Period commencing on the date so specified and ending, with respect to each Bond, on the day immediately preceding the effective date of the next succeeding Interest Rate Period with respect to such Bond, each Bond shall bear interest at a Commercial Paper Term Rate during each Commercial Paper Term for such Bond.

(iii) Notice of Adjustment to Commercial Paper Term Rates. The Registrar shall give notice by first-class mail of an adjustment to a Commercial Paper Interest Rate Period to the Owners of the Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of such Commercial Paper Interest Rate Period. FPL shall cause the form of such notice to be provided to the Registrar. Such notice shall state (1) that during such Commercial Paper Interest Rate Period, each Bond will have one or more consecutive Commercial Paper Terms during each of which such Bond will bear a Commercial Paper Term Rate, (2) the effective date of such Commercial Paper Interest Rate Period, (3) that, for each Bond, a Commercial Paper Term and a Commercial Paper Term Rate therefor will be determined not later than the first day of each such Commercial Paper Term, (4) how such Commercial Paper Terms and Commercial Paper Term Rates may be obtained from the Remarketing Agent, (5) that interest on each Bond will be paid on the day next succeeding the last day of each Commercial Paper Term but only upon presentation of such Bond to the Tender Agent, (6) that the Bonds are subject to mandatory tender for purchase on the effective date of such Commercial Paper Interest Rate Period, setting forth the applicable purchase price, (7) that, subsequent to such effective date, each Bond shall be purchased on the day following the last day of each Commercial Paper Term with respect thereto, (8) the optional redemption provisions set forth herein which are applicable to the Bonds during a Commercial Paper Interest Rate Period, and (9) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Commercial Paper Term Rates.

(iv) Adjustment from Commercial Paper Interest Rate Period. At any time during a Commercial Paper Interest Rate Period, FPL may elect, pursuant to Section 201(d)(ii), (e)(ii) or (f)(ii) hereof, that the Bonds no longer shall bear interest at Commercial Paper Term Rates and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate or a Long-Term Interest Rate, as specified in such election. Such election also shall specify an alternative from the immediately succeeding Alternatives (I) and (II) and, in accordance with such election, the Remarketing Agent shall effect one of such alternatives:

> Alternative (I): determine Commercial Paper Terms of such duration that, as soon as possible, all Commercial Paper Terms shall end on the same date, not less than 14 days following the second Business Day after the receipt by the Trustee of the direction of FPL effecting such election; or
>
> Alternative (II): determine Commercial Paper Terms of such duration that will, in the judgment of the Remarketing Agent, best promote an orderly transition to the next succeeding Interest Rate Period.

If Alternative (I) above shall be selected, the date on which all Commercial Paper Terms so determined shall end shall be the last day of the then-current Commercial Paper Interest Rate Period and the day next succeeding such date shall be the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period elected by FPL. If Alternative (II) above shall be selected, beginning on the 14th day following the second Business Day after the receipt by the Trustee of the direction of FPL effecting such election, the day next succeeding the last day of the Commercial Paper Term determined in accordance with

Alternative (II) with respect to each Bond shall be, with respect to such Bond, the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period elected by FPL. The Remarketing Agent, promptly upon the determination thereof, shall give written notice of each such last date and each such effective date with respect to each Bond to the Issuer, FPL, the Trustee and the Tender Agent.

(v) During any transition period from a Commercial Paper Interest Rate Period to the next succeeding Interest Rate Period in accordance with Alternative (II) of Section 201(g)(iv) hereof, Bonds bearing interest at a Commercial Paper Term Rate shall be governed by the provisions of this Indenture applicable to a Commercial Paper Interest Rate Period and Bonds bearing interest at a Daily Interest Rate, Weekly Interest Rate or Long-Term Interest Rate, as applicable, shall be governed by the provisions of this Indenture applicable to such Interest Rate Period.

(h) The determination of the Alternate Long-Term Interest Rate Index and the Treasury Rate by the Indexing Agent and the determination of each Daily Interest Rate, Weekly Interest Rate and Long-Term Interest Rate and each Commercial Paper Term and Commercial Paper Term Rate by the Remarketing Agent shall be conclusive and binding upon the Remarketing Agent, the Indexing Agent, the Trustee, the Tender Agent, the Issuer, FPL, and the Owners of the Bonds.

(i) The Bonds shall be numbered from 1 consecutively upwards in order of authentication.

(j) Notwithstanding anything to the contrary contained in this Indenture, FPL may at any time, by written direction of an Authorized FPL Representative to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, elect that the Bonds shall bear interest based on an alternate interest rate determination method not included under the provisions of this Indenture. Such direction shall set forth in full the details of such interest rate determination method, including (without limitation) the manner of determining interest rates, the effective date of adjustment, the term of the interest rate period, the interest payment dates, the provisions for tender for purchase and redemption, if any, and the name and Principal Office of the Remarketing Agent while the Bonds bear interest based on such interest rate determination method, and shall include the form of Bonds incorporating such details; provided, however, that the effective date of such adjustment shall be (A) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, (B) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur, and (C) in the case of an adjustment from a Commercial Paper Interest Rate Period, either the day immediately following the last day of the Commercial Paper Interest Rate Period or, as to any Bond, the day immediately following the last day of the Commercial Paper Interest Term then in effect (or to be in effect) with respect to that Bond. In addition, the direction shall be accompanied by a Favorable Opinion of Bond Counsel. The Issuer, the Trustee, the Registrar, the Tender Agent, the Remarketing Agent and

FPL shall take such actions and enter into such documents, and FPL shall appoint such additional parties, as may be necessary to effectuate such direction.

SECTION 202. Purchase of Bonds.

(a) During Daily Interest Rate Period. During any Daily Interest Rate Period, any Bond or portion thereof in an Authorized Denomination shall be purchased from its Owner at the option of the Owner on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date, in which case at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its Principal Office, by no later than 10:30 a.m., New York City time, on such Business Day, of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by tested telex, telecopy or other writing, which states the principal amount of such Bond or such portion thereof and the date of purchase. For payment of such purchase price on the date specified in such notice, such Bond must be delivered, at or prior to 12:00 Noon, New York City time, on such Business Day, to the Tender Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly-authorized attorney, with such signature guaranteed by an "eligible guarantor institution" as defined in Regulation 17Ad-15 of the Securities Exchange Act of 1934 (an "Eligible Guarantor Institution"). Notwithstanding the foregoing, during any period when the Bonds are registered in the name of Cede & Co. or such other nominee of DTC as DTC shall designate and held by DTC in its book-entry system, the optional tender of Bonds shall be accomplished in accordance with the Letter of Representations with DTC with respect to the Bonds and a tender of such Bonds must be initiated by the delivery of a notice to the Tender Agent in the form set forth as Exhibit B hereto.

(b) During Weekly Interest Rate Period. During any Weekly Interest Rate Period, any Bond or portion thereof in an Authorized Denomination shall be purchased from its Owner at the option of the Owner on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest, if any, from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date in which case at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its Principal Office of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by tested telex, telecopy or other writing, which states the principal amount of such Bond or such portion thereof and the date on which the same shall be purchased, which date shall be a Business Day not prior to the seventh day next succeeding the date of the delivery of such notice to the Tender Agent. For payment of such purchase price on the date specified in such notice, such Bond must be delivered, at or prior to 12:00 Noon, New York City time, on the date specified in such notice, to the Tender Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution. Notwithstanding the foregoing, during any period when the Bonds are registered in the name of Cede & Co. or such other nominee of DTC as DTC shall designate and held by DTC in its book-entry system, the optional tender of Bonds shall be accomplished in

accordance with the Letter of Representations with DTC with respect to the Bonds and a tender of such Bonds must be initiated by the delivery of a notice to the Tender Agent in the form set forth as Exhibit B hereto.

(c) Mandatory Tender for Purchase On Business Day Next Succeeding the Last Day of Each Commercial Paper Term. On the Business Day next succeeding the last day of each Commercial Paper Term for a Bond, unless such day is the first day of a new Interest Rate Period (in which event Section 202(d) hereof shall be applicable), such Bond shall be purchased from its Owner, at a purchase price equal to the principal amount thereof, payable in immediately available funds. For payment of such purchase price on such day, such Bond must be delivered, at or prior to 12:30 p.m., New York City time, on such day, to the Tender Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution.

(d) Mandatory Tender for Purchase on First Day of Each Interest Rate Period. The Bonds shall be subject to mandatory tender for purchase on the first day of each Interest Rate Period, at a purchase price, payable in immediately available funds, equal to 100% of the principal amount of the Bonds or, in the case of a purchase on the first day of an Interest Rate Period which shall be preceded by a Long-Term Interest Rate Period and which shall commence prior to the day originally established as the last day of such preceding Long-Term Interest Rate Period, at a purchase price equal to the optional redemption price set forth in Section 301(c)(ii) which would have been applicable to the Bonds on such mandatory purchase date if such preceding Long-Term Interest Rate Period had continued to the day originally established as its last day.

(e) Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of Bonds in accordance with Section 202(d) hereof, the Registrar shall give notice as a part of the notice given pursuant to Sections 201(d)(iii), (e)(iii), (f)(iv) or (g)(iii) hereof. Such notice shall state (i) the type of Interest Rate Period to commence on such mandatory purchase date; (ii) that the purchase price of any Bond so subject to mandatory purchase shall be payable only upon surrender of such Bond to the Tender Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution; and (iii) that all Bonds so subject to mandatory tender for purchase shall be purchased on the mandatory purchase date.

(f) Irrevocable Notice Deemed to be Tender of Bond; Undelivered Bonds. (i) The giving of notice by an Owner of a Bond as provided in Sections 202(a) or (b) hereof, shall constitute the irrevocable tender for purchase of each Bond with respect to which such notice shall have been given irrespective of whether such Bond shall be delivered as provided in such Section, except that Bonds held at DTC and for which an optional tender has been made by delivery of the notice set forth as Exhibit B hereto shall not be purchased unless such Bonds are transferred to the account of the Tender Agent on the tender date as provided in such notice. Further, each Bond shall be deemed irrevocably tendered for purchase on the first day of each Commercial Paper Term or Interest Rate Period as provided in Sections 202(c) or (d) hereof, in each case irrespective of whether such Bond shall be delivered as provided in this Section.

(ii) The Tender Agent may refuse to accept delivery of any Bonds for which a proper instrument of transfer has not been provided. In the event that any Owner of a Bond who shall have given notice of tender for purchase pursuant to Sections 202(a) or (b) hereof, or the Owner of any Bond subject to mandatory tender for purchase pursuant to Section 202(c) or (d) hereof, shall fail to deliver such Bond to the Tender Agent at the place and on the applicable date and time specified, or shall fail to deliver such Bond properly endorsed, such Bond shall constitute an Undelivered Bond. If funds in the amount of the purchase price of the Undelivered Bond are available for payment to the Owner thereof on the date and at the time specified, from and after the date and time of that required delivery, (i) the Undelivered Bond shall no longer be deemed to be Outstanding under this Indenture; (ii) interest shall no longer accrue thereon; and (iii) funds in the amount of the purchase price of the Undelivered Bond shall be held by the Tender Agent for the benefit of the Owner thereof (provided that the Owner shall have no right to any investment proceeds derived from such funds), to be paid on delivery (or proper endorsement) of the Undelivered Bond to the Tender Agent. Any funds held by the Tender Agent as described in clause (iii) of the preceding sentence shall be held uninvested.

SECTION 203. Execution and Payment. The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signatures of the Chairman and attested by the Clerk, and the official seal of the County Board shall be impressed or a facsimile thereof imprinted thereon.

In case any officer whose signature or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until such delivery, and also any Bond may be signed by or bear the facsimile signature of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

Principal or redemption price of and interest on the Bonds shall be payable, without deduction for the services of any paying agent, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, subject to the further provisions of this Section, (i) in the case of principal or redemption price of such Bond, when due, upon presentation and surrender of such Bond at the Principal Office of the Trustee or at the office, designated by the Trustee, of any other paying agent and (ii) in the case of interest on such Bond, on each Interest Payment Date by check mailed on that date to the address of the person entitled thereto, as of the applicable Record Date, as such address appears on the registration books of the Issuer hereinafter provided or, except for interest in respect of a Long-Term Interest Rate Period, upon the request of each Owner of Bonds who has provided deposit or transfer instructions to the Paying Agent at least two Business Days prior to such Record Date, deposited in immediately available funds to the account of such Owner maintained with the Paying Agent or transmitted by wire transfer to the account of such Owner maintained with a commercial bank located within the United States of America, but, in the case of interest payable in respect of a Commercial Paper Term, only upon delivery of such Bond to the Tender Agent.

If and to the extent, however, that payment or provision for payment of interest on any Bond on any Interest Payment Date is not made, that interest shall cease to be payable to the

Owner of that Bond as of the applicable Record Date. When moneys become available for payment of the interest, (a) the Trustee shall establish a Special Record Date for the payment of that interest which shall be not more than 15 nor fewer than 10 days prior to the date of the proposed payment, and (b) the Trustee shall give notice by first-class mail of the proposed payment and of the Special Record Date to each Owner not fewer than 10 days prior to the Special Record Date and, thereafter, the interest shall be payable to the Owners of the Bonds as of the Special Record Date at the close of business on the Special Record Date.

Notwithstanding any provision of this Indenture or of any Bond, the Trustee or the Paying Agent may enter into an agreement with any holder of 100% in aggregate principal amount of the Bonds of a series providing for making any or all payments to that holder of principal or redemption price of and interest on that Bond or any part thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner other than as provided in this Indenture and in the Bond, without presentation or surrender of the Bond, and for giving any notice required hereunder, upon any conditions that shall be satisfactory to the Trustee, the Paying Agent and FPL; provided that no such agreement with such a holder shall provide for less notice than is otherwise provided for herein.

The Trustee or the Paying Agent, as the case may be, will furnish a copy of each of those agreements, certified to be correct by an officer of the Trustee, to FPL. Any payment of principal, redemption price or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Indenture.

SECTION 204. Authentication of Bonds. Only such of the Bonds having endorsed thereon a certificate of authentication substantially in the form set forth in Exhibit A hereto, duly executed by the Registrar, shall be entitled to any benefit or security under this Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Registrar, and such certificate of the Registrar upon any such Bond shall be conclusive evidence that such Bond has been duly issued and delivered under this Indenture. The Registrar's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized signatory of the Registrar, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time.

SECTION 205. Exchange of Bonds. Upon surrender thereof at the Principal Office of the Registrar, Bonds may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of any denomination or denominations authorized by this Indenture, and bearing interest at the same rate as the Bonds surrendered for exchange.

SECTION 206. Transfer of Bonds. The Tender Agent is hereby appointed as Registrar and as such shall keep books for the registration and for the registration of transfer of Bonds as provided in this Indenture, provided that during a Long-Term Interest Rate Period, the Trustee shall be and is hereby appointed as Registrar, with responsibility for the duties of the Registrar hereunder.

At reasonable times and under reasonable regulations established by the Registrar, the books for the registration and registration of transfer of Bonds may be inspected and copied by

the Issuer, the Trustee, FPL, or by Owners (or a designated representative thereof) of 25% or more in principal amount of the Bonds then Outstanding, the authority of any such designated representative to be evidenced to the satisfaction of the Registrar.

The Issuer, the Trustee, the Tender Agent, the Paying Agent and the Remarketing Agent may deem and treat the Owner of any Bond as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest and any premium on, or the purchase price of, such Bond and for all other purposes, and neither the Issuer, the Trustee, the Tender Agent, the Paying Agent nor the Remarketing Agent shall be affected by any notice to the contrary. All such payments so made to any such Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The transfer of any Bond may be registered only upon the books kept for the registration and registration of transfer of Bonds upon surrender thereof to the Registrar, together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Registrar. Upon any such registration of transfer the Issuer shall execute and the Registrar shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this Indenture, in an aggregate principal amount equal to the principal amount of such Bonds and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Issuer shall execute and the Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Registrar. The Issuer or the Registrar may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or registration of transfer, and such charge shall be paid before any such new Bond shall be delivered. Except in connection with the remarketing of Bonds, neither the Issuer nor the Registrar shall be required to make any such exchange or registration of transfer of Bonds, in the case of any proposed redemption of Bonds, during the 15 days immediately preceding the selection of Bonds for such redemption or after any such Bond or any portion thereof has been called for redemption.

SECTION 207. Ownership of Bonds. Except as provided in Section 203 hereof, the person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of and premium, if any, and interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his registered assigns on the applicable Record Date. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

Any owner of any Bond is hereby granted power to transfer absolute title thereto by assignment thereof to a bona fide purchaser for value (present or antecedent) without notice of prior defenses or equities or claims of ownership enforceable against his assignor or any person in the chain of title and before the maturity of such Bond. Every prior owner of any Bond shall

be deemed to have waived and renounced all of his equities or rights therein in favor of every such bona fide purchaser, and every such bona fide purchaser shall acquire absolute title thereto and to all rights represented thereby.

SECTION 208. Prerequisite to Execution of Bonds. The Bonds shall be executed substantially in the form and manner herein set forth and shall be deposited with the Registrar for authentication, but prior to or simultaneously with the authentication and delivery of the Bonds by the Registrar there shall be delivered to the Trustee the following:

(a) copies, certified by the Clerk, of the resolutions adopted by the Issuer authorizing the issuance, sale and delivery of the Bonds and the execution and delivery of the Interlocal Agreements, the Agreement and this Indenture;

(b) executed counterparts or certified copies of the Interlocal Agreements, the Agreement and this Indenture;

(c) opinions of counsel for the Issuer or Bond Counsel, addressed to the Trustee, to the effect that the execution and delivery of the Agreement have been duly authorized by the Issuer, that the Agreement is in substantially the form so authorized and has been duly executed and delivered by the Issuer and that, assuming proper authorization and the execution and delivery of the Agreement by FPL, the Agreement is valid and binding on the Issuer in accordance with its terms;

(d) an opinion of counsel for FPL, addressed to the Trustee, to the effect that (i) the execution and delivery of the Agreement have been duly authorized by FPL, that the Agreement is in substantially the form so authorized and has been duly executed and delivered by FPL and that, assuming proper authorization, execution and delivery of the Agreement by the Issuer, the Agreement is valid and binding on FPL in accordance with its respective terms, and (ii) all approvals of the provisions of this Indenture and the terms and price of the Bonds have been given on behalf of FPL by a duly authorized representative of FPL;

(e) an opinion of Bond Counsel to the effect that the interest on the Bonds is excluded from gross income of the holders thereof for purposes of federal income taxes under the then existing laws of the United States of America and a reliance letter addressed to the Trustee with respect to such opinion;

(f) an opinion of Bond Counsel, addressed to the Trustee, to the effect that the issuance of the Bonds and the execution of this Indenture have been duly and validly authorized by the Issuer and that all conditions precedent to the delivery of the Bonds have been fulfilled, and that the Bonds and this Indenture are valid and binding obligations of the Issuer in accordance with their terms;

(g) a request and authorization of the Issuer, signed by the Chairman, to the Registrar to authenticate and deliver the Bonds to such person or persons named therein upon payment to the Trustee for the account of the Issuer of a sum specified therein.

When the documents mentioned above in this Section shall have been filed with the Trustee and when the Bonds shall have been executed as required by this Indenture, the Registrar

shall authenticate the Bonds and deliver them to or upon the order of the purchasers named in the resolution mentioned in clause (a) of this Section, but only upon payment to the Trustee for the account of the Issuer of the purchase price of the Bonds (other than accrued interest on the Bonds, to be deposited pursuant to Section 502 hereof). The Trustee shall be entitled to rely upon such resolution, or any certificate of award authorized by such resolution, as to the names of the purchasers, the interest rate or rates and periods of the Bonds and the amount of such purchase price.

The amount of the proceeds representing accrued interest on the Bonds shall be deposited by the Trustee in accordance with Section 502 hereof simultaneously with the delivery of the Bonds. The balance of the proceeds received from the sale of the Bonds shall be transferred by the Trustee to the Prior Trustee for deposit in accordance with Section 401 hereof simultaneously with the delivery of said Bonds.

SECTION 209. Temporary Bonds. Until definitive Bonds are ready for delivery, there may be executed, and upon request of the Issuer the Registrar shall authenticate and deliver, in lieu of definitive Bonds and subject to the same limitations and conditions, temporary Bonds, in the form of registered Bonds without coupons in Authorized Denominations, substantially of the tenor set forth in Exhibit A hereto and with such appropriate omissions, insertions and variations as may be required. Until definitive Bonds are ready for delivery, any temporary Bond may, if so provided by the Issuer by resolution, be exchanged at the Principal Office of the Registrar, without charge to the holder thereof, for an equal aggregate principal amount of temporary registered Bonds without coupons, of like tenor and bearing interest at the same rate.

If temporary Bonds shall be issued, the Issuer shall cause the definitive Bonds to be prepared and to be executed and delivered to the Registrar, and the Registrar, upon presentation to it at its Principal Office of any temporary Bond shall cancel the same and authenticate and deliver in exchange therefor at the Principal Office of the Registrar, without charge to the holder thereof, a definitive Bond or Bonds of an equal aggregate principal amount and bearing interest at the same rate as the temporary Bond surrendered. Until so exchanged the temporary Bonds shall in all respects be entitled to the same benefit and security of this Indenture as the definitive Bonds to be issued and authenticated hereunder.

SECTION 210. Mutilated, Destroyed, Stolen or Lost Bonds. In case any Bond secured hereby shall become mutilated or be destroyed, stolen, or lost, the Issuer shall cause to be executed, and the Registrar shall authenticate and deliver, a new Bond of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond destroyed, stolen, or lost, upon the holder's paying the reasonable expenses and charges of the Issuer and the Registrar in connection therewith and, in the case of a Bond destroyed, stolen, or lost, his filing with the Registrar evidence satisfactory to it, the Issuer and FPL that such Bond was destroyed, stolen, or lost, and of his ownership thereof and furnishing the Issuer, the Registrar, the Trustee and FPL indemnity satisfactory to each of them.

In case any such mutilated, destroyed, stolen or lost Bond has become or is about to become due and payable, the Issuer, at the direction of FPL, may, instead of issuing a new Bond, direct the Trustee to pay such Bond.

SECTION 211. Delivery of First Mortgage Bonds. (a) As a condition of the adjustment of the Bonds to a Long-Term Interest Rate Period or of the commencement of any subsequent Long-Term Interest Rate Period, except as otherwise set forth in Sections 201(f)(ii)(C) and 201(f)(iii) hereof and in Section 5.3 of the Agreement, FPL shall deliver, on or before the effective date of such adjustment or the commencement of any subsequent Long-Term Interest Rate Period, as the case may be, First Mortgage Bonds to the Trustee in an aggregate principal amount equal to the then outstanding principal amount of the Bonds, which First Mortgage Bonds shall bear interest at the then applicable Long-Term Interest Rate, shall mature on the last day of such Long-Term Interest Rate Period and shall comply with Section 5.3 of the Agreement.

(b) FPL may, (i) so long as no default or event of default has occurred and is continuing under this Indenture, at its sole option, or (ii) if a default or event of default has occurred and is continuing under this Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, deliver at any other times First Mortgage Bonds in an aggregate principal amount equal to the then outstanding principal amount of the Bonds, which First Mortgage Bonds shall bear interest at then applicable interest rates, shall mature on the Maturity Date and shall comply with Section 5.3 of the Agreement.

SECTION 212. Rights Under the Agreement and any First Mortgage Bonds. The Agreement, a duly executed counterpart of which has been filed with the Trustee, and any First Mortgage Bond shall set forth the covenants and obligations of the Issuer and FPL, including provisions that subsequent to the issuance of the First Mortgage Bonds and prior to the payment in full or provision for payment of the Bonds in accordance with the provisions hereof, the Agreement and any First Mortgage Bond may not be effectively amended, changed, modified, altered or, except as provided in Section 5.3 of the Agreement, terminated without the written consent of the Trustee, and reference is hereby made to the same for a detailed statement of said covenants and obligations of FPL thereunder, and that the Trustee may enforce all rights of the Issuer and all obligations of FPL under and pursuant to the Agreement or any First Mortgage Bond for and on behalf of the Bondholders, whether or not the Issuer is in default hereunder.

SECTION 213. Rights of Trustee Regarding First Mortgage Bonds. (a) For so long as the Trustee shall hold First Mortgage Bonds pursuant to Section 211 hereof, the Trustee shall have and may exercise, in the manner and upon the terms and conditions set forth herein, all the rights and remedies provided in the Mortgage for holders of bonds issued thereunder, including, without limitation, the right to receive payments of principal of and interest on the First Mortgage Bonds.

(b) For so long as the Trustee shall hold First Mortgage Bonds pursuant to Section 211 hereof, the Trustee covenants and agrees, as the holder of such First Mortgage Bonds, to attend any meeting of bondholders under Article XIX of the Mortgage or, at its option, to deliver its proxy in connection therewith. Either at such meeting, or otherwise when the consent of the holders of FPL's first mortgage bonds issued under the Mortgage is sought without a meeting, the Trustee shall vote as the holder of the First Mortgage Bonds, or shall consent with respect thereto, proportionately with what the Trustee reasonably believes will be the vote or consent of the holders of all other first mortgage bonds of FPL then outstanding under the Mortgage the holders of which vote or consent; provided, however, that the Trustee shall not vote as such

holder in favor of, or give its consent to, any amendment or modification of the Mortgage which is correlative to any amendment or modification of this Indenture referred to in Section 1102 hereof without the prior consent and approval, obtained in the manner prescribed in Section 1102 hereof, of the holders of Bonds which would be required under Section 1102 hereof for such correlative amendment or modification of the Indenture.

SECTION 214. Release of First Mortgage Bonds. (a) The Issuer and the Trustee covenant that FPL shall be entitled to such credits and the release of such First Mortgage Bonds as provided in this Section 214, the Agreement and the corresponding supplemental indenture of the Mortgage.

(b) With respect to First Mortgage Bonds delivered pursuant to Section 211(a) hereof, upon adjustment from a Long-Term Interest Rate Period to a Daily, Weekly, Commercial Paper or another Long-Term Interest Rate Period pursuant to the provisions hereof, the Trustee shall, in accordance with the provisions hereof, surrender for cancellation to the First Mortgage Trustee or to FPL, within five (5) business days thereafter, the First Mortgage Bonds relating to the Long-Term Interest Rate Period then ending, together with such appropriate instruments of release as may be required in order to release any claim of the Trustee for the payment of the amount of principal of or interest on such First Mortgage Bonds.

(c) With respect to First Mortgage Bonds delivered pursuant to Section 211(b) hereof, the Trustee shall, (i) so long as no default or event of default has occurred and is continuing under this Indenture, at the sole option of FPL, or (ii) if a default or event of default has occurred and is continuing under this Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, upon receipt of written instructions of FPL and a Favorable Opinion of Bond Counsel, surrender for cancellation to the First Mortgage Trustee or to FPL, within five (5) Business Days thereafter, such First Mortgage Bonds, together with such appropriate instruments of release as may be required in order to release any claim of the Trustee for the payment of the amount of principal of or interest on such First Mortgage Bonds.

ARTICLE III

REDEMPTION OF BONDS

SECTION 301. Redemption Dates and Prices.

(a) The Bonds issued under the provisions of this Indenture shall not be subject to prior redemption except as provided or permitted in this Article III.

(b) During any Long-Term Interest Rate Period, in the event of a prepayment by FPL of Loan Repayments with respect to the Bonds pursuant to subsection (a) of Section 10.1 of the Agreement, the Bonds shall be redeemed in whole on the date selected by FPL at the principal amount thereof plus accrued interest to the redemption date, if:

(i) FPL has determined that the continued operation of any of the Units or any portion of the Project is impracticable, uneconomical or undesirable; or

(ii) all or substantially all of any of the Units or any portion of the Project shall have been condemned or taken by eminent domain; or

(iii) the operation by FPL of any of the Units or any portion of the Project shall have been enjoined for a period of at least six consecutive months; or

(iv) as a result of any change in the Constitution of the State of Florida or the Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after any contest thereof by FPL in good faith, the Indenture, the Agreement or the Bonds shall become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement.

(c) In the event of a prepayment by FPL of all or a portion of the Loan Repayments, together with interest thereon, pursuant to subsection (b) of Section 10.1 of the Agreement, the Bonds shall be subject to redemption prior to maturity as follows:

(i) (A) On any Business Day during a Daily Interest Rate Period or a Weekly Interest Rate Period, the Bonds shall be subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at 100% of their principal amount, plus accrued interest, if any, to the redemption date.

(B) On the day succeeding the last day of any Commercial Paper Term with respect to any Bond, such Bond shall be subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at 100% of its principal amount.

(ii) During any Long-Term Interest Rate Period, the Bonds shall be subject to optional redemption by the Issuer, at the direction of FPL, on the first day thereof, in whole or in part, at the redemption price of 100% of their principal amount, and thereafter, during the periods specified below or specified in the notice of FPL to the Trustee, the Tender Agent and the

Remarketing Agent pursuant to Section 201(f)(ii) hereof, in whole at any time or in part from time to time, at the redemption prices (expressed as percentages of principal amount) hereinafter indicated or specified in the notice of FPL to the Trustee pursuant to Section 201(f)(ii) hereof, plus accrued interest, if any, to the redemption date:

Length of Long-Term Interest Rate Period (expressed in years)	Redemption Prices
Greater than 14	after 10 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 14 and greater than 10	after 5 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 10 and greater than 8	after 5 years at 101%, declining by 1/2 of 1% every 6 months to 100%
Less than or equal to 8 and greater than 6	after 3 years at 101%, declining by 1/2 of 1% every 6 months to 100%
Less than or equal to 6 and greater than 4	after 2 years at 101%, declining by 1/2 of 1% every 6 months to 100%
Less than or equal to 4 and greater than 3	after 2 years at 100-1/2%, declining by 1/2 of 1% after 6 months to 100%
Less than or equal to 3 and greater than 2	after 1 year at 100-1/2%, declining by 1/2 of 1% after 6 months to 100%
Less than or equal to 2 and greater than 1	after 1 year at 100%
1 year	not redeemable.

(iii) In addition, during any No Call Period, the Bonds will be nonetheless subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at any time, if FPL delivers to the Trustee a written certificate (i) to the effect that by reason of a change in use of the Project or any portion thereof, FPL has been unable, after reasonable effort, to obtain an opinion of Bond Counsel to the effect that a court, in a properly presented case, should decide that (a) Section 150 of the Code (or successor provision of similar import) does not prevent that portion of the Loan Repayments payable under the Agreement and attributable to interest on the Bonds from being deductible by FPL for federal income tax purposes and (b) Treasury Regulations Section 1.142-2 (or a successor provision of similar import) does not prevent interest on the Bonds from being excluded for federal income tax purposes from the gross income of the Bondholders thereof (other than a Bondholder who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code), (ii) specifying that as a result of its inability to obtain such opinion of Bond Counsel, FPL has elected to prepay amounts due under the Agreement equal to the redemption price of the Bonds to be so redeemed and (iii) specifying the principal amount of the Bonds which FPL has determined to be the minimum

necessary to be so redeemed in order for FPL to retain its rights to such interest deductions and for interest on the Bonds to retain such exclusion from gross income for federal income tax purposes (which principal amount of the Bonds will be so redeemed). The redemption price for the Bonds shall be equal to the highest redemption price which would be payable on the first date such Bonds could be called for optional redemption under Section 301(c)(ii) above on the basis of the length of the then current Long-Term Interest Rate Period.

(d) The Bonds shall be subject to mandatory redemption by the Issuer, at the principal amount thereof plus accrued interest to the redemption date, on the 180th day (or such earlier date as may be designated by FPL) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Issuer and FPL of an opinion of Bond Counsel obtained by FPL and rendered at the request of FPL, to the effect that, as a result of a failure by FPL to perform or observe any covenant, agreement or representation contained in the Agreement, the interest payable on the Bonds is included for federal income tax purposes in the gross income of the Bondholders thereof. No determination by any court or administrative agency shall be considered final for the purposes of this paragraph unless FPL shall have had the opportunity to participate in the proceeding which resulted in such determination, either directly or through a Bondholder, to a degree it deems sufficient and until the conclusion of any court proceeding initiated after a final agency determination, and of any appellate review sought by any party to such agency or court proceeding or the expiration of the time for seeking such review. The Bonds shall be redeemed either in whole or in part in such principal amount that the interest payable on the Bonds remaining outstanding after such redemption would not be included in the gross income of any Bondholder thereof, other than a Bondholder who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code.

(e) If less than all of the Bonds shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Trustee, by lot or in such other manner as the Trustee in its discretion may determine to be fair and appropriate, in the principal amounts designated by FPL or otherwise as required by this Indenture; provided, however, that in connection with any redemption of Bonds, the Trustee shall first select for redemption any Bonds held by the Tender Agent for the account of FPL (or any nominees thereof) pursuant to Section 1407(c) hereof, and that if, as indicated in a certificate of an Authorized FPL Representative delivered to the Trustee, FPL shall have offered to purchase all Bonds then Outstanding and less than all of such Bonds shall have been tendered to FPL for such purchase, the Trustee, at the direction of an Authorized FPL Representative, shall select for redemption all such Bonds which have not been so tendered; and provided, further, that the portion of any Bond to be redeemed shall be in the principal amount constituting an Authorized Denomination, and that, in selecting Bonds for redemption, the Trustee shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by the minimum Authorized Denomination.

SECTION 302. Notice of Redemption. At least 30 days before the redemption date of any Bonds, the Registrar shall cause a notice of any such redemption, in the name of the Issuer, to be mailed by first class mail (except as otherwise provided below), postage prepaid, to all registered owners of Bonds to be redeemed as a whole or in part at their addresses as they appear on the registration books hereinabove provided for. In addition, the Trustee shall mail copies of

the redemption notice to S&P, Moody's, an Authorized Newspaper and at least two national information services that disseminate redemption notices. The notice provided pursuant to this Section shall be sent by certified mail, return receipt requested, to any owner of the Bonds that is a depository institution and those entities described in the immediately preceding sentence. Any such notice shall be given in the name of the Issuer, shall identify (i) the complete official name of the issue, (ii) the Bonds or portions thereof to be redeemed by designation, letters, CUSIP numbers, numbers or other distinguishing marks, dated date, interest rate, maturity date and principal amount, (iii) the redemption price to be paid, (iv) the date of mailing and the date fixed for redemption, (v) the place or places, by name and address, where the amounts due upon redemption are payable and (vi) the name, address and telephone number of the person to whom inquiries regarding the redemption may be directed, and shall state that on the redemption date the Bonds called for redemption will be payable and that from that date interest will cease to accrue. A second notice shall be sent in the same manner described above not more than 60 days after the redemption date to the owner of any called Bond which was not presented for payment on the redemption date. Failure so to mail any such notice to the registered owner of any Bond shall not affect the validity of the proceedings for redemption of any other Bond and failure to mail any such notice to any other entity as required by this Section shall not affect the validity of the proceedings for redemption of any Bond. The Registrar shall not be subject to any liability to any Bondholder by reason of its failure to mail any such notice provided in this Section. In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond in principal amount equal to the unredeemed portion of such Bond will be issued.

Any notice of redemption, except a notice of mandatory redemption pursuant to Section 301(d) hereof or any similar provision contained in any indenture supplemental hereto, shall, unless at the time such notice is given the Bonds to be redeemed are deemed to have been paid in accordance with Article XIII hereof, state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such Bonds shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the principal of and premium, if any, and interest on such Bonds are not received by the Trustee on or prior to the redemption date, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

If a notice of redemption shall be unconditional, or if the conditions of a conditional notice of redemption shall have been satisfied, the Bonds so called for redemption shall become and be due and payable on the date fixed for redemption, and upon the presentation and surrender of such Bonds at the place or places specified such Bonds shall be redeemed.

SECTION 303. Effect of Redemption. All Bonds and portions of Bonds which have been duly selected for redemption under the provisions of this Article and which are deemed to have been paid in accordance with Article XIII hereof shall cease to bear interest on the date fixed for redemption.

SECTION 304. Partial Redemption. In case part but not all of an outstanding Bond shall be selected for redemption, the owner thereof or his attorney or legal representative shall present and surrender such Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the Issuer shall execute and the Trustee shall authenticate and deliver to or upon the order of such owner or his attorney or legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond bearing interest at the same rate.

ARTICLE IV

REFUNDING OF REFUNDED BONDS

SECTION 401. Application of Proceeds of Series 2003 Bonds. Subject to the deposit of funds into the Bond Fund in accordance with Section 502(i) hereof, (i) $5,315,000 of the proceeds of the Bonds shall be delivered to the Prior Trustee for deposit to the bond fund under the St. Lucie Series 1992 Indenture to be applied (together with any investment earnings thereon and any moneys delivered by FPL to the Prior Trustee for such purpose) to pay the redemption price of the St. Lucie Series 1992 Bonds, which shall be redeemed on May 2, 2003, (ii) $65,420,000 of the proceeds of the Bonds shall be delivered to the Prior Trustee for deposit to the bond fund under the St. Lucie Series 2000B Indenture to be applied (together with any investment earnings thereon and any moneys delivered by FPL to the Prior Trustee for such purpose) to pay the interest accruing on the St. Lucie Series 2000B Bonds until July 29, 2003, and the principal portion of the redemption price of the St. Lucie Series 2000B Bonds, which shall be redeemed on July 29, 2003, (iii) $4,000,000 of the proceeds of the Bonds shall be delivered to the Prior Trustee for deposit to the bond fund under the Broward Indenture to be applied (together with any investment earnings thereon and any moneys delivered by FPL to the Prior Trustee for such purpose) to pay the redemption price of the Broward Bonds, which shall be redeemed on May 2, 2003, and (iv) $4,050,000 of the proceeds of the Bonds shall be delivered to the Prior Trustee for deposit to the bond fund under the Martin Indenture to be applied (together with any investment earnings thereon and any moneys delivered by FPL to the Prior Trustee for such purpose) to pay the interest accruing on the Martin Bonds until July 29, 2003, and the principal portion of the redemption price of the Martin Bonds, which shall be redeemed on July 29, 2003. On July 29, 2003, after the provision for the payment of the redemption price of the Refunded Bonds, any funds remaining in the bond fund for any series of the Refunded Bonds may be transferred to FPL to be used to pay or reimburse FPL for the payment of issuance expenses allocable to the portion of the Bonds used to refund such series of Refunded Bonds but in any event not in excess of two percent of the principal amount of the Bonds used to refund such series of Refunded Bonds.

SECTION 402. Redemption of Refunded Bonds. Pursuant to Section 4.3 of the Agreement, FPL has directed the Prior Trustee (i) to call the St. Lucie Series 1992 Bonds for redemption prior to maturity on May 2, 2003 at a redemption price of 101% of the principal amount thereof plus interest accrued to that redemption date, (ii) to call the St. Lucie Series 2000B Bonds for redemption prior to maturity on July 29, 2003, at a redemption price of 100% of the principal amount thereof plus interest accrued to that redemption date, (iii) to call the Broward Bonds for redemption prior to maturity on May 2, 2003, at a redemption price of 100% of the principal amount thereof plus interest accrued to that redemption date, and (iv) to call the Martin Bonds for redemption prior to maturity on July 29, 2003, at a redemption price of 100% of the principal amount thereof plus interest accrued to that redemption date.

ARTICLE V

BOND FUND

SECTION 501. Creation of Bond Fund. A special fund is hereby created and designated the "St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 Bond Fund" (the "Bond Fund"). The moneys in the Bond Fund shall be held by the Trustee in trust and applied as hereinafter provided and, pending such application, shall be subject to a lien and charge in favor of the holders of the Bonds issued and outstanding under this Indenture and for the further security of such holders until paid out or transferred as herein provided.

SECTION 502. Payments into Bond Fund. There shall be deposited to the credit of the Bond Fund (i) the accrued interest received on the Bonds issued hereunder, (ii) all Loan Repayments, (iii) any payments made on the First Mortgage Bonds and (iv) all other moneys received by the Trustee under and pursuant to any of the provisions of the Agreement or otherwise which are required, or are accompanied by directions from FPL or the Issuer that such moneys are, to be paid into the Bond Fund. The Trustee is authorized to receive at any time payments from FPL pursuant to the Agreement or otherwise for deposit in the Bond Fund.

SECTION 503. Use of Moneys in Bond Fund. All interest accruing on the Bonds up to the dates of their delivery shall be paid from the amounts deposited in the Bond Fund pursuant to Section 502(i) hereof. Except as otherwise provided in this Indenture, moneys in the Bond Fund shall be used solely for the payment of the principal of and premium, if any, and interest on the Bonds. Upon receipt of a written notice from FPL pursuant to Article X of the Agreement, and, in the case of a directed purchase of Bonds, upon the deposit of cash or Investment Obligations in the Bond Fund sufficient, together with other amounts available therefor in the Bond Fund, to make the directed purchase of Bonds, the Issuer and the Trustee covenant and agree to take and cause to be taken the necessary steps to redeem or purchase such principal amount of Bonds as specified by FPL in such written notice; provided, however, that any moneys in the Bond Fund may be used on direction of FPL to redeem a part of the Bonds outstanding and then redeemable or to purchase Bonds for cancellation only so long as FPL is not in default with respect to any payments required pursuant to Section 5.1 of the Agreement and to the extent said moneys are in excess of the amount required for payment of the Bonds theretofore matured or called for redemption and interest accrued and payable in respect of outstanding Bonds.

SECTION 504. Custody of Bond Fund. The Bond Fund shall be in the custody of the Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of and premium, if any, and interest on the Bonds as the same become due and payable, for the purpose of paying said principal and premium, if any, and interest, which authorization and direction the Trustee hereby accepts.

SECTION 505. Non-Presentment of Bonds. All moneys which the Trustee shall have withdrawn from the Bond Fund or shall have received from any other source and set aside, for the purpose of paying any of the Bonds hereby secured, either at the maturity thereof or upon call for redemption, shall be held in trust for the respective holders of such Bonds, but any moneys

which shall be so set aside by the Trustee and which shall remain unclaimed by the holders of such Bonds for a period of one year after the date on which such Bonds shall have become due and payable shall upon request in writing be paid to FPL; provided, however, that the Trustee, before being required to make any such payment, may at the expense of FPL cause to be published at least twice before the date of such payment in an Authorized Newspaper, a notice that said moneys have not been claimed and that after a date named therein any unclaimed balance of said moneys then remaining will be returned to FPL and thereafter the holders of such Bonds shall look only to FPL for payment and then only to the extent of the amount so received without any interest thereon, and the Issuer and the Trustee shall have no responsibility with respect to such moneys.

SECTION 506. Cancellation and Destruction of Bonds. All Bonds paid, redeemed or purchased, either at or before maturity, and all Bonds acquired by or delivered to the Trustee for cancellation shall be canceled upon the payment, redemption or purchase, or upon such acquisition or delivery, of such Bonds. All Bonds canceled under any of the provisions of this Indenture shall be destroyed by the Trustee. The Trustee shall execute a certificate in triplicate describing the Bonds so destroyed, and one executed certificate shall be filed with the Issuer, one executed certificate shall be filed with FPL and the other executed certificate shall be retained by the Trustee.

ARTICLE VI

DEPOSITARIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

SECTION 601. Deposits Constitute Trust Funds. All moneys deposited with the Trustee under the provisions of this Indenture or the Agreement shall be held in trust and applied only in accordance with the provisions of this Indenture and the Agreement and shall not be subject to lien or attachment by any creditor of the Issuer or FPL.

All moneys deposited with the Trustee under this Indenture and the Agreement shall be continuously secured for the benefit of the Issuer and the holders of the Bonds either (a) by lodging with a bank or trust company approved by the Issuer and by the Trustee, as custodian, as collateral security, obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America, or other marketable securities eligible as security for the deposit of trust funds under regulations of the Comptroller of the Currency of the United States of America, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) in such other manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Trustee to give security for any moneys which shall be represented by the investments mentioned in the first paragraph of Section 602 of this Article VI purchased under the provisions of this Article VI as an investment of such moneys.

SECTION 602. Investment of Moneys. Moneys held for the credit of the Bond Fund, except as provided in Article XIII hereof, shall at the written request, or telephone advice promptly confirmed by a certificate, of an Authorized FPL Representative be invested and reinvested by the Trustee in Investment Obligations. Any request by an Authorized FPL Representative shall specify the issuer or obligor, type, principal amount, interest rate and maturity of each such requested investment of moneys.

Obligations so purchased as an investment of moneys in the Bond Fund shall be deemed at all times to be part of such Fund and any interest accruing on and any profit realized from the investment of moneys in such Fund shall be credited to such Fund and any loss resulting from such investment shall be charged to such Fund. Neither the Trustee nor the Issuer shall be liable or responsible for any loss resulting from any such investment.

The Issuer hereby authorizes and directs the Trustee to comply with any instructions of FPL given from time to time with respect to income from the investment of moneys in the Bond Fund or any other fund created under the Indenture to pay all or a portion of such income to the United States in furtherance of the covenants set forth in Section 4.5 of the Agreement, which authorization and direction the Trustee hereby accepts. Amounts held by the Tender Agent in the Purchase Fund shall not be invested.

ARTICLE VII

PARTICULAR COVENANTS AND PROVISIONS

SECTION 701. Covenant of Issuer as to Performance of Obligations. The Issuer covenants that it will cause to be paid promptly the principal of and premium, if any, and interest on every Bond issued under the provisions of this Indenture at the places, on the dates and in the manner provided herein and in said Bond, according to the true intent and meaning thereof; provided, however, that any amount in the Bond Fund available for any payment of the principal of or premium, if any, or interest on said Bond shall be credited against any amount required to be caused by the Issuer so to be paid. Except as in this Indenture otherwise provided, such principal, premium and interest are payable solely from the Loan Repayments, any other income derived from the sale, leasing or operation of the Project and other moneys to the extent provided in this Indenture and any payments on the First Mortgage Bonds or under any other credit enhancement provided by FPL in accordance with the provisions of the Agreement and this Indenture, which Loan Repayments and any other income and other moneys to the extent provided in this Indenture are hereby pledged to the payment thereof in the manner and to the extent hereinabove particularly specified.

The Bonds issued under the provisions of this Indenture and the premium, if any, and interest thereon and the payment of any purchase price thereof, shall not be deemed to constitute a debt, liability or obligation of the Issuer, Broward, Martin or of the State of Florida or any political subdivision thereof, but shall be payable solely from the revenues and proceeds pledged therefor and the Issuer is not obligated to pay the Bonds or the premium, if any, or interest thereon except from the Loan Repayments and other revenues and proceeds derived from the sale, operation or leasing of the Project and payments made on the First Mortgage Bonds or under any other credit enhancement provided by FPL in accordance with the provisions of the Agreement and this Indenture, and the Issuer is not obligated to pay the purchase price of the Bonds except from any moneys available therefor as provided in this Indenture, and neither the faith and credit nor the taxing power of the Issuer, Broward, Martin or of the State of Florida or any political subdivision thereof is pledged to the payment of the principal of or premium, if any, or interest on, or purchase price of, the Bonds.

SECTION 702. Covenant to Perform Obligations. The Issuer covenants and agrees that it will not knowingly consent to or take any action or fail to take any action upon request by the Trustee or FPL or fail to do anything upon request by the Trustee or FPL which would result in the termination of the Agreement so long as any Bonds are outstanding; that it will not terminate the Agreement or cause it to be terminated except in strict accordance with the terms of the Agreement; that it will promptly notify the Trustee, when known to the Issuer, of any actual or alleged event of default under or breach of the Agreement, whether by FPL or the Issuer; that it will not execute or agree to any change, amendment or modification of or supplement to the Agreement except by a supplement or an amendment duly executed by FPL and the Issuer with the approval of the Trustee and upon the further terms and conditions set forth in Article XII of this Indenture; and that it will not agree to any abatement, reduction, abrogation, waiver, diminution or other modification in any manner or to any extent whatsoever of the obligation of FPL under the Agreement to pay the Loan Repayments without the consent of the holder of each Bond adversely affected thereby. The Issuer covenants that it will faithfully perform at all times

any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all proceedings of the Issuer pertaining thereto. The Issuer represents that it is duly authorized under the Constitution and laws of the State of Florida, including particularly and without limitation the Act, and pursuant to the Interlocal Agreements to issue the Bonds authorized hereby and to enter into this Indenture, to pledge and assign the Loan Repayments and any other income and other moneys in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds initially issued hereunder and the execution and delivery of this Indenture has been duly and effectively taken; and that such Bonds in the hands of the owners thereof are and will be valid and binding obligations of the Issuer according to the tenor and import thereof.

SECTION 703. Covenant to Perform Further Acts. The Issuer covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such supplements and amendments to this Indenture and such further acts, instruments and transfers as the Trustee may reasonably require for the better pledging and assigning unto the Trustee of each and all of the Loan Repayments and any other income and other moneys pledged and assigned hereby to the payment of the principal of and premium, if any, and interest on the Bonds.

SECTION 704. Bonds Not to Become Arbitrage Bonds. The Issuer covenants with the holders of the Bonds that, notwithstanding any other provision of this Indenture or any other instrument, to the best of its knowledge, information and belief, it will not take or consent to be taken on its behalf any actions and will make no investment or other use of the proceeds of the Bonds which would cause the Bonds to be arbitrage bonds under Section 148 of the Code and it further covenants that it will, to the extent within its control, comply with the requirements of such Section at the expense of FPL. The foregoing covenants shall extend, throughout the term of the Bonds, to all funds created under this Indenture and all moneys on deposit to the credit of any such fund, and to any other amounts which are proceeds of the Bonds for purposes of Section 148 of the Code and the regulations thereunder. In taking any action pursuant to this Section 704, the Issuer may rely on a Favorable Opinion of Bond Counsel.

ARTICLE VIII

DEFAULTS AND REMEDIES

SECTION 801. Events of Default. Each of the following events is hereby declared an "event of default":

(a) Failure to pay the principal of or premium, if any, on any of the Bonds when the same shall become due and payable, whether at maturity, through unconditional proceedings for redemption or otherwise; or

(b) (i) During any period when the Trustee holds First Mortgage Bonds pursuant to Section 211 hereof, failure to pay interest on any of the Bonds when the same shall become due and payable and the continuation of such failure for a period of 60 days; or (ii) when the Trustee does not hold First Mortgage Bonds, failure to pay interest on any of the Bonds when the same shall become due and payable and the continuation of such failure for five Business Days; or

(c) Failure to pay an amount due pursuant to Section 202 hereof after such payment has become due and payable and the continuation of such failure for five Business Days; or

(d) Failure to perform any other covenant, condition, agreement or provision contained in the Bonds or in this Indenture on the part of the Issuer to be performed which failure shall continue for ninety (90) days after written notice specifying such failure and requiring same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the holders of not less than 25% in aggregate principal amount of the Bonds then outstanding, unless the Trustee, or the Trustee and the holders of a principal amount of Bonds not less than the principal amount of Bonds the holders of which requested such notice, as the case may be, agree in writing to an extension of such period prior to its expiration; provided, however, that the Trustee, or the Trustee and the holders of such principal amount of Bonds, as the case may be, shall be deemed to have agreed to an extension of such period if corrective action is instituted by the Issuer or FPL within the applicable period and is being diligently pursued; or

(e) An "event of default" as defined in Section 9.1 of the Agreement; or

(f) During any period when the Trustee holds First Mortgage Bonds pursuant to Section 211 hereof, a "Default" as defined in Section 65 of the Mortgage.

SECTION 802. Acceleration of Maturities.

(a) (i) If the Trustee is holding First Mortgage Bonds hereunder, then upon the occurrence and continuance of an event of default specified in clause (a), (b)(i), (c) or (f) of Section 801 of this Article, and further upon the condition that, in accordance with the terms of the Mortgage, all first mortgage bonds outstanding thereunder shall have become immediately due and payable, then the Bonds shall, without further action, become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and the Trustee shall give notice thereof in writing to the Issuer, FPL, the Tender Agent and the

Remarketing Agent, and notice to the holders of the Bonds in the same manner as a notice of redemption under Section 302 of this Indenture.

(ii) If the Trustee is not holding First Mortgage Bonds hereunder, then upon the occurrence and continuance of an event of default specified in clause (a), (b)(ii) or (c) of Section 801 of this Article or an event of default specified in clauses (d) or (e) of Section 9.1 of the Agreement, the Trustee may, and upon the written request of the holders of not less than 25% in aggregate principal amount of Bonds then outstanding shall, by a notice in writing to the Issuer and FPL, declare the principal of all the Bonds then outstanding (if not then due and payable) to be immediately due and payable, and upon such declaration the same shall become and be immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding; and the Trustee shall give notice thereof in writing to the Issuer, FPL, the Tender Agent and the Remarketing Agent, and notice to the holders of the Bonds in the same manner as a notice of redemption under Section 302 of this Indenture.

(b) The provisions of the preceding paragraph (a)(ii), however, are subject to the condition that, if, after the principal of the Bonds shall have been so declared to be due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, FPL, pursuant to the Agreement, shall deposit with the Trustee a sum sufficient to pay all matured installments of interest upon all Bonds and the principal of any and all Bonds which shall have become due otherwise than by reason of such declaration (with interest upon such principal and, to the extent permissible by law, on overdue installments of interest, at the rate per annum borne by the Bonds on the date of such declaration) and such amounts as shall be sufficient to cover reasonable compensation and reimbursement of expenses payable to the Trustee, and all Events of Default hereunder other than nonpayment of the principal of Bonds which shall have become due by said declaration shall have been remedied, then, in every such case, such Event of Default shall be deemed waived and such declaration and its consequences rescinded and annulled, and the Trustee shall promptly give written notice of such waiver, rescission and annulment to the Issuer, FPL, the Tender Agent, the Remarketing Agent, and, if notice of the acceleration of the Bonds shall have been given to the Owners, shall give notice thereof to the Owners; but no such waiver, rescission and annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon.

(c) If the Trustee is holding First Mortgage Bonds hereunder, any waiver of a "Default" under the Mortgage and a rescission and annulment of its consequences shall constitute a waiver of the corresponding event of default under Subsection 801(f) of this Indenture and a rescission and annulment of the consequences thereof, and the Trustee shall promptly give written notice of such waiver, rescission and annulment to the Issuer, FPL, the Tender Agent and the Remarketing Agent and notice to holders of the Bonds in the same manner as a notice of redemption under Section 302 of this Indenture; but no such waiver, rescission and annulment shall extend to or affect any subsequent event of default or impair any right or remedy consequent thereon.

SECTION 803. Other Remedies.

(a) Upon the occurrence and continuance of any event of default specified in Section 801 of this Indenture, then and in every such case the Trustee may proceed, and upon the written request of the holders of not less than 25% in aggregate principal amount of the Bonds then outstanding hereunder shall proceed, subject to the provisions of Section 902 of this Indenture, to protect and enforce its rights and the rights of the Bondholders under the laws of the State of Florida and under this Indenture and the Agreement by such suits, actions or special proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or therein or in aid or execution of any power herein or therein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

(b) In the enforcement of any remedy under this Indenture the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due for principal, interest or otherwise under any of the provisions of this Indenture or of the Bonds or in respect of Loan Repayments under the Agreement and unpaid, with interest on overdue payments of principal and interest or Loan Repayments (if and to the extent permitted by law) at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and all proceedings hereunder, and under such Bonds and the Agreement, without prejudice to any other right or remedy of the Trustee or of the Bondholders, but solely subject to the limitations provided herein and in such Bonds and the Agreement, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect in any manner provided by law any moneys adjudged or decreed to be payable; provided that any amounts due from the Issuer and not payable by FPL under the Agreement shall be payable solely from moneys in the Bond Fund and available therefor.

SECTION 804. Application of Moneys. Anything in this Indenture to the contrary notwithstanding, if at any time the moneys in the Bond Fund shall not be sufficient to pay the principal of or premium, if any, or interest on the Bonds as the same shall become due and payable (either by their terms or by acceleration of maturities under the provisions of Section 802 of this Article), such moneys, together with any moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied, following the satisfaction of any payments due to the Trustee under the provisions of Sections 902 and 905 of this Indenture, as follows:

(a) If the principal of all the Bonds shall not have become due and payable either in accordance with their terms or by acceleration, all such moneys shall be applied

First: to the payment to the persons entitled thereto of all installments of interest then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds;

Second: to the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of such Bonds which shall have become due and payable (other than Bonds deemed to have been paid in accordance with Article XIII hereof), in the order of their due dates, with interest on the principal amount of such Bonds at the respective rates specified therein from the respective dates upon which such Bonds became due and payable to the payment date, and, if the amount available shall not be sufficient to pay in full the principal of and premium, if any, on such Bonds due and payable on any particular date, together with such interest, then to the payment first of such interest, ratably, according to the amount of such interest due on such payment date, and then to the payment of such principal and premium, if any, ratably, according to the amount of such principal and premium, if any, due on such date, to the persons entitled thereto without any discrimination or preference; and

Third: to the payment of the interest and premium, if any, on and the principal of such Bonds, to the purchase and retirement of such Bonds and to the redemption of such Bonds, all in accordance with the provisions of this Indenture.

(b) If the principal of all the Bonds has become due and payable either in accordance with their terms or by acceleration, all such moneys shall be applied to the payment of the principal, premium, if any, and interest then due on the Bonds, without preference or priority of principal and premium, if any, over interest or of interest over principal and premium, if any, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal, premium, if any, and interest, to the persons entitled thereto, without discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

(c) If the principal of all the Bonds shall have become immediately due and payable under the provisions of Section 802 of this Article and if such acceleration shall thereafter have been rescinded and annulled, then, subject to the provisions of subparagraph (b) of this Section in the event that the principal of all such Bonds shall later become due and payable, the moneys remaining in and thereafter accruing to the Bond Fund for such Bonds shall be applied in accordance with the provisions of subparagraph (a) of this Section.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for such application and the likelihood of additional moneys becoming available for such application in the future; setting aside such moneys in trust for the proper purpose shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Issuer, to any Bondholder or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any

such date, and shall not be required to make payment to the holder of any Bond until such Bond shall be surrendered to the Trustee for appropriate endorsement, or for cancellation if fully paid.

SECTION 805. Effect of Discontinuance of Proceedings. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, then and in every such case the Issuer, FPL, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

SECTION 806. Right of Bondholders to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in principal amount of the Bonds then outstanding hereunder shall have the right, subject to the provisions of Section 902 of this Indenture, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder or the exercise of any trust or power conferred upon the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture.

SECTION 807. Rights and Remedies of Bondholders. No holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Bond or for the execution of any trust hereunder or for any other remedy hereunder unless such holder previously shall have given to the Trustee and to FPL written notice of the event of default on account of which such suit, action or proceeding is to be instituted, and unless also the holders of not less than 25% in aggregate principal amount of the Bonds then outstanding shall have made written request of the Trustee, after the right to exercise such powers or right of action, as the case may be, shall have accrued, to institute such action, suit or proceeding in its or their name and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such written request within a reasonable time; and such notification, request and offer to indemnify are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture or to any other remedy hereunder. It is understood and intended that, except as otherwise above provided, no one or more holders of the Bonds hereby secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right hereunder except in the manner herein provided, that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all holders of such outstanding Bonds, and that any individual rights of action or any other right given to one or more of such holders by law are restricted by this Indenture to the rights and remedies herein provided.

Nothing in this Section shall affect or impair the right of any Bondholder to enforce the payment of the principal of and premium, if any, and interest on his Bond or Bonds, at the time and place in said Bond expressed.

SECTION 808. Appointment of Receiver by Trustee. Upon the occurrence of an event of default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders under this Indenture, the Trustee shall be entitled, as a matter or right, to the appointment of a receiver or receivers of the Loan Repayments and other amounts payable under the Agreement pending such proceedings, with such powers as the court making such appointment shall confer, whether or not said Loan Repayments and other amount and income shall be deemed sufficient ultimately to satisfy the Bonds outstanding hereunder.

SECTION 809. Action by Trustee without Possession of Bonds. All rights of action under this Indenture or under any of the Bonds secured hereby, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds or the production thereof in the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the holders of such Bonds, subject to the provisions of this Indenture.

SECTION 810. No Remedy Exclusive. No remedy herein conferred upon or reserved the Trustee or to the holders of the Bonds is intended to be exclusive of any other remedy or remedies herein provided, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or by law.

SECTION 811. Waiver of Default. No delay or omission of the Trustee or of any holder of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein and every power and remedy given by this Indenture to the Trustee and to the holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Indenture or before the completion of the enforcement of any other remedy under this Indenture, the Trustee shall be permitted to discontinue such suit, action, proceeding or enforcement of any remedy if in its opinion any default forming the basis of such suit, action, proceeding or enforcement of any remedy shall have been remedied.

Notwithstanding anything contained herein to the contrary, the Trustee, upon the written request of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, shall waive any event of default hereunder and its consequences; provided, however, that, except under the circumstances set forth in clause (b) of Section 802 hereof, an event of default under clauses (a), (b) or (c) of Section 801 hereof with respect to any Bonds may not be waived without the written consent of the holders of all such Bonds.

SECTION 812. Notice of Default. The Trustee shall mail, by first-class mail, postage prepaid, to all owners of the Bonds at their addresses as they appear on the registration books written notice of the occurrence of any event of default set forth in Section 801 of this Article within 30 days (i) after the occurrence of an event of default under clause (a) or (b) of Section 801 hereof or (ii) after the Trustee shall have notice, pursuant to the provisions of Section 908 of this Indenture, that any other such event of default shall have occurred; provided, however, that, except in the case of a default under clause (a) or (b) of Section 801 hereof, the

Trustee shall be protected in withholding such notice if so long as the Board of Directors, the Executive Committee or a Trust Committee of Directors and/or responsible officers of the Trustee in good faith determines that the withholding of such notice is in the best interest of the Bondholders. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail any such notice.

SECTION 813. Remedies in Article VIII in Addition to Remedies in Agreement, Pledge Agreement and Mortgage. The remedies conferred in this Article shall be in addition to any remedies available to the Trustee under the Agreement or any other instruments now or hereafter securing the Loan Repayments, which remedies are hereby incorporated herein by reference.

ARTICLE IX

TRUSTEE; PAYING AGENT

SECTION 901. Acceptance of Trusts and Performance of Duties. The Trustee accepts and agrees to execute the trusts imposed upon it by this Indenture, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Indenture, to all of which the parties hereto and the respective holders of the Bonds agree. The Trustee may execute any of the trusts or powers hereunder either directly or by or through agents or attorneys.

The Trustee shall have only such duties and obligations as are expressly specified in this Indenture and no duties or obligations shall be implied to the Trustee.

In case an event of default within the purview of Section 801 hereof has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

The Trustee also accepts and agrees to do and perform the duties and obligations imposed upon it by and under the Agreement and the Pledge Agreement, but only upon the terms and conditions set forth in the Agreement, the Pledge Agreement and this Indenture.

SECTION 902. Indemnification of Trustee. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Indenture or under the Agreement or Pledge Agreement, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder or under the Agreement or Pledge Agreement, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees (including counsel fees on appeal, if any) and other reasonable disbursements, and against all liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Issuer shall reimburse the Trustee, but solely from funds available therefor under the Agreement, for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the Issuer shall fail to make such reimbursement from such funds, the Trustee may reimburse itself from any moneys in its possession under the provisions of this Indenture and it shall be entitled to a preference over any of the Bonds outstanding hereunder.

SECTION 903. Limitation on Obligations and Responsibilities of the Trustee. The Trustee shall not be under any obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies or insurance carried by the Issuer or FPL, or to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. The Trustee shall not have any responsibility in respect to the validity, sufficiency, due execution or acknowledgment of this Indenture by the Issuer or the validity or sufficiency of the security provided hereunder or in respect of the title or value of the Project or, except as to the authentication thereof by the

Trustee, in respect of the validity of the Bonds or the due execution or issuance thereof. The Trustee shall not be under any obligation to see that any duties herein imposed upon any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall not be under any obligation for failure to see that any such duties or covenants are so done or performed.

SECTION 904. Trustee Not Liable for Failure of Issuer to Act. The Trustee shall not be liable or responsible because of the failure of the Issuer or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Issuer or because of the loss of any moneys arising through the insolvency or the act or default or omission of any other depositary in which such moneys shall have been deposited under the provisions of this Indenture. The Trustee shall not be responsible for the application of any of the proceeds of the Bonds or any other moneys deposited with it and paid out, withdrawn or transferred thereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Indenture. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

None of the provisions of this Indenture or the Pledge Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) the Trustee shall not be liable for any error or judgment made in good faith by any one of its officers, unless it shall be established that the Trustee was grossly negligent in ascertaining the pertinent facts; and

(b) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of not less than a majority in principal amount of the Bonds then outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under the provisions of this Indenture.

SECTION 905. Compensation of Trustee. The Trustee, the Paying Agent, the Registrar, the Tender Agent, the Remarketing Agent and the Indexing Agent under this Indenture shall be entitled to reasonable compensation for their services rendered hereunder (not limited by any provision of law in regard to the compensation of the trustee of an express trust) and to reimbursement for their actual out-of-pocket expenses (including counsel fees) reasonably incurred in connection therewith except as a result of their gross negligence or willful misconduct. If the Issuer shall fail to perform any of the covenants or agreements contained in this Indenture, other than the covenants or agreements in respect of the payment of the principal of and interest on the Bonds, the Trustee may, in its discretion and without notice to the Owners of the Bonds, at any time and from time to time, make advances to effect performance of the same on behalf of the Issuer, but the Trustee shall be under no obligation to do so; but no such advance shall operate to relieve the Issuer from any default hereunder. In Section 5.1 of the Agreement, FPL has agreed that it will pay the Trustee, the Paying Agent, the Registrar, the Tender Agent, the Remarketing Agent and the Indexing Agent such compensation and reimbursement of expenses and advances, but FPL may, without creating a default hereunder, contest in good faith the reasonableness of any such services, expenses and advances. In

Section 7.3 of the Agreement, FPL has agreed to indemnify the Trustee to the extent stated therein. If FPL shall have failed to make any payment to the Trustee under Section 5.1 of the Agreement and such failure shall have resulted in an event of default under the Agreement, the Trustee shall have, in addition to any other rights hereunder, a claim, prior to the claim of the Owners of the Bonds, for the payment of its compensation and the reimbursement of its expenses and any advances made by it, as provided in this Section 905, upon the moneys and obligations in the Bond Fund, except for moneys or obligations deposited with or paid to the Trustee for the redemption or payment of Bonds which are deemed to have been paid in accordance with Article XIII hereof and funds held pursuant to Article XIV hereof.

SECTION 906. Records Open to Inspection. All records and files pertaining to the Project in the custody of the Trustee shall be open at all reasonable times to the inspection of the Issuer, FPL and the agents and representatives of either of them.

SECTION 907. Trustee May Rely on Certificates. In case at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Trustee, and in any case in which this Indenture provides for permitting or taking any action, the Trustee may rely upon any certificate required or permitted to be filed with it under the provisions of this Indenture, and any such certificate shall be evidence of such fact to protect the Trustee in any action that it may or may not take or in respect of anything it may or may not do, in good faith, by reason of the supposed existence of such fact. Except as otherwise provided in this Indenture, any request, notice, certificate or other instrument from the Issuer or FPL to the Trustee shall be deemed to have been signed by the proper party or parties if signed by the Authorized Issuer Representative or by the Authorized FPL Representative, as the case may be, and the Trustee may accept and rely upon a request, notice, certificate or other instrument so signed as to any action taken by the Issuer or FPL.

SECTION 908. Trustee Not Deemed to Have Notice of Default. Except upon the happening of any event of default specified in clause (a) or (b) of Section 801 of this Indenture, the Trustee shall not be obliged to take notice or be deemed to have notice of any event of default hereunder or under the Agreement, unless specifically notified in writing of such event of default by the holders of not less than 25% in aggregate principal amount of the Bonds hereby secured and then outstanding.

SECTION 909. Trustee May Deal in Bonds and take Action as Bondholder. Any bank or trust company acting as Trustee under this Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued under and secured by this Indenture, and may join in the capacity of a Bondholder in any action which any bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under this Indenture.

SECTION 910. Trustee Not Responsible for Recitals, Etc. The recitals, statements and representations contained herein and in the Bonds (excluding the Trustee's certificate of authentication on the Bonds) shall be taken and construed as made by and on the part of the Issuer and not by the Trustee, and the Trustee does not assume and shall not be under any responsibility for the correctness of the same.

SECTION 911. Trustee Protected in Relying on Certain Documents. The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have adopted or signed by the purported proper board or person or to have been repaired and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any attorney, engineer, accountant or other expert reasonably believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. Neither the Trustee nor the Issuer shall be under any obligation to see the recording or filing of the Indenture or the Agreement or any other instrument or otherwise to the giving to any person of notice of the provisions hereof or thereof.

SECTION 912. Qualifications of Trustee. There shall at all times be a trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least Twenty Five Million Dollars ($25,000,000) and subject to supervision or examination by federal or state authority. If such corporation published reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 912, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 912, it shall resign immediately in the manner and with the effect specified in Section 913 hereof.

SECTION 913. Resignation by and Removal of Trustee.

(a) No resignation by or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 914 hereof.

(b) The Trustee may resign at any time by giving written notice thereof to the Issuer and FPL. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the retiring Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed at any time by demand of the holders of a majority in principal amount of the Bonds then outstanding, signed in person by such holders or by their attorneys, legal representatives or agents and delivered to the Trustee, the Issuer and FPL (such demand to be effective only when received by the Trustee, the Issuer and FPL).

(d) If at any time:

(1) the Trustee shall cease to be eligible under Section 912 hereof and shall fail to resign after written request therefor by the Issuer, by FPL or by any Bondholder who shall have been a bona fide Bondholder for at least six months, or

(2) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, (A) the Issuer or FPL may remove the Trustee, or (B) any Bondholder who has been a Bondholder for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor.

(e) If the Trustee shall resign, be removed, be dissolved or otherwise become incapable of action or the bank or trust company acting as Trustee shall be taken over by any governmental official, agency, department or board, or if a vacancy shall occur in the office of the Trustee for any reason, the Issuer with the approval of FPL shall promptly appoint a successor. If, within one year after such resignation, removal, incapability or taking over, or the occurrence of such vacancy, a successor Trustee shall be appointed by an instrument or concurrent instruments in writing executed by the holders of a majority in principal amount of the Bonds then outstanding and delivered to the Issuer, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the successor Trustee appointed by the Issuer and approved by FPL. Photographic copies of each such instrument shall be delivered promptly by the Issuer to FPL, to the successor Trustee appointed by the Issuer and to the successor Trustee so appointed by the Bondholders. If no successor Trustee shall have been so appointed by the Issuer and approved by FPL or the Bondholders and accepted appointment in the manner hereinafter provided, any Bondholder which has been a bona fide holder of a Bond for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee.

(f) The resigning Trustee or Trustee being removed shall give notice, on behalf of the Issuer, of any resignation or removal, as applicable, of the Trustee and each appointment of a successor Trustee by publishing notice of such event in an Authorized Newspaper and by mailing written notice of such event by first class mail, postage prepaid, to all registered owners of Bonds at their addresses as they may appear on the registration books. Each notice shall include the name of the successor Trustee and the address of its principal office. The Issuer and such resigning Trustee or Trustee being removed shall not, however, be subject to any liability to any Bondholder by reason of the failure to mail any such notice.

SECTION 914. Appointment of Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Issuer, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, shall become fully vested with all the rights, immunities, powers and trusts, and subject to all the duties and obligations, of its predecessor; but such predecessor

shall, nevertheless, on the written request of its successors or of the Issuer, and upon payment of the expenses, charges and other disbursements of such predecessor which are payable pursuant to the provisions of Section 905 of this Article, execute and deliver an instrument transferring to such successor Trustee all the rights, immunities, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all property and moneys held by it hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the Issuer.

Notwithstanding any of the foregoing provisions of this Article, any bank or trust company having power to perform the duties and execute the trusts of this Indenture and otherwise qualified to act as Trustee hereunder with or into which the bank or trust company acting as Trustee may be merged or consolidated, or to which the assets and business of such bank or trust company may be sold, shall be deemed the successor of the Trustee.

SECTION 915. Separate Trustee or Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of Florida) denying or restricting the right of banking corporations or associations to transact business as trustees in such jurisdiction. Therefore, in the event of the incapacity or lack of authority of the Trustee, as determined by the Trustee, by reason of any present or future law of any jurisdiction, to exercise any of the powers, rights or remedies herein granted to the Trustee or to hold title to the property in trust as herein granted or to take other action which may be necessary or desirable in connection therewith in such jurisdiction, the Trustee may appoint an additional individual or institution as a separate Trustee or Co-Trustee, and each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate Trustee or Co-Trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate Trustee or Co-Trustee shall run to and be enforceable by either of them.

Should any conveyance or instrument in writing from the Issuer be required by the separate Trustee or Co-Trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. In case any separate Trustee or Co-Trustee, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate Trustee or Co-Trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate Trustee or Co-Trustee.

SECTION 916. Reserved.

SECTION 917. Paying Agent. The Tender Agent is hereby appointed as the initial Paying Agent. FPL shall appoint any successor Paying Agent for the Bonds, subject to the

conditions set forth in Section 918 hereof. Each Paying Agent (if not also the Trustee) shall designate to the Trustee its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, FPL and the Trustee under which such Paying Agent will agree, particularly:

(a) to hold all sums held by it for the payment of the principal of and interest and any premium on Bonds in trust for the benefit of the Owners until such sums shall be paid to the Owners or otherwise disposed of as herein provided; and

(b) to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee and FPL at all reasonable times.

The Issuer shall cooperate with the Trustee and FPL to cause the necessary arrangements to be made and to be thereafter continued whereby funds will be made available for the payment when due of the Bonds as presented at the Principal Office of the Paying Agent.

SECTION 918. Qualifications of Paying Agent; Resignation; Removal. The Paying Agent shall be a bank, a trust company or another corporation duly organized under the laws of the United States of America or any state or territory thereof, and, in the case of a corporation other than a bank or a trust company and for so long as the Bonds shall be rated by Moody's, rated at least Baa3 or otherwise qualified by Moody's, and in each case, having a combined capital and surplus of at least Twenty Five Million Dollars ($25,000,000) and authorized by law to perform all the duties imposed upon it by this Indenture. The Paying Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Issuer, FPL and the Trustee. The Paying Agent may be removed at any time by an instrument, signed by FPL, filed with the Issuer, the Paying Agent and the Trustee.

In the event of the resignation or removal of the Paying Agent, the Paying Agent shall pay over, assign and deliver any moneys held by it in such capacity to its successor or, if there be no successor, to the Trustee.

In the event that the Paying Agent shall resign, be removed or be dissolved, or if the property or affairs of the Paying Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy, insolvency or any other reason, and FPL shall not have appointed its successor as Paying Agent, the Trustee shall ipso facto be deemed to be the Paying Agent for all purposes of this Indenture until the appointment by FPL of the Paying Agent or successor Paying Agent, as the case may be.

SECTION 919. Registrar. The Tender Agent is hereby appointed as the initial Registrar. FPL shall appoint any successor Registrar for the Bonds, subject to the conditions set forth in Section 920 and Section 206 hereof. Each Registrar (if not also the Trustee) shall designate to the Trustee its Principal Office and signify its acceptance of the duties imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, FPL and the Trustee under which such Registrar will agree, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee and FPL at all reasonable times.

The Issuer shall cooperate with the Trustee and FPL to cause the necessary arrangements to be made and to be thereafter continued whereby Bonds, executed by the Issuer and authenticated by the Trustee, shall be made available for exchange and registration of transfer at the Principal Office of the Registrar. The Issuer shall cooperate with the Trustee, the Registrar and FPL to cause the necessary arrangements to be made and thereafter continued whereby the Paying Agent and the Remarketing Agent shall be furnished such records and other information, at such times, as shall be required to enable the Paying Agent and the Remarketing Agent to perform the duties and obligations imposed upon them hereunder.

SECTION 920. Qualifications of Registrar; Resignation; Removal. The Registrar shall be a corporation duly organized under the laws of the United States of America or any state or territory thereof, having a combined capital and surplus of at least Twenty Five Million Dollars ($25,000,000) and authorized by law to perform all the duties imposed upon it by this Indenture. The Registrar may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Issuer, the Trustee and FPL. The Registrar may be removed at any time by an instrument, signed by FPL, filed with the Issuer, the Registrar and the Trustee.

In the event of the resignation or removal of the Registrar, the Registrar shall deliver any Bonds held by it in such capacity to its successor or, if there be no successor, to the Trustee.

In the event that the Registrar shall resign, be removed or be dissolved, or if the property or affairs of the Registrar shall be taken under the control of any state or federal court or administrative body because of bankruptcy, insolvency or any other reason, and FPL shall not have appointed its successor as Registrar, the Trustee shall ipso facto be deemed to be the Registrar for all purposes of this Indenture until the appointment by FPL of the Registrar or successor Registrar, as the case may be.

SECTION 921. Procedures with DTC. During any period when the Bonds are held under the book-entry system maintained by DTC, the Trustee is hereby directed to comply with the provisions of the Letter of Representations and, to the extent such provisions conflict with the provisions of this Indenture, the provisions of the Letter of Representations shall control with respect to Bonds to which such Letter of Representations applies. Notwithstanding any other provisions of this Indenture to the contrary, the Issuer and the Remarketing Agent agree to give the Trustee such notices and to make payment at such time or times as shall be necessary in order to enable the Trustee to comply with the provisions of the Letter of Representations.

ARTICLE X

EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND PROOF OF OWNERSHIP OF BONDS

SECTION 1001. Consents, etc., of Bondholders. Any request, direction, consent or other instrument in writing required or permitted by this Indenture to be signed or executed by Bondholders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders or their attorneys or legal representatives. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proved in accordance with such reasonable rules as the Trustee may adopt.

(b) The ownership of Bonds shall be proved by the registration books kept under the provisions of Section 206 of this Indenture.

But nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request or consent of the holder of any Bond shall bind every future holder of the same Bond and of any Bond issued in place thereof in respect of anything done by the Trustee in pursuance of such request or consent.

ARTICLE XI

SUPPLEMENTAL INDENTURES

SECTION 1101. Supplemental Indentures Not Requiring Consent of Bondholders. The Issuer and the Trustee may, from time to time and at any time, with the consent of FPL but without the consent of Bondholders, enter into such supplements and amendments to this Indenture as shall not be inconsistent with the terms and provisions hereof and, in the opinion of Bond Counsel selected by FPL, shall not be detrimental to the interests of the Bondholders:

(a) to cure any ambiguity or defect or omission in this Indenture or in any supplemental trust indenture, or

(b) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders or the Trustee, or

(c) to confirm the lien of this Indenture or to subject to this Indenture additional revenues, properties or collateral, or

(d) to correct any description of, or to reflect changes in, any properties comprising the Project, or

(e) in connection with any other change which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of the Issuer to pay the principal of and premium, if any, and interest on the Bonds or otherwise impair the security of the Bondholders under this Indenture, or

(f) to modify, amend or supplement this Indenture or any supplemental trust indenture hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States, or

(g) to make amendments to the provisions hereof relating to matters under Section 148(f) of the Code, provided that an opinion of Bond Counsel, to the effect that such amendments will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds, is delivered to the Trustee, or

(h) to authorize different Authorized Denominations of the Bonds and to make correlative amendments and modifications to this Indenture regarding exchangeability of Bonds of different Authorized Denominations, redemptions of portions of Bonds of particular Authorized Denominations and similar amendments and modifications of a technical nature, or

(i) to increase or decrease the number of days specified in Sections 201(d)(ii) and (iii), 201(e)(ii) and (iii), 201(f)(i), (ii), (iii) and (iv) and 201(g)(i), (ii) and (iii) hereof; provided that no decreases in any such number of days shall become effective except during a Daily

Interest Rate Period or a Weekly Interest Rate Period and until 30 days after the Trustee shall have given notice to the holders of the Bonds affected thereby, or

(j) to make any amendments appropriate or necessary to provide for the delivery of First Mortgage Bonds or any insurance policy, irrevocable transferable letter of credit, guaranty, surety bond, line of credit, revolving credit agreement or other agreement or security device delivered to the Trustee and providing for (i) payment of the principal, interest and redemption premium on the Bonds or a portion thereof, or (ii) payment of the purchase price of the Bonds, or (iii) both (i) and (ii).

SECTION 1102. Supplemental Indentures Requiring Consent of Bondholders. Subject to the terms and provisions contained in this Section, and not otherwise, the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding and FPL shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such trust indenture or trust indentures supplemental hereto as shall be deemed necessary or desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental trust indenture; provided, however, that, unless approved in writing by the holders of all Bonds then Outstanding and FPL, nothing herein contained shall permit, or be construed as permitting, (a) an extension of the maturity of the principal of or the interest on any Bond issued hereunder or (b) a reduction in the principal amount of any Bond or the redemption premium or the rate of interest thereon, or (c) the creation of a lien upon or a pledge of the Loan Repayments or any other income derived from the sale, leasing or operation of the Project other than the lien and pledge created by this Indenture, or (d) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (e) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental trust indenture. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the execution of any supplemental trust indenture as authorized in Section 1101 of this Article.

If at any time the Issuer shall request the Trustee to enter into any supplement or amendment for any of the purposes of this Section, the Trustee shall, at the expense of FPL, cause notice of the proposed execution of such supplement or amendment to be mailed by first class mail, postage prepaid, to all owners of Bonds at their addresses as they appear on the registration books. Such notice shall briefly set forth the nature of the proposed supplement or amendment and shall state that copies thereof are on file at the Principal Office of the Trustee for inspection by any Bondholder. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail any such notice, and any such failure shall not affect the validity of such supplement or amendment when consented to and approved as provided in this Section.

Whenever, at any time within one year after the date of the mailing of such notice, the Issuer shall deliver to the Trustee an instrument or instruments in writing purporting to be executed by the holders of not less than the required aggregate principal amount of the Bonds then Outstanding and FPL, which instrument or instruments shall refer to the proposed supplemental trust indenture described in such notice and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof referred to in such

notice, thereupon, but not otherwise, the Trustee may execute such supplemental trust indenture in substantially such form, without liability or responsibility to any holder of any Bond, whether or not such holder shall have consented thereto.

If the holders of not less than the percentage of Bonds required by this Section 1102 shall have consented to and approved the execution thereof as herein provided, no holder of any Bond shall have any right to object to the execution of such supplement or amendment, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof.

Upon the execution of any supplement or amendment pursuant to the provisions of this Section, this Indenture shall be and be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Issuer, the Trustee and all holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

SECTION 1103. Any Supplemental Indenture Shall Be Deemed a Part of Indenture. The Trustee is authorized to join with the Issuer in the execution of any supplemental trust indenture hereto and to make the further agreements and stipulations which may be contained therein. Any supplemental trust indenture executed in accordance with the provisions of this Article shall thereafter form a part of this Indenture, and all of the terms and conditions contained in any such supplemental trust indenture as to any provision authorized to be contained therein shall be and shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 1104. Discretion of Trustee; Reliance on Counsel. In each and every case provided for in this Article, the Trustee shall be entitled to exercise its discretion in determining whether or not to execute any proposed supplemental trust indenture, if the rights, obligations and interests of the Trustee would be affected, and the Trustee shall not be under any responsibility or liability to the Issuer or to any Bondholder or to anyone whomsoever for its refusal in good faith to enter into any such supplemental trust indenture if such supplemental trust indenture is deemed by it to be contrary to the provisions of this Article. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it, who may be counsel for FPL, as conclusive evidence that any such proposed supplemental trust indenture does or does not comply with the provisions of this Indenture, and that it is or is not proper for it, under the provisions of this Article, to join in the execution of such supplemental trust indenture.

ARTICLE XII

SUPPLEMENTAL AGREEMENTS AND SUPPLEMENTAL PLEDGE AGREEMENTS

SECTION 1201. Supplemental Agreements and Supplemental Pledge Agreements Not Requiring Consent of Bondholders. Without the consent of any Bondholder, the Issuer and FPL may enter into, and the Trustee may consent to, from time to time and at any time, such agreements supplemental to the Agreement as shall not be inconsistent with the terms and provisions thereof and, if a Pledge Agreement shall then be in effect, the Trustee may enter into any agreement supplemental to the Pledge Agreement as shall not be inconsistent with the terms thereof, which in the opinion of Bond Counsel selected by FPL shall not be detrimental to the interests of the Bondholders (which supplemental agreements shall thereafter form a part of the Agreement and Pledge Agreement, respectively),

(a) to cure any ambiguity or defect or omission in the Agreement or in any supplemental agreement, or in any Pledge Agreement or in any supplemental pledge agreement then in effect, or

(b) to grant to or confer upon the Issuer or the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Issuer or the Bondholders or the Trustee, or

(c) to correct any description of, or to reflect changes in, any properties comprising the Project, or

(d) in connection with any other change which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of FPL to pay the Loan Repayments or otherwise materially impair the security of the Bondholders under this Indenture.

SECTION 1202. Supplemental Agreements and Supplemental Pledge Agreements Requiring Consent of Bondholders. Except for supplemental agreements or supplemental pledge agreements provided for in Section 1201 of this Article or amendments to the Agreement and the Pledge Agreement as therein provided for, the Issuer shall not enter into and the Trustee shall not consent to any supplemental agreement or amendment to the Agreement or enter into any supplemental pledge agreement or amendment to the Pledge Agreement unless notice of the proposed execution of such supplemental agreement, supplemental pledge agreement or amendment shall have been given and the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding shall have consented to and approved the execution thereof all as provided for in Section 1102 of this Indenture in the case of supplemental trust indentures; provided that the Trustee shall be entitled to exercise its discretion in consenting or not consenting to any such supplemental agreement, supplemental pledge agreement or amendment in the same manner as provided for in Section 1104 of this Indenture in the case of supplemental trust indentures.

ARTICLE XIII

DEFEASANCE

SECTION 1301. Defeasance of Bonds. If there is paid to the holders of all of the Bonds secured hereby the principal of and premium, if any, and interest on such Bonds which is and shall thereafter become due and payable thereon, together with all other sums payable hereunder, then and in that case the rights, title and interest of the Trustee in and to the estate pledged and assigned to it under this Indenture shall cease, terminate and become void, and such Bonds shall cease to be entitled to any lien, benefit or security under this Indenture. In such event, the Trustee shall transfer and assign to FPL all property then held by the Trustee, shall execute such documents as may be reasonably required by the Issuer or FPL to evidence said transfer and assignment and shall turn over to FPL any surplus in the Bond Fund and any surplus in any other fund created hereunder. If the Issuer shall pay or cause to be paid to the holders of less than all of the outstanding Bonds the principal of and premium, if any, and interest on such Bonds which is and shall thereafter become due and payable upon such Bonds, such Bonds, or portions thereof, shall cease to be entitled to any lien, benefit or security under this Indenture.

Any or all of the outstanding Bonds then bearing interest at a Long-Term Interest Rate during a Long-Term Interest Rate Period ending on or after the redemption date or on the day immediately preceding the Maturity Date, as the case may be, or at Commercial Paper Term Rates for Commercial Paper Terms which end on the redemption date or the day immediately preceding the Maturity Date, as the case may be, shall be deemed to have been paid within the meaning and with the effect expressed in this Section when (a) in case said Bonds, or portions thereof, have been selected for redemption in accordance with Section 301 hereof prior to their maturity, FPL shall have given to the Trustee irrevocable instructions to mail in accordance with the provisions of Section 302 hereof notice of redemption of such Bonds, or portions thereof, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Obligations, which shall not contain provisions permitting the redemption thereof at the option of the issuer thereof, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Trustee available therefor, shall be sufficient to pay when due the principal of and premium, if any, and interest due and to become due on said Bonds, or portions thereof, on or prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Bonds do not mature and are not to be redeemed within the next succeeding 60 days, FPL shall have given the Trustee irrevocable instructions to mail, as soon as practicable in the same manner as a notice of redemption is mailed pursuant to Section 302 hereof, a notice to the holders of said Bonds, or portions thereof, stating that the deposit of moneys or Defeasance Obligations required by clause (b) of this paragraph has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of and premium, if any, and interest on said Bonds, or portions thereof. Neither the moneys or Defeasance Obligations deposited with the Trustee pursuant to this Section nor principal or interest payments on any such obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and premium, if any, and interest on said Bonds, or portions thereof. If payment of less than all of the Bonds is to be provided for in the manner and with the effect expressed in this Section, the

Trustee shall select such Bonds, or portions thereof, in the manner specified in Section 301 hereof for selection for redemption of less than all Bonds in the principal amounts designated to the Trustee by FPL.

ARTICLE XIV

REMARKETING AGENT; TENDER AGENT; PURCHASE AND REMARKETING OF BONDS; INDEXING AGENT

SECTION 1401. Remarketing Agent and Tender Agent. (a) Wachovia Bank, National Association, shall be the initial Remarketing Agent for the Bonds. FPL shall appoint any successor Remarketing Agent for the Bonds, subject to the conditions set forth in Section 1402(a) hereof. The term of appointment of any Remarketing Agent shall expire, and FPL shall appoint a successor Remarketing Agent, upon the adjustment of the interest rate determination method for the Bonds in accordance with Section 201 hereof; provided, however, that FPL may elect to appoint the then current Remarketing Agent as the successor Remarketing Agent, in which event any remarketing agreement between FPL and the then current Remarketing Agent may, at the option of FPL, remain in effect during such new term of appointment. The Remarketing Agent shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Trustee, the Tender Agent, the Indexing Agent and FPL under which the Remarketing Agent will agree, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee, the Tender Agent and FPL at all reasonable times.

(b) The initial Tender Agent shall be The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida. FPL shall appoint any successor Tender Agent for the Bonds, subject to the conditions set forth in Section 1402(b) hereof. The Tender Agent shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Trustee, FPL, and the Remarketing Agent. By acceptance of its appointment hereunder, the Tender Agent agrees:

(i) to hold all Bonds delivered to it pursuant to Section 202 hereof, as agent and bailee of, and in escrow for the benefit of, the respective Owners which shall have so delivered such Bonds until moneys representing the purchase price of such Bonds shall have been delivered to or for the account of or to the order of such Owners;

(ii) to establish and maintain, and there is hereby established with the Tender Agent, a separate segregated trust fund designated as the "St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 Purchase Fund" (the "Purchase Fund") until such time as it has been discharged from its duties as Tender Agent hereunder;

(iii) to hold all moneys (without investment thereof) delivered to it hereunder for the purchase of Bonds pursuant to Section 202 hereof in the Purchase Fund for the purchase of Bonds pursuant to Section 202 hereof, as agent and bailee of, and in escrow for the benefit of, the person or entity which shall have so delivered such moneys until the Bonds purchased with such moneys shall have been delivered to or for the account of such person or entity;

(iv) to hold all Bonds registered in the name of the new Owners thereof and make such Bonds available for delivery to the Remarketing Agent in accordance with the Tender Agreement;

(v) to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee, FPL and the Remarketing Agent at all reasonable times.

The Issuer shall cooperate with FPL and the Trustee to cause the necessary arrangements to be made and to be thereafter continued to enable the Tender Agent to perform its duties and obligations described above.

SECTION 1402. Qualifications of Remarketing Agent and Tender Agent; Resignation; Removal.

(a) The Remarketing Agent shall be a member of the National Association of Securities Dealers, Inc., having a combined capital stock, surplus and undivided profits of at least $15,000,000 and authorized by law to perform all the duties imposed upon it by this Indenture. Any successor Remarketing Agent shall be rated, so long as the Bonds shall be rated by Moody's, at least Baa3/P-3 or otherwise qualified by Moody's. The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 45 days notice to the Issuer, the Trustee, the Tender Agent, the Indexing Agent and FPL. Such resignation shall take effect on the day a successor Remarketing Agent shall have been appointed by FPL and shall have accepted such appointment. FPL may from time to time remove the Remarketing Agent upon five Business Days' notice and appoint a different Remarketing Agent by an instrument signed by FPL and filed with the Issuer, the Remarketing Agent, the Trustee, the Tender Agent and the Indexing Agent.

(b) The Tender Agent shall be a corporation or a national or state banking association or trust company duly organized under the laws of the United States of America or any state or territory thereof, and, if not a bank or trust company, for so long as the Bonds shall be rated by Moody's, shall be rated at least Baa3/P-3 or otherwise qualified by Moody's, and in any case having a combined capital stock, surplus and undivided profits of at least $25,000,000 and authorized by law to perform all the duties imposed upon it by this Indenture and the Tender Agreement. The Tender Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Issuer, the Trustee, FPL and the Remarketing Agent. Such resignation shall take effect on the day a successor Tender Agent shall have been appointed by FPL and shall have accepted such appointment. The Tender Agent may be removed by FPL, at any time by an instrument signed by FPL, filed with the Tender Agent, the Issuer, the Trustee, the Remarketing Agent.

In the event of the resignation or removal of the Tender Agent, the Tender Agent shall deliver any Bonds and moneys held by it in such capacity to its successor or, if there is no successor, to the Trustee.

SECTION 1403. Notice of Bonds Delivered for Purchase; Purchase of Bonds.

(a) The Tender Agent shall determine timely and proper delivery of Bonds pursuant to this Indenture and the proper endorsement of such Bonds. Such determination shall be binding on the Owners of such Bonds, the Issuer, FPL, the Remarketing Agent and the Trustee absent manifest error. As promptly as practicable, in accordance with the provisions of the Tender Agreement, the Tender Agent shall give telephonic or telegraphic notice, promptly confirmed by a written notice, to the Trustee, the Remarketing Agent and FPL specifying the principal amount of Bonds, if any, as to which it shall receive notice of tender for purchase in accordance with Sections 202(a) or (b).

(b) Bonds required to be purchased in accordance with Section 202 hereof shall be purchased from the Owners thereof, on the date and at the purchase price at which such Bonds are required to be purchased. Funds for the payment of such purchase price shall be derived from the following sources in the order of priority indicated:

(i) moneys furnished by the Trustee to the Tender Agent pursuant to Section 1401 hereof, such moneys to be applied only to the purchase of Bonds which are deemed to be paid in accordance with this Article XIV;

(ii) proceeds of the sale of such Bonds remarketed pursuant to Section 1406 hereof and furnished to the Tender Agent by the Remarketing Agent for deposit into the Purchase Fund;

(iii) moneys furnished to the Tender Agent representing moneys provided by FPL pursuant to Section 11.1 or 11.2 of the Agreement or otherwise available for such purpose.

(c) (i) The Registrar shall authenticate a new Bond or Bonds in an aggregate principal amount equal to the principal amount of Bonds purchased in accordance with Section 1403(b), whether or not the Bonds so purchased are presented by the Owners thereof, bearing a number or numbers not contemporaneously outstanding. Every Bond authenticated and delivered as provided in this Section 1403(c) shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Bonds duly issued hereunder. The Registrar shall maintain a record of the Bonds purchased as provided in this Section 1403, together with the names and addresses of the former Owners thereof.

(ii) In the event any Bonds purchased as provided in this Section 1403 shall not be presented to the Tender Agent, the Tender Agent shall segregate and hold the moneys for the purchase price of such Bonds in trust for the benefit of the former Owners of such Bonds, who shall, except as provided in the following sentence, thereafter be restricted exclusively to such moneys for the satisfaction of any claim for the purchase price of such Bonds. Any moneys which the Tender Agent shall segregate and hold in trust for the payment of the purchase price of any Bond and remaining unclaimed for one year after the date of purchase shall, upon FPL's written request to the Tender Agent, be paid to FPL. After the payment of such unclaimed moneys to FPL, the former Owner of such Bond shall look only to FPL for the payment thereof.

SECTION 1404. Indexing Agent. The Remarketing Agent is hereby appointed as the initial Indexing Agent for the Bonds. FPL shall appoint any successor Indexing Agent for the Bonds, subject to the conditions set forth in Section 1405 hereof. The Indexing Agent shall

designate to the Issuer and the Trustee its address for the purposes of Section 1502 hereof and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Trustee, FPL, the Tender Agent and the Remarketing Agent under which the Indexing Agent will agree to determine indices as provided herein, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee, the Tender Agent, the Remarketing Agent and FPL at all reasonable times.

SECTION 1405. Qualifications of Indexing Agent. The Indexing Agent shall be a nationally recognized municipal securities evaluation service or a member of the National Association of Securities Dealers, Inc. and authorized by law to perform all the duties imposed upon it by this Indenture. The Indexing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Issuer, the Trustee, the Tender Agent, the Remarketing Agent and FPL. FPL may from time to time remove the Indexing Agent and appoint a different Indexing Agent by an instrument, signed by FPL and filed with the Issuer, the Indexing Agent, the Trustee, the Tender Agent and the Remarketing Agent.

SECTION 1406. Remarketing of Bonds; Notice of Interest Rates.

(a) Upon notice of the tender for purchase of Bonds, or in connection with any mandatory tender for purchase of Bonds, in accordance with Section 202 hereof, the Remarketing Agent shall offer for sale and use its best efforts to sell such Bonds, any such sale to be made on the date of such purchase in accordance with Section 202. Any Bond which is tendered for purchase, pursuant to Sections 202(a) or (b) hereof, or after that Bond has become subject to mandatory tender for purchase pursuant to Sections 202(c) or (d) hereof, shall be sold only to a purchaser who agrees to refrain from selling that Bond other than under the terms of this Indenture and hold that Bond only to the date of mandatory purchase.

(b) The Remarketing Agent shall determine the rate of interest to be borne by the Bonds during each Interest Rate Period and by each Bond during each Commercial Paper Term for such Bond and the Commercial Paper Terms for each Bond during each Commercial Paper Interest Rate Period as provided in Section 201 hereof and shall furnish to the Registrar, Paying Agent, the Company and the Trustee on the Business Day of determination each rate of interest and Commercial Paper Term so determined.

(c) The Remarketing Agent shall give telephonic or facsimile notice to the Trustee and the Tender Agent on each date on which Bonds shall have been purchased pursuant to Section 1403(b) hereof, specifying the principal amount of Bonds, if any, sold by it pursuant to Section 1406(a) hereof.

SECTION 1407. Delivery of Bonds.

(a) Bonds purchased with moneys described in clause (i) of Section 1403(b) hereof shall be delivered to the Trustee for cancellation.

(b) Bonds purchased with moneys described in clause (ii) of Section 1403(b) hereof shall be made available for delivery by the Tender Agent to the Remarketing Agent for delivery to the purchasers thereof against payment therefor in accordance with the Tender Agreement.

(c) Bonds purchased with moneys described in clause (iii) of Section 1403(b) hereof shall at the direction of FPL, be (i) held by the Tender Agent for the account of FPL, (ii) delivered to the Trustee for cancellation or (iii) delivered to FPL; provided, however, that any Bonds so purchased after the selection thereof by the Trustee for redemption shall be delivered to the Trustee for cancellation.

(d) Bonds delivered as provided in this Section 1407 shall be registered in the manner directed by the recipient thereof.

SECTION 1408. Delivery of Proceeds of Sale. The proceeds of the sale by the Remarketing Agent of any Bonds delivered to it by, or held by it for the account of, the Trustee, or FPL, or delivered to it by any other Owner, shall be turned over to the Tender Agent, FPL, or such other Owner, as the case may be; provided, however, that if any such Bond is sold by the Remarketing Agent at a price in excess of the principal amount thereof (exclusive of that portion, if any, of such price representing accrued interest), such excess shall be paid to FPL.

ARTICLE XV

MISCELLANEOUS PROVISIONS

SECTION 1501. Covenants Binding Upon Successors. In the event of the dissolution of the Issuer all of the covenants, stipulations, obligations and agreements contained in this Indenture by or on behalf of or for the benefit of the Issuer shall bind or inure to the benefit of the successor or successors of the Issuer from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the word "Issuer" as used in this Indenture shall include such successor or successors.

SECTION 1502. Notices. Any notice, demand, direction, request or other instrument authorized or required by this Indenture to be given to or filed with the Issuer or the Trustee shall be (subject, with respect to the Trustee, to Section 913 hereof) deemed to have been sufficiently given or filed for all purposes of this Indenture if and when sent by registered mail, return receipt requested:

to the Issuer, if addressed to St. Lucie County, Florida, County Administrative Center, 2300 Virginia Avenue, Fort Pierce, Florida 34982, Attention: Clerk of the Board of County Commissioners with a copy to the County Attorney;

to the Trustee, if addressed to The Bank of New York Trust Company of Florida, N.A., 10161 Centurion Parkway, Jacksonville, Florida 32256, Attention: Corporate Trust Division;

to FPL, if addressed as provided in the Agreement;

to the Tender Agent, if addressed to The Bank of New York Trust Company of Florida, N.A., 10161 Centurion Parkway, Jacksonville, Florida 32256, Attention: Corporate Trust Division;

to the Remarketing Agent, if addressed to Wachovia Bank, National Association, 301 South College Street, DC-8, Charlotte, North Carolina 28288-0600, Attention: Municipal Trading Desk;

to the Indexing Agent, if addressed to Wachovia Bank, National Association, 301 South College Street, DC-8, Charlotte, North Carolina 28288-0600, Attention: Municipal Trading Desk

The Issuer, the Trustee, FPL, the Tender Agent, the Remarketing Agent, and the Indexing Agent may, by notice given hereunder, designate any further or different addresses to which subsequent communications under this Indenture may be sent.

All documents received by the Trustee under the provisions of this Indenture, or photographic copies thereof, shall be retained in its possession until this Indenture shall be released under the provisions of this Indenture, subject at all reasonable times to the inspection of the Issuer, FPL, any Bondholder and any agent or representative thereof. A copy of any

notice, certificate or other communication given pursuant to this Indenture shall also be given to FPL at the address set forth in Section 12.1 of the Agreement.

SECTION 1503. Manner of Notice. If, because of the temporary or permanent suspension of publication of any newspaper or financial journal or for any other reason, the Trustee shall be unable to publish in a newspaper or financial journal any notice required to be published by the provisions of this Indenture, the Trustee shall give such notice in such other manner as in the judgment of the Trustee shall most effectively approximate such publication thereof, and the giving of such notice in such manner shall for all purposes of this Indenture be deemed to be in compliance with the requirement for the publication thereof.

SECTION 1504. Issuer, Trustee, FPL and Bondholders Alone Have Rights Under Indenture. Except as herein otherwise expressly provided, nothing in this Indenture express or implied is intended or shall be construed to confer upon any person, other than the parties hereto, FPL and the holders from time to time of the Bonds issued under and secured by this Indenture, any right, remedy or claim, legal or equitable, under or by reason of this Indenture or any provision thereof, this Indenture and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto, FPL and the holders from time to time of the Bonds issued hereunder.

SECTION 1505. Severability and Effect of Invalidity. In case any one or more of the provisions of this Indenture or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Indenture or of said Bonds. In case any covenant, stipulation, obligation or agreement contained in the Bonds or in this Indenture shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Issuer to the full extent permitted by law.

SECTION 1506. Release of Officers, Employees and Agents of Issuer. All covenants, stipulations, obligations and agreements of the Issuer contained in this Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the Issuer to the full extent permitted by the Constitution and laws of the State of Florida. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member of the County Board, the Chairman, or other officer, agent or employee of the Issuer, Broward, Martin or the County Board in his individual capacity, and neither the members of the County Board, nor the Chairman or any other officer of the Issuer or the County Board executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the County Board, the Chairman, and no other officer, agent or employee of the Issuer, Broward, Martin or the County Board shall incur any personal liability in acting or proceeding or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Indenture.

SECTION 1507. If Payment or Performance Date not a Business Day. If the date for making any payment of principal or premium, if any, or interest or the last date for performance of any act or the exercising of any right, as provided in this Indenture, shall be a legal holiday or a day in which banking institutions in the city in which the Trustee or the Paying Agent shall be

located are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or not a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Indenture, and no interest shall accrue for the period after such nominal date.

SECTION 1508. Headings Not Part of Indenture. Any headings preceding the texts of the several articles hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Indenture, nor shall they affect its meaning, construction or effect.

SECTION 1509. Counterparts. This Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

SECTION 1510. Applicable Law. This Indenture shall be governed by, and construed in accordance with, the laws of the State of Florida.

IN WITNESS WHEREOF, ST. LUCIE COUNTY, FLORIDA, has caused this Indenture to be executed by its Chairman of the Board of County Commissioners and the official seal of the Board to be impressed hereon, and attested by a Deputy Clerk, and THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., has caused this Indenture to be executed by an authorized signatory and its corporate seal to be impressed hereon for and on its behalf, all as of the day and year first above written.

ST. LUCIE COUNTY, FLORIDA

[SEAL]

By: _____
Chairman, Board of
County Commissioners

Attest:

_____
Deputy Clerk

Approved as to form:

_____
County Attorney

THE BANK OF NEW YORK TRUST
COMPANY OF FLORIDA, N.A., as Trustee

[CORPORATE SEAL]

By: Barbara B. Buck
Assistant Vice President

EXHIBIT A

R-____ $78,785,000

UNITED STATES OF AMERICA
STATE OF FLORIDA

ST. LUCIE COUNTY, FLORIDA
SOLID WASTE DISPOSAL REVENUE REFUNDING BOND
(FLORIDA POWER & LIGHT COMPANY PROJECT), SERIES 2003

Interest Rate Period	Original Issue Date	Maturity Date	Cusip No.
	May 1, 2003	May 1, 2024	79208EBY8

[To be filled in only if the Interest Rate Period identified above is the Commercial Paper Rate]:

Purchase Date	Commercial Paper Term	Commercial Paper Term Rate	Interest Payable

Registered Owner: Cede & Co.

Principal Amount: Seventy-eight Million Seven Hundred Eighty-five Thousand Dollars

ST. LUCIE COUNTY, FLORIDA (the "Issuer"), a political subdivision of the State of Florida, for value received, hereby promises to pay, solely from the special fund provided therefor as hereinafter referred to, to the Registered Owner referred to above or registered assigns, on May 1, 2024 (or earlier as hereinafter referred to) upon the presentation and surrender hereof at the corporate trust office of the Trustee (hereinafter mentioned), the Principal Amount stated above, and to pay, solely from said special fund, to the Registered Owner at his address as it appears on the Bond registration books of the Issuer, interest on said Principal Amount until payment of such Principal Amount, at the rates and on the dates determined as described herein and in the Indenture (hereinafter defined). The principal of and any premium on this Bond are payable at the designated office of The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as Trustee. Interest on this Bond is payable by (i) check mailed to the Registered Owner hereof at the address of the Registered Owner of this Bond as of the close of business on the Record Date (as defined in the Indenture) in respect of such interest, or (ii) except for interest in respect of a Long-Term Interest Rate Period (described herein), upon the request of the Registered Owner hereof, by deposit of immediately available funds to the account of the Registered Owner maintained with The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as Paying Agent or transmitted by wire transfer to such Registered Owner at an account maintained at a commercial bank located within the United States of America; provided that the Registered Owner hereof shall have provided deposit or transfer

instructions to the Paying Agent at least two Business Days (hereinafter defined) prior to the applicable Record Date; provided further, that interest payable in respect of a Commercial Paper Term (described herein) is payable only upon delivery hereof to the Tender Agent (hereinafter identified). Principal or redemption price and interest shall be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts without deduction for the services of the Paying Agent.

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Indenture or the Agreement (herein defined).

THE PRINCIPAL OF AND INTEREST AND ANY PREMIUM ON, AND PURCHASE PRICE OF, THIS BOND ARE PAYABLE SOLELY FROM THE FUNDS PLEDGED FOR THEIR BENEFIT PURSUANT TO THE INDENTURE, INCLUDING AMOUNTS PAYABLE BY FLORIDA POWER & LIGHT COMPANY UNDER THE AGREEMENT (IDENTIFIED BELOW), OTHER REVENUES AND AMOUNTS PLEDGED UNDER THE INDENTURE DERIVED FROM THE SALE, OPERATION OR LEASING OF THE PROJECT (IDENTIFIED BELOW) AND FROM PAYMENTS MADE ON THE PLEDGED BONDS (IDENTIFIED BELOW) OR UNDER ANY OTHER CREDIT ENHANCEMENT PROVIDED BY FLORIDA POWER & LIGHT COMPANY IN ACCORDANCE WITH THE PROVISIONS OF THE INDENTURE AND THE AGREEMENT, IF APPLICABLE. THE BONDS AND THE INTEREST AND ANY PREMIUM THEREON AND THE PAYMENT OF THE PURCHASE PRICE THEREOF SHALL NOT BE DEEMED TO CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE ISSUER, BROWARD COUNTY, FLORIDA ("BROWARD"), MARTIN COUNTY, FLORIDA ("MARTIN") OR OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE FAITH AND CREDIT NOR ANY TAXING POWER OF THE ISSUER, BROWARD, MARTIN OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST OR ANY PREMIUM ON, OR PURCHASE PRICE OF, THE BONDS.

No recourse shall be had for the payment of the principal or redemption price or purchase price of, or interest on, this Bond, or for any claim based hereon or on the Indenture, against any member, officer, agent or employee, past, present or future, of the Issuer, Broward, Martin or the County Board or of any successor body, as such, either directly or through the Issuer, Broward, Martin or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

This Bond is one of a duly authorized series of revenue bonds of the Issuer in the aggregate principal amount of $78,785,000 known as "St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003" (the "Bonds"), dated as of May 1, 2003, and issued for the purpose of financing the refunding by redemption of certain revenue bonds of the Issuer and of Broward and Martin, which financed or refinanced the Cost (as defined in the Act referred to below) of the acquisition, installation and construction of certain solid waste disposal and sewage facilities (the "Project") located at (i) Units 1 and 2 (the "St. Lucie Units") of the St. Lucie Electrical Generating Plant, in St. Lucie County, Florida, an undivided interest in which is owned by Florida Power & Light Company ("FPL"), a corporation duly organized and validly existing under the laws of the State of Florida,

(ii) Units 4 and 5 (the "Broward Units") of the Lauderdale Electrical Generating Plant, in Broward County, Florida, owned by FPL, and (iii) Units 3 and 4 (together with the St. Lucie Units and the Broward Units, the "Units") of the Martin County Electrical Generating Plant, in Martin County, Florida, owned by FPL, all as more specifically described in Exhibit A to the Agreement.

The Bonds are issued under and pursuant to a Trust Indenture (said Trust Indenture, together with all trust indentures supplemental thereto as therein permitted, being herein called the "Indenture"), dated as of May 1, 2003, by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., a national banking association, having its corporate trust office in Jacksonville, Florida (said national banking association and any bank or trust company becoming successor trustee under the Indenture being herein called the "Trustee"). Copies of the Indenture are on file at the designated office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Bonds issued under the Indenture, the collection and disposition of revenues, a description of the funds charged with and pledged to the payment of the principal of and premium, if any, and interest on, or purchase price of, the Bonds, the nature and extent of the security, the terms and conditions under which the Bonds are or may be issued, the rights, duties and obligations of the Issuer and of the Trustee and the rights of the holders of the Bonds.

This Bond is issued, and the Indenture was made and entered into, under and pursuant to and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 159, Part II, Florida Statutes, as amended (the "Act"), and under and pursuant to a resolution duly adopted by the Issuer and Interlocal Agreements entered into by the Issuer with Broward and Martin.

The Issuer has entered into a Loan Agreement, dated as of May 1, 2003 (the "Agreement"), with FPL, under the provisions of which the Issuer will loan the proceeds of the Bonds to FPL and FPL will agree to apply such proceeds to refund by redemption the Refunded Bonds. The Agreement, in accordance with and as required by the Act, provides for the payment by FPL of amounts ("Loan Repayments") sufficient to pay the principal of and premium, if any, and interest on the Bonds as the same shall become due and payable and the Agreement further obligates FPL to pay the cost of maintaining, repairing and operating the Project. The Agreement provides that the Loan Repayments shall be paid directly to the Trustee for the account of the Issuer. Such Loan Repayments shall be deposited to the credit of a special fund created by the Indenture and designated "St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 Bond Fund" (the "Bond Fund"), which special fund is pledged to and charged with the payment of the principal of and premium, if any, and interest on all Bonds issued under the Indenture. The Agreement further obligates FPL to pay the purchase price of Bonds tendered for purchase by the Registered Owners thereof pursuant to the provisions thereof, to the extent that funds are not otherwise available under the Indenture. The Agreement provides that FPL is unconditionally obligated to meet its obligations to pay the Loan Repayments and to perform and observe the other agreements on its part contained therein.

In the manner hereinafter provided, the term of the Bonds will be divided into consecutive Interest Rate Periods during each of which the Bonds shall bear interest at a Daily

Interest Rate (the "Daily Interest Rate Period"), a Weekly Interest Rate (the "Weekly Interest Rate Period"), or a Long-Term Interest Rate or Rates (the "Long-Term Interest Rate Period"), or each Bond may bear interest at a Commercial Paper Term Rate during one or more consecutive Commercial Paper Terms (the "Commercial Paper Interest Rate Period"). The first Interest Rate Period shall be as specified in the Indenture.

This Bond while bearing interest at a rate other than a Commercial Paper Term Rate shall bear interest from and including the Interest Accrual Date (as hereinafter defined) immediately preceding the date of authentication hereof, or, if such date of authentication shall be an Interest Accrual Date to which interest on this Bond has been paid in full or duly provided for or the date of initial authentication hereof, from its date of authentication and this Bond while bearing interest at a Commercial Paper Term Rate shall bear interest from and including the first day of the related Commercial Paper Term; provided, however, that if, as shown by the records of the Trustee, interest on the Bonds shall be in default, Bonds issued in exchange for Bonds surrendered for registration of transfer or exchange shall bear interest from the date to which interest has been paid in full on the Bonds or, if no interest has been paid on the Bonds, the date of the first authentication of Bonds under the provisions of the Indenture. For any Daily Interest Rate Period, interest on this Bond shall be payable on each Interest Payment Date (as hereinafter defined) for the period commencing on the second preceding Interest Accrual Date and ending on the day immediately preceding the immediately preceding Interest Accrual Date, unless the Interest Payment Date shall be the day next succeeding the last day of a Daily Interest Rate Period, in which case interest shall be payable on such Interest Payment Date for the period commencing on the Interest Accrual Date to which interest shall have been paid in full and ending on the day immediately preceding such Interest Payment Date. For any Weekly Interest Rate Period, interest on this Bond shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date (or, if any Interest Payment Date is not a Wednesday, commencing on the second preceding Interest Accrual Date) and ending on the Tuesday immediately preceding the Interest Payment Date (or, if the period ends sooner than that Tuesday, ending on the last day of the Weekly Interest Rate Period). For any Commercial Paper Interest Rate Period or Long-Term Interest Rate Period, interest on this Bond shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date and ending on the day immediately preceding such Interest Payment Date. In any event, interest on this Bond shall be payable for the final Interest Rate Period to the date on which this Bond shall have been paid in full. Interest shall be computed, in the case of a Long-Term Interest Rate Period, on the basis of a 360-day year consisting of twelve, 30-day months, and in the case of any other Interest Rate Period, on the basis of a 365 or 366-day year, as appropriate, and the actual number of days elapsed. The Bonds shall be deliverable in the form of registered Bonds without coupons in the denomination of (i) $5,000 and any integral multiple thereof, during any Long-Term Interest Rate Period, (ii) $25,000 and any integral multiple of $25,000, during any Daily Interest Rate Period or Weekly Interest Rate Period, and, as necessary in order to total the outstanding principal amount, a single bond in the denomination of $25,000 and any integral multiple of $5,000 in excess of $25,000, and (iii) $25,000 and any integral multiple of $5,000 in excess of $25,000, during any Commercial Paper Interest Rate Period (such denominations referred to herein as "Authorized Denominations").

The term "Interest Accrual Date" means (i) with respect to any Daily Interest Rate Period, the first day thereof and, thereafter, the first day of each calendar month during that Daily

Interest Rate Period, (ii) with respect to any Weekly Interest Rate Period, the first day thereof and, thereafter, the first Wednesday of each calendar month during that Weekly Interest Rate Period, (iii) with respect to any Long-Term Interest Rate Period, the first day thereof and, thereafter, each Interest Payment Date in respect thereof, other than the last such Interest Payment Date, and (iv) with respect to each Commercial Paper Term within a Commercial Paper Interest Rate Period, the first day thereof. The term "Interest Payment Date" means (1) with respect to any Daily Interest Rate Period, the fifth Business Day (as hereinafter defined) of each calendar month, (2) with respect to any Weekly Interest Rate Period, the first Wednesday of each calendar month, or, if such first Wednesday shall not be a Business Day, the next succeeding Business Day, (3) with respect to any Long-Term Interest Rate Period, each May 1 and November 1, (4) with respect to any Commercial Paper Term, the day next succeeding the last day thereof, and (5) with respect to each Interest Rate Period, the day next succeeding the last day thereof. The term "Business Day" means a day on which banks located in the cities in which the corporate trust office of the Trustee and the Tender Agent are located are not required or authorized to remain closed and on which the New York Stock Exchange, Inc. is not closed.

(1) (i) Determination of Daily Interest Rate. During each Daily Interest Rate Period, this Bond shall bear interest at the Daily Interest Rate, which shall be determined by the Remarketing Agent, hereinafter referred to, on each Business Day for such Business Day. The Daily Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof; provided, however, that if for any reason, the Daily Interest Rate cannot be determined for any Business Day by the Remarketing Agent as hereinbefore provided, the Daily Interest Rate for such Business Day shall be a percentage per annum determined by the Indexing Agent, hereinafter referred to, equal to 75% of the Treasury Rate, defined in the Indenture; and (C) the Daily Interest Rate for any day which is not a Business Day shall be the same as the Daily Interest Rate in effect for the immediately preceding Business Day. In no event shall the Daily Interest Rate exceed 15% per annum.

(ii) Adjustment to Daily Interest Rate. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Daily Interest Rate. Such direction shall be in the form and shall be given in the manner provided in the Indenture. During each Daily Interest Rate Period commencing on the date specified in such direction and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the Bonds shall be a Daily Interest Rate.

(2) (i) Determination of Weekly Interest Rate. During each Weekly Interest Rate Period, this Bond shall bear interest at the Weekly Interest Rate, which shall be determined by the Remarketing Agent no later than the Business Day immediately preceding the first day of each Weekly Interest Rate Period and thereafter no later than the Business Day immediately preceding Wednesday of each week during such Weekly Interest Rate Period. The Weekly Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the

Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof; provided, however, that if for any reason, the Weekly Interest Rate cannot be determined for any week by the Remarketing Agent as hereinbefore provided, the Weekly Interest Rate for such week shall be a percentage per annum determined by the Indexing Agent equal to 80% of the Treasury Rate. In no event shall the Weekly Interest Rate exceed 15% per annum. The first Weekly Interest Rate determined for each Weekly Interest Rate Period shall apply to the period commencing on the first day of such period and ending on the next succeeding Tuesday. Thereafter, each Weekly Interest Rate shall apply to the period commencing on Wednesday and ending on the earlier of the next succeeding Tuesday or the day immediately preceding the effective date of the next Interest Rate Period.

(ii) Adjustment to Weekly Interest Rate. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Weekly Interest Rate. Such direction shall be in the form and shall be given in the manner provided in the Indenture. During each Weekly Interest Rate Period commencing on the date specified in such direction and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the Bonds shall be a Weekly Interest Rate.

(3) (i) Determination of Long-Term Interest Rate. During each Long-Term Interest Rate Period, the Bonds shall bear interest at the Long-Term Interest Rate. The Long-Term Interest Rate for the Bonds, or, in the case of an adjustment from a Commercial Paper Interest Rate Period pursuant to Alternative (II) as described in Paragraph 4(iii) hereof, the Long-Term Interest Rate for each Bond, shall be determined by the Remarketing Agent on the effective date, or on a Business Day selected by it not more than 30 days prior to such effective date, of such Long-Term Interest Rate Period, with respect to the Bonds or such Bond. The Long-Term Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such effective date at a price (without regard to accrued interest) equal to the principal amount thereof; provided, however, that if for any reason, the Long-Term Interest Rate for any Long-Term Interest Rate Period cannot be determined by the Remarketing Agent as hereinabove provided, the Long-Term Interest Rate for such Long-Term Interest Rate Period shall be a percentage per annum equal to the Alternate Long-Term Interest Rate Index (as defined in the Indenture). Except during a Long-Term Interest Rate Period which ends on the date immediately preceding the Maturity Date, in no event shall the Long-Term Interest Rate exceed 15% per annum.

(ii) Adjustment to Long-Term Interest Rate. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Long-Term Interest Rate or Rates during a Long-Term Interest Rate Period or series of successive Long-Term Interest Rate Periods, and if it shall so elect, shall specify the duration of the Long-Term Interest Rate Period or Periods during which the Bonds shall bear interest at such Long-Term Interest Rate or Rates, which

duration shall be at least one year; provided that, as set forth below, in connection with the adjustment to a Long-Term Interest Rate Period or the commencement of any subsequent Long-Term Interest Rate Period, FPL must deliver to the Trustee a series of its first mortgage bonds, unless it delivers to the Trustee other credit enhancement, all as described below. During each Long-Term Interest Rate Period, the interest rate borne by the Bonds shall be a Long-Term Interest Rate. If, in connection with the expiration of any Long-Term Interest Rate Period (other than one of a succession of Long-Term Interest Rate Periods of substantially equal duration), by the Business Day preceding the date on which the Registrar must mail notice to the Registered Owners of the Bonds of an adjustment of Interest Rate Period as described in Paragraph (5)(i) hereof, the Trustee shall not have received notice of FPL's election that the Bonds shall bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Long-Term Interest Rate or Commercial Paper Term Rates, or if such series of first mortgage bonds or other credit enhancement is not so delivered to the Trustee, the next succeeding Interest Rate Period shall be a Daily Interest Rate Period or a Long-Term Interest Rate Period, as described in Section 201(f)(ii)(C) of the Indenture.

(iii) Adjustment from Long-Term Interest Rate Period. In addition to an adjustment from a Long-Term Interest Rate Period on the day immediately following the last day of the Long-Term Interest Rate Period, at any time during a Long-Term Interest Rate Period, FPL may elect that the Bonds no longer shall bear interest at a Long-Term Interest Rate and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Term Rates or a new Long-Term Interest Rate, as specified in such election. In the notice of such election, FPL shall also specify the effective date of the new Interest Rate Period, which date shall be no earlier than the first date, not less than thirty-five days following the date of receipt by the Trustee of the notice of election from FPL, on which the Bonds shall be subject to optional redemption as described in Paragraph 7(iii) hereof. Bonds shall be subject to mandatory tender for purchase on the effective date of the new Interest Rate Period, in accordance with the Indenture and as described in Paragraph 6(iv) hereof, at a purchase price equal to the optional redemption price as described in Paragraph 7(iii) hereof which would be applicable on that date.

(4) (i) Determination of Commercial Paper Terms and Commercial Paper Term Rates. During each Commercial Paper Interest Rate Period, this Bond shall bear interest during each Commercial Paper Term for this Bond at the Commercial Paper Term Rate for this Bond. Each of such Commercial Paper Terms and Commercial Paper Term Rates for this Bond shall be determined by the Remarketing Agent no later than the first day of each Commercial Paper Term. Each Commercial Paper Term for each Bond shall be a period of not more than 364 days, determined by the Remarketing Agent to be the period which, together with all other Commercial Paper Terms for all Bonds then outstanding under the Indenture, will result in the lowest overall interest expense on the Bonds over the next succeeding 364 days, taking into account certain factors set forth in the Indenture; provided, however, that (y) each Commercial Paper Term shall end on either a day which immediately precedes a Business Day or on the day immediately preceding the Maturity Date hereof, and (z) if for any reason a Commercial Paper Term for this Bond cannot be so determined by the Remarketing Agent, such Commercial Paper Term shall have either the same number of days as the immediately preceding Commercial Paper Term for this Bond, or if there should be no such immediately preceding Commercial Paper Term, then 30 days, provided, further, if the last day of such Commercial Paper Term shall not be a day immediately preceding a Business Day, such Commercial Paper Term will end on the

first day immediately preceding the Business Day next succeeding such day, or if such last day would be on or after the Maturity Date hereof, that Commercial Paper Term will end on the day immediately preceding the Maturity Date. The Commercial Paper Term Rate for each Commercial Paper Term for this Bond shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by this Bond, would enable the Remarketing Agent to sell this Bond on the date and at the time of determination at a price (without regard to accrued interest) equal to the principal amount thereof; provided, however, that if for any reason, the Commercial Paper Term Rate for any Commercial Paper Term cannot be so determined by the Remarketing Agent as hereinabove provided, the Commercial Paper Term Rate for this Bond for such Commercial Paper Term shall be a percentage per annum, determined by the Remarketing Agent, equal to the applicable percentage (depending on the duration of the Commercial Paper Term) of the interest rate for taxable commercial paper (prime paper placed through dealers) of the applicable term most recently announced by the Federal Reserve Bank of New York at the time of such determination, as set forth in the Indenture. In no event shall any Commercial Paper Term Rate exceed 15% per annum.

(ii) Adjustment to Commercial Paper Term Rates. At any time, FPL, by written direction to the Issuer, the Registrar, the Trustee, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at Commercial Paper Term Rates. Such direction shall be in the form and shall be given in the manner provided in the Indenture. During each Commercial Paper Interest Rate Period commencing on the date specified in such direction and ending on the day (with respect to each Bond) immediately preceding the effective date of the next succeeding Interest Rate Period, each Bond shall bear interest at a Commercial Paper Term Rate during each Commercial Paper Term for such Bond.

(iii) Adjustment from Commercial Paper Interest Rate Period. At any time during a Commercial Paper Interest Rate Period, FPL may elect that the Bonds no longer shall bear interest at Commercial Paper Term Rates and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate or a Long-Term Interest Rate, as specified in such election. Such election shall specify an alternative from the immediately succeeding Alternatives (I) and (II), and the Remarketing Agent shall effect one of such alternatives. Alternative (I): determine Commercial Paper Terms of such duration that, as soon as possible, all Commercial Paper Terms shall end on the same date, not less than 14 days following the second Business Day after the receipt by the Trustee of the direction of FPL effecting such election, which date shall be the last day of the then-current Commercial Paper Interest Rate Period and the next succeeding day shall be the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period elected by FPL; or Alternative (II): determine Commercial Paper Terms of such duration that will, in the judgment of the Remarketing Agent, best promote an orderly transition to the next succeeding Interest Rate Period, and beginning on the 14th day following the second Business Day after the receipt by the Trustee of the direction of FPL effecting such election, the day next succeeding the last day of the Commercial Paper Term determined in accordance with Alternative (II) with respect to each Bond shall be, with respect to such Bond, the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period elected by FPL.

(5) Notice of Adjustment to Daily, Weekly or Long-Term Interest Rate or Commercial Paper Term Rates; Bond Counsel Opinions; Remarketing Agent; Indexing Agent; Tender Agent.

(i) The Registrar shall give notice by first-class mail of an adjustment to a Daily, Weekly, Commercial Paper or Long-Term Interest Rate Period, as the case may be, to the Registered Owners of the Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of such Daily, Weekly, Commercial Paper or Long-Term Interest Rate Period.

(ii) Adjustment to an Interest Rate Period in certain circumstances set forth in the Indenture requires a contemporaneous Favorable Opinion of Bond Counsel. "Favorable Opinion of Bond Counsel" means an opinion of counsel nationally recognized on the subject of, and qualified to render approving opinions on the issuance of, municipal bonds and acceptable to FPL and the Trustee, addressed to the Issuer and the Trustee, to the effect that the action proposed to be taken is authorized or permitted by the laws of the State of Florida and the Indenture and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Bonds.

(iii) The initial Remarketing Agent and Indexing Agent, appointed under the Indenture, shall be Wachovia Bank, National Association. The term of appointment of any Remarketing Agent (and while the Remarketing Agent is the Indexing Agent, the Indexing Agent) shall expire, and FPL shall appoint a successor Remarketing Agent, upon the adjustment of the interest rate determination method for the Bonds as described above; provided, however, that FPL may elect to appoint the then current Remarketing Agent as the successor Remarketing Agent. While the Remarketing Agent shall be the Indexing Agent, such successor Remarketing Agent shall also be the Indexing Agent. Notice of such appointment shall be given as provided in the Indenture.

(iv) The initial Tender Agent appointed under the Indenture shall be The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida. For purposes hereof, the principal office of the Tender Agent shall mean The Bank of New York Trust Company of Florida, N.A., 10161 Centurion Parkway, Jacksonville, Florida 32256, Attention: Corporate Trust Division, or such other office as designated by the Tender Agent in accordance with the Indenture.

(6) (i) Purchase of Bonds During Daily Interest Rate Period. During any Daily Interest Rate Period, this Bond or any portion hereof in an Authorized Denomination shall be purchased from its Registered Owner at the option of the Registered Owner on any Business Day at a purchase price equal to the principal amount hereof plus accrued interest from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date, in which case at a purchase price equal to the principal amount hereof, payable in immediately available funds, upon delivery to the Tender Agent at its principal office, by no later than 10:30 a.m., New York City time, on such Business Day, of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by tested telex, telecopy or other writing, which states the principal amount of this Bond or such portion hereof and the date of purchase. For payment of such

purchase price on the date specified in such notice, this Bond must be delivered, at or prior to 12:00 noon, New York City time, on such Business Day, to the Tender Agent at its principal office, accompanied by an instrument of transfer hereof, in form satisfactory to the Tender Agent, executed in blank by the Registered Owner hereof or his duly-authorized attorney, with such signature guaranteed by an "eligible guarantor institution" as defined in Regulation 17Ad-15 of the Securities Exchange Act of 1934 (an "Eligible Guarantor Institution"). Notwithstanding the foregoing, during any period when the Bonds are registered in the name of Cede & Co. or such other nominee of DTC as DTC shall designate and held by DTC in its book-entry system, the optional tender of Bonds shall be accomplished in accordance with the Letter of Representation with DTC with respect to the Bonds and a tender of such Bonds must be initiated by the delivery of a notice to the Tender Agent in the form set forth as Exhibit B to the Indenture.

(ii) Purchase of Bonds During Weekly Interest Rate Period. During any Weekly Interest Rate Period, this Bond or any portion hereof in an Authorized Denomination shall be purchased from its Registered Owner at the option of the Registered Owner on any Business Day at a purchase price equal to the principal amount hereof plus accrued interest, if any, from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date in which case at a purchase price equal to the principal amount hereof, payable in immediately available funds, upon delivery to the Tender Agent at its principal office of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by tested telex, telecopy or other writing, which states the principal amount of this Bond or such portion hereof and the date on which the same shall be purchased, which date shall be a Business Day not prior to the seventh day next succeeding the date of the delivery of such notice to the Tender Agent. For payment of such purchase price on the date specified in such notice, this Bond must be delivered, at or prior to 12:00 noon, New York City time, on the date specified in such notice, to the Tender Agent at its principal office, accompanied by an instrument of transfer hereof, in form satisfactory to the Tender Agent, executed in blank by the Registered Owner hereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution. Notwithstanding the foregoing, during any period when the Bonds are registered in the name of Cede & Co. or such other nominee of DTC as DTC shall designate and held by DTC in its book-entry system, the optional tender of Bonds shall be accomplished in accordance with the Letter of Representation with DTC with respect to the Bonds and a tender of such Bonds must be initiated by the delivery of a notice to the Tender Agent in the form set forth as Exhibit B to the Indenture.

(iii) Mandatory Tender for Purchase On Business Day Next Succeeding the Last Day of Each Commercial Paper Term. On the Business Day next succeeding the last day of each Commercial Paper Term for this Bond, unless such day is the first day of a new Interest Rate Period (in which event Paragraph 6(iv) hereof shall be applicable), this Bond shall be purchased from its Registered Owner at a purchase price equal to the principal amount hereof, payable in immediately available funds. For payment of such purchase price on such day, this Bond must be delivered at or prior to 12:30 P.M., New York City time, on such day, to the Tender Agent at its principal office, accompanied by an instrument of transfer hereof, in form satisfactory to the Tender Agent, executed in blank by the Registered Owner hereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution.

(iv) Mandatory Tender for Purchase on First Day of Each Interest Rate Period. This Bond shall be subject to mandatory tender for purchase, at the purchase price, payable in immediately available funds, specified in the Indenture, on the first day of each Interest Rate Period.

(v) Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of this Bond in accordance with Paragraph 6(iv) above, the Registrar shall give notice by first-class mail to the Registered Owner of this Bond at the time and in the form specified in the Indenture.

(vi) Irrevocable Notice Deemed to be Tender of Bonds; Undelivered Bonds. The giving of notice by a Registered Owner of this Bond as provided in Paragraphs 6(i) or (ii) hereof shall constitute the irrevocable tender for purchase of this Bond with respect to which such notice shall have been given, in each case irrespective of whether this Bond shall be delivered as provided in such Paragraphs, except that Bonds held at DTC and for which an optional tender has been made by delivery of the notice set forth as Exhibit B to the Indenture shall not be purchased unless such Bonds are transferred to the account of the Tender Agent on the tender date as provided in such notice; further, this Bond shall be deemed irrevocably tendered for purchase on the first day of each Commercial Paper Term or Interest Rate Period as provided in Paragraphs 6(iii) or (iv) hereof, in each case irrespective of whether this Bond shall be delivered as provided in such Paragraphs.

The Tender Agent may refuse to accept delivery of any Bonds for which a proper instrument of transfer has not been provided. In the event that any Registered Owner of a Bond who shall have given notice of tender for purchase pursuant to Paragraphs 6(i) or (ii) hereof, or whose Bond shall be subject to mandatory tender for purchase pursuant to Paragraphs 6(iii) or (iv) hereof, shall fail to deliver such Bond to the Tender Agent at the place and on the applicable date and time specified, or shall fail to deliver such Bond properly endorsed, such Bond shall constitute an Undelivered Bond. If funds in the amount of the purchase price of the Undelivered Bond are available for payment to the Registered Owner thereof on the date and at the time specified, from and after the date and time of that required delivery, (A) the Undelivered Bond shall no longer be deemed to be outstanding under the Indenture; (B) interest shall no longer accrue thereon; and (C) funds in the amount of the purchase price of the Undelivered Bond shall be held by the Tender Agent for the benefit of the Registered Owner thereof (provided that the Registered Owner shall have no right to any investment proceeds derived from such funds), to be paid on delivery (or proper endorsement) of the Undelivered Bond to the Tender Agent. Any funds held by the Tender Agent as described in clause (C) of the preceding sentence shall be held uninvested.

Upon the purchase as provided in the above referenced Paragraphs by the Tender Agent of each Bond so deemed to be tendered, such Bond shall cease to bear interest payable to the former Registered Owner thereof, who thereafter shall have no rights with respect thereto, other than the right to receive the purchase price thereof upon surrender of such Bond to the Tender Agent.

(7) Redemption Provisions. The Bonds shall be subject to redemption prior to maturity as follows:

(i) On any Business Day during a Daily Interest Rate Period or a Weekly Interest Rate Period, the Bonds shall be subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at 100% of the principal amount thereof, plus accrued interest, if any, to the redemption date.

(ii) On the day succeeding the last day of any Commercial Paper Term with respect to any Bond, such Bond shall be subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at 100% of the principal amount thereof.

(iii) During any Long-Term Interest Rate Period, the Bonds shall be subject to optional redemption by the Issuer, at the direction of FPL, on the first day thereof, in whole or in part, at the redemption price of 100% of the principal amount thereof, and thereafter, during the periods specified below (or such longer or shorter periods as may be specified in accordance with the Indenture) in whole at any time or in part from time to time, at the redemption prices (expressed as percentages of principal amount) hereinafter indicated (or such greater or lesser redemption prices as may be specified in accordance with the Indenture), plus accrued interest, if any, to the redemption date:

Length of Long – Term Interest Rate Period (expressed in years)	Redemption Prices
Greater than 14	after 10 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 14 and greater than 10	after 5 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 10 and greater than 8	after 5 years at 101%, declining by 1/2 of 1% every 6 months to 100%
Less than or equal to 8 and greater than 6	after 3 years at 101%, declining by 1/2 of 1% every 6 months to 100%
Less than or equal to 6 and greater than 4	after 2 years at 101%, declining by 1/2 of 1% every 6 months to 100%
Less than or equal to 4 and greater than 3	after 2 years at 100-1/2%, declining by 1/2 of 1% after 6 months to 100%
Less than or equal to 3 and greater than 2	after 1 year at 100-1/2%, declining by 1/2 of 1% after 6 months to 100%
Less than or equal to 2 and greater than 1	after 1 year at 100%
1 year	not redeemable

(iv) In addition, during any No Call Period, the Bonds will be nonetheless subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at any time, if FPL delivers to the Trustee a written certificate (i) to the effect that by reason of a change in use of the Project or any portion thereof, FPL has been unable, after reasonable effort, to obtain an opinion of Bond Counsel to the effect that a court, in a properly presented case, should decide that (a) Section 150 of the Code (or successor provision of similar import) does not prevent that portion of the Loan Repayments payable under the Agreement and attributable to interest on the Bonds from being deductible by FPL for federal income tax purposes and (b) Treasury Regulations Section 1.142-2 (or a successor provision of similar import) does not prevent interest on the Bonds from being excluded for federal income tax purposes from the gross income of the Registered Owners thereof (other than a Registered Owner who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(f) of the Code), (ii) specifying that as a result of its inability to obtain such opinion of Bond Counsel, FPL has elected to prepay amounts due under the Agreement equal to the redemption price of the Bonds to be so redeemed and (iii) specifying the principal amount of the Bonds which FPL has determined to be the minimum necessary to be so redeemed in order for FPL to retain its rights to such interest deductions and for interest on the Bonds to retain such exclusion from gross income for federal income tax purposes (which principal amount of the Bonds will be so redeemed). The redemption price for the Bonds shall be equal to the highest redemption price which would be payable on the first date such Bonds could be called for optional redemption under Paragraph 7(iii) above on the basis of the length of the then current Long-Term Interest Rate Period.

(v) During any Long-Term Interest Rate Period, in the event of the prepayment by FPL of the Loan Repayments with respect to the Bonds pursuant to subsection (a) of Section 10.1 of the Agreement, the Bonds shall be redeemed in whole on the date selected by FPL at the principal amount thereof plus accrued interest to the redemption date, if:

(a) FPL has determined that the continued operation of any of the Units or any portion of the Project is impracticable, uneconomical or undesirable; or

(b) all or substantially all of any of the Units or any portion of the Project shall have been condemned or taken by eminent domain; or

(c) the operation by FPL of any of the Units or any portion of the Project shall have been enjoined for a period of at least six consecutive months; or

(d) as a result of any change in the Constitution of the State of Florida or the Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after any contest thereof by FPL in good faith, the Indenture, the Agreement or the Bonds shall become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement.

(vi) In addition, the Bonds shall be subject to mandatory redemption by the Issuer, at the principal amount thereof plus accrued interest to the redemption date, on the 180th day (or such earlier date as may be designated by FPL) after a final determination by a court of

competent jurisdiction or an administrative agency, or receipt by the Issuer and FPL of an opinion of Bond Counsel obtained by FPL and rendered at the request of FPL, to the effect that, as a result of a failure by FPL to perform or observe any covenant, agreement or representation contained in the Agreement, the interest payable on the Bonds is included for federal income tax purposes in the gross income of the Registered Owners thereof. No determination by any court or administrative agency shall be considered final for purposes of this paragraph unless FPL shall have had the opportunity to participate in the proceeding which resulted in such determination, either directly or through a Registered Owner, to a degree it deems sufficient and until the conclusion of any court proceeding initiated after a final agency determination, and of any appellate review sought by any party to such agency or court proceeding or the expiration of the time for seeking such review. The Bonds shall be redeemed either in whole or in part in such principal amount that the interest payable on the Bonds remaining outstanding after such redemption would not be included in the gross income of any Registered Owner thereof, other than a Registered Owner who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended.

(vii) If less than all of the Bonds shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be selected by the Trustee, by lot or in such other manner as the Trustee in its discretion may determine to be fair and appropriate in the principal amounts designated by FPL, all as provided in, and subject to the provisions of, the Indenture.

(viii) Any such redemption, either in whole or in part, shall be made upon at least thirty (30) days' prior notice by first-class mail, postage prepaid, to all Registered Owners of Bonds to be redeemed in whole or in part at their addresses as they appear on the registration books kept by the Registrar and shall be made in the manner and under the terms and conditions provided in the Indenture, but failure so to mail any such notice to the Registered Owner of any Bond shall not affect the validity of the proceedings for redemption of any other Bond. Any notice of redemption, except a notice of a redemption pursuant to Paragraph (7)(vi), shall, unless at the time such notice is given the Bonds to be redeemed are deemed to have been paid in accordance with the Indenture, state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such Bonds shall not be required to be redeemed.

If any Bonds are not presented for payment on their redemption date or at maturity, the Registered Owners thereof shall look only to the moneys set aside for such purpose by the Trustee. After one year, such moneys may be paid to FPL, and the Registered Owners of such Bonds shall thereafter look only to FPL for payment thereof.

At the designated corporate trust office of the Registrar, in the manner and subject to the limitations, conditions and charges provided in the Indenture, Bonds may be exchanged for an equal aggregate principal amount of Bonds of Authorized Denominations and bearing interest at the same rate.

The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action to enforce

the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

In order to provide collateral security for the payment of the principal of and interest on the Bonds, (i) FPL shall, as a condition to the adjustment to a Long-Term Interest Rate Period, or of the commencement of any subsequent Long-Term Interest Rate Period, except as otherwise provided in the Indenture, and (ii) FPL may, (a) so long as no default or event of default has occurred and is continuing under the Indenture, at its sole option, or (b) if a default or event of default has occurred and is continuing under the Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, at any other times, issue, under the Mortgage and Deed of Trust, dated as of January 1, 1944, as supplemented and amended (the "Mortgage"), between FPL and Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as trustee, and The Florida National Bank of Jacksonville, as co-trustee (now resigned), and pledge to the Trustee, pursuant to a Pledge Agreement to be entered into (the "Pledge Agreement") between FPL and the Trustee, a series of its first mortgage bonds (the "Pledged Bonds"), in an aggregate principal amount equal to the aggregate principal amount of, and having the same stated rate or rates of interest as, the Bonds, and maturing (x) with respect to First Mortgage Bonds delivered pursuant to clause (i) above, on the last day of such Long-Term Interest Rate Period, and (y) with respect to First Mortgage Bonds delivered pursuant to clause (ii) above, on the Maturity Date; provided, however, that in lieu of Pledged Bonds, FPL may elect to deliver, or cause to be delivered, to the Trustee other credit enhancement as more particularly described in the Agreement. The Pledged Bonds shall be subject to release by the Trustee as provided in the Indenture. If the Trustee then holds Pledged Bonds, upon the occurrence and continuance of an event of default under the Indenture arising from a failure to pay the principal of or premium, if any, or interest on, or purchase price of, the Bonds or from a "Default" under the Mortgage, and further upon the condition that in accordance with the terms of the Mortgage all first mortgage bonds outstanding thereunder shall have become immediately due and payable, the Bonds shall, without further action, become and be immediately due and payable. Any amounts received by the Trustee with respect to the Pledged Bonds are to be deposited to the credit of the Bond Fund for application to the payment of the principal of and interest on the Bonds as provided in the Indenture.

Modifications, alterations or amendments of the Indenture or of any trust indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

The Trustee, when holding FPL's first mortgage bonds, shall attend meetings of bondholders under the Mortgage, or deliver its proxy in connection therewith. The Trustee shall vote all first mortgage bonds, including the Pledged Bonds, held by it, or consent with respect thereto, proportionately with what it reasonably believes will be the vote or consent of all other first mortgage bondholders voting or consenting, provided that the Trustee shall not, without the appropriate consent or approval of holders of the Bonds, vote in favor of or consent to any amendment or modification of the Mortgage correlative to any amendment or modification of the Indenture that would require the consent or approval of holders of the Bonds.

The transfer of this Bond may be registered by the Registered Owner hereof in person or by his attorney or legal representative at the corporate trust office of the Registrar, but only in the manner and subject to the limitations and conditions provided in the Indenture and upon surrender and cancellation of this Bond. Upon any such registration of transfer the Issuer shall execute and the Registrar shall authenticate and deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee, of Authorized Denominations, in aggregate principal amount equal to the principal amount of this Bond and bearing interest at the same rate.

This Bond shall be governed by and construed in accordance with the laws of the State of Florida.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture and the Agreement have happened, exist and have been performed as so required.

The Registered Owner of this Bond, by acceptance hereof, is deemed to have agreed and consented to the terms and provisions of the Indenture and the Agreement and, in the event this Bond bears interest at a Long-Term Interest Rate, the Pledge Agreement and the Mortgage.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Registrar of the Certificate of Authentication endorsed hereon.

IN WITNESS WHEREOF, ST. LUCIE COUNTY, FLORIDA has caused this Bond to be executed in its name by the manual or facsimile signatures of the Chairman of its Board of County Commissioners and the Clerk of said Board and the official seal of said Board to be affixed hereon, as of the 1st day of May, 2003.

ST. LUCIE COUNTY, FLORIDA

[SEAL]

By: _____
Chairman of the Board of
County Commissioners

Attest:

_____
Clerk of the Circuit Court, ex officio Clerk
of the Board of County Commissioners

CERTIFICATE OF AUTHENTICATION

This is one of the bonds of the series designated therein and issued under the provisions of the within-mentioned Indenture.

Date of authentication: _____

THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., as Registrar

By: _____

Title: _____

FORM OF ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto _____ _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the said Bond on the Bond Register, with full power of substitution in the premises.

Signature: _____

Social Security Number or other
Tax Identification Number of Transferee:

_____

Dated: _____

Signature Guaranteed: _____

Notice: The assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular without alteration or any change whatever.

EXHIBIT B

NOTICE OF TENDER OF BOOK-ENTRY BONDS
WEEKLY INTEREST RATE PERIOD

St. Lucie County, Florida
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project), Series 2003

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, or its successor as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent seven days from the date of the Tender Agent's receipt, by telecopy or otherwise, of this notice, or the next Business Day* if such seventh day is not a Business Day (the "Tender Date"); provided, however, that if this notice is received by the Tender Agent by telecopy, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent, unless the Tender Agent receives this notice in original executed form by hand delivery prior to 2:00 p.m. New York time on the Business Day next succeeding its receipt of such notice by telecopy. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount (in multiples of $25,000)	DTC Participant Number	CUSIP Number
$		

* "Business Day" shall have the meaning ascribed thereto by the Trust Indenture under which the Bonds are issued.

THE UNDERSIGNED ACKNOWLEDGES AND AGREES BY THE EXECUTION AND DELIVERY OF THIS NOTICE (1) THAT THE TENDER OF THE TENDERED BOOK-ENTRY BONDS IS IRREVOCABLE; (2) THAT THE UNDERSIGNED IS CONTRACTUALLY BOUND TO TENDER SUCH TENDERED BOOK-ENTRY BONDS TO THE TENDER AGENT ON THE TENDER DATE; AND (3) THAT IN THE EVENT OF A FAILURE TO TENDER THE TENDERED BOOK-ENTRY BONDS TO THE TENDER AGENT ON OR BEFORE 12:00 NOON NEW YORK TIME ON THE TENDER DATE THE UNDERSIGNED SHALL PAY TO THE TENDER AGENT AN AMOUNT (THE "DEFAULT AMOUNT") EQUAL TO THE DIFFERENCE BETWEEN (A) THE COSTS ARISING OUT OF THE FAILURE TO TENDER AND (B) THE PURCHASE PRICE, AS DEFINED ABOVE, WHICH WOULD HAVE BEEN PAID TO THE UNDERSIGNED UPON A TENDER. AS USED HEREIN THE "COSTS ARISING OUT OF THE FAILURE TO TENDER" SHALL MEAN THE SUM OF (X) THE AMOUNT EXPENDED BY THE TENDER AGENT, EITHER DIRECTLY OR THROUGH AN AGENT, IN ACQUIRING BOOK-ENTRY BONDS IN SUBSTITUTION OF THE TENDERED BOOK-ENTRY BONDS (INCLUDING INTEREST THEREON) AND (Y) THE ADMINISTRATIVE AND OTHER CHARGES, EXPENSES OR COMMISSIONS INCURRED IN CONNECTION WITH THE ACQUISITION OF SUCH SUBSTITUTE BOOK-ENTRY BONDS.

THE UNDERSIGNED AGREES THAT THE TENDER AGENT, EITHER DIRECTLY OR THROUGH AN AGENT, MAY ACQUIRE SUCH SUBSTITUTE BONDS IN SUCH MANNER AND MARKET AS IT DEEMS COMMERCIALLY REASONABLE, AND FURTHER AGREES THAT THE DEFAULT AMOUNT IS REASONABLE IN LIGHT OF THE ANTICIPATED HARM CAUSED BY THE FAILURE TO TENDER AND THE INCONVENIENCE OF OBTAINING ANY OTHER REMEDY.

THE UNDERSIGNED HEREBY IRREVOCABLY APPOINTS THE TENDER AGENT AS HIS DULY AUTHORIZED ATTORNEY AND DIRECTS THE TENDER AGENT TO EFFECT THE TRANSFER OF THE TENDERED BOOK-ENTRY BONDS.

Date of Notice:

Signature of DTC Participant Representing the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____
Street City

_____
State Zip

_____
Area Code Telephone Number

Federal Taxpayer Identification Number

_____

NOTICE OF TENDER OF BOOK-ENTRY BONDS
DAILY INTEREST RATE PERIOD

St. Lucie County, Florida
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project), Series 2003

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, or its successor as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent on the date hereof or the next Business Day* if the date hereof is not a Business Day (the "Tender Date"); provided, however, that if this notice is not received by the Tender Agent by 10:30 a.m. on the date hereof, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount (in multiples of $25,000)	DTC Participant Number	CUSIP Number
$		

* "Business Day" shall have the meaning ascribed thereto by the Trust Indenture under which the Bonds are issued.

THE UNDERSIGNED ACKNOWLEDGES AND AGREES BY THE EXECUTION AND DELIVERY OF THIS NOTICE (1) THAT THE TENDER OF THE TENDERED BOOK-ENTRY BONDS IS IRREVOCABLE; (2) THAT THE UNDERSIGNED IS CONTRACTUALLY BOUND TO TENDER SUCH TENDERED BOOK-ENTRY BONDS TO THE TENDER AGENT ON THE TENDER DATE; AND (3) THAT IN THE EVENT OF A FAILURE TO TENDER THE TENDERED BOOK-ENTRY BONDS TO THE TENDER AGENT ON OR BEFORE 12:00 NOON NEW YORK TIME ON THE TENDER DATE THE UNDERSIGNED SHALL PAY TO THE TENDER AGENT AN AMOUNT (THE "DEFAULT AMOUNT") EQUAL TO THE DIFFERENCE BETWEEN (A) THE COSTS ARISING OUT OF THE FAILURE TO TENDER AND (B) THE PURCHASE PRICE, AS DEFINED ABOVE, WHICH WOULD HAVE BEEN PAID TO THE UNDERSIGNED UPON A TENDER. AS USED HEREIN THE "COSTS ARISING OUT OF THE FAILURE TO TENDER" SHALL MEAN THE SUM OF (X) THE AMOUNT EXPENDED BY THE TENDER AGENT, EITHER DIRECTLY OR THROUGH AN AGENT, IN ACQUIRING BOOK-ENTRY BONDS IN SUBSTITUTION OF THE TENDERED BOOK-ENTRY BONDS (INCLUDING INTEREST THEREON) AND (Y) THE ADMINISTRATIVE AND OTHER CHARGES, EXPENSES OR COMMISSIONS INCURRED IN CONNECTION WITH THE ACQUISITION OF SUCH SUBSTITUTE BOOK-ENTRY BONDS.

THE UNDERSIGNED AGREES THAT THE TENDER AGENT, EITHER DIRECTLY OR THROUGH AN AGENT, MAY ACQUIRE SUCH SUBSTITUTE BONDS IN SUCH MANNER AND MARKET AS IT DEEMS COMMERCIALLY REASONABLE, AND FURTHER AGREES THAT THE DEFAULT AMOUNT IS REASONABLE IN LIGHT OF THE ANTICIPATED HARM CAUSED BY THE FAILURE TO TENDER AND THE INCONVENIENCE OF OBTAINING ANY OTHER REMEDY.

THE UNDERSIGNED HEREBY IRREVOCABLY APPOINTS THE TENDER AGENT AS HIS DULY AUTHORIZED ATTORNEY AND DIRECTS THE TENDER AGENT TO EFFECT THE TRANSFER OF THE TENDERED BOOK-ENTRY BONDS.

Date of Notice:

Signature of DTC Participant Representing the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

Exhibit (a)-3A

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

and

THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A.,
Trustee

TRUST INDENTURE

Dated as of June 1, 2003

Relating to

$15,000,000

Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

TABLE OF CONTENTS

(This Table of Contents is not part of the Trust Indenture
but is for convenience of reference only.)

Page

ARTICLE I

DEFINITIONS

SECTION 101. Meaning of Words and Terms 4
SECTION 102. Rules of Construction 9

ARTICLE II

FORM, EXECUTION, AUTHENTICATION AND DELIVERY OF BONDS

SECTION 201. Issuance of Bonds 11
SECTION 202. Purchase of Bonds 22
SECTION 203. Execution and Payment 24
SECTION 204. Authentication of Bonds 25
SECTION 205. Exchange of Bonds 25
SECTION 206. Transfer of Bonds 25
SECTION 207. Ownership of Bonds 26
SECTION 208. Prerequisite to Execution of Bonds 27
SECTION 209. Temporary Bonds 28
SECTION 210. Mutilated, Destroyed, Stolen or Lost Bonds 28
SECTION 211. Delivery of First Mortgage Bonds 29
SECTION 212. Rights Under the Agreement and any First Mortgage Bonds 29
SECTION 213. Rights of Trustee Regarding First Mortgage Bonds 29
SECTION 214. Release of First Mortgage Bonds 30

ARTICLE III

REDEMPTION OF BONDS

SECTION 301. Redemption Dates and Prices 31
SECTION 302. Notice of Redemption 33
SECTION 303. Effect of Redemption 34
SECTION 304. Partial Redemption 35

ARTICLE IV

REFUNDING OF PRIOR BONDS

SECTION 401. Application of Proceeds of Series 2003 Bonds 36
SECTION 402. Redemption of Prior Bonds 36

ARTICLE V

BOND FUND

SECTION 501. Creation of Bond Fund 37
SECTION 502. Payments into Bond Fund 37
SECTION 503. Use of Moneys in Bond Fund 37
SECTION 504. Custody of Bond Fund 37
SECTION 505. Non-Presentment of Bonds 37
SECTION 506. Cancellation and Destruction of Bonds 38

ARTICLE VI

DEPOSITARIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

SECTION 601. Deposits Constitute Trust Funds 39
SECTION 602. Investment of Moneys 39

ARTICLE VII

PARTICULAR COVENANTS AND PROVISIONS

SECTION 701. Covenant of Issuer as to Performance of Obligations 40
SECTION 702. Covenant to Perform Obligations 40
SECTION 703. Covenant to Perform Further Acts 41
SECTION 704. Bonds Not to Become Arbitrage Bonds 41

ARTICLE VIII

DEFAULTS AND REMEDIES

SECTION 801. Events of Default 42
SECTION 802. Acceleration of Maturities 42
SECTION 803. Other Remedies 44
SECTION 804. Application of Moneys 44
SECTION 805. Effect of Discontinuance of Proceedings 46
SECTION 806. Right of Bondholders to Direct Proceedings 46
SECTION 807. Rights and Remedies of Bondholders 46
SECTION 808. Appointment of Receiver by Trustee 47
SECTION 809. Action by Trustee without Possession of Bonds 47
SECTION 810. No Remedy Exclusive 47
SECTION 811. Waiver of Default 47
SECTION 812. Notice of Default 47
SECTION 813. Remedies in Article VIII in Addition to Remedies in Agreement, Pledge Agreement and Mortgage 48

ARTICLE IX

TRUSTEE; PAYING AGENT

SECTION 901. Acceptance of Trusts and Performance of Duties 49
SECTION 902. Indemnification of Trustee 49

SECTION 903. Limitation on Obligations and Responsibilities of the Trustee 49
SECTION 904. Trustee Not Liable for Failure of Issuer to Act 50
SECTION 905. Compensation of Trustee 50
SECTION 906. Records Open to Inspection 51
SECTION 907. Trustee May Rely on Certificates 51
SECTION 908. Trustee Not Deemed to Have Notice of Default 51
SECTION 909. Trustee May Deal in Bonds and take Action as Bondholder 51
SECTION 910. Trustee Not Responsible for Recitals, Etc 51
SECTION 911. Trustee Protected in Relying on Certain Documents 52
SECTION 912. Qualifications of Trustee 52
SECTION 913. Resignation by and Removal of Trustee 52
SECTION 914. Appointment of Successor Trustee 53
SECTION 915. Separate Trustee or Co-Trustee 54
SECTION 916. Reserved 54
SECTION 917. Paying Agent 54
SECTION 918. Qualifications of Paying Agent; Resignation; Removal 55
SECTION 919. Registrar 55
SECTION 920. Qualifications of Registrar; Resignation; Removal 56
SECTION 921. Procedures with DTC 56

ARTICLE X

EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND PROOF OF OWNERSHIP OF BONDS

SECTION 1001. Consents, etc., of Bondholders 57

ARTICLE XI

SUPPLEMENTAL INDENTURES

SECTION 1101. Supplemental Indentures Not Requiring Consent of Bondholders 58
SECTION 1102. Supplemental Indentures Requiring Consent of Bondholders 59
SECTION 1103. Any Supplemental Indenture Shall Be Deemed a Part of Indenture 60
SECTION 1104. Discretion of Trustee; Reliance on Counsel 60

ARTICLE XII

SUPPLEMENTAL AGREEMENTS AND SUPPLEMENTAL PLEDGE AGREEMENTS

SECTION 1201. Supplemental Agreements and Supplemental Pledge Agreements Not Requiring Consent of Bondholders 61
SECTION 1202. Supplemental Agreements and Supplemental Pledge Agreements Requiring Consent of Bondholders 61

ARTICLE XIII

DEFEASANCE

SECTION 1301. Defeasance of Bonds 62

ARTICLE XIV

REMARKETING AGENT; TENDER AGENT; PURCHASE AND REMARKETING OF BONDS; INDEXING AGENT

SECTION 1401. Remarketing Agent and Tender Agent 64
SECTION 1402. Qualifications of Remarketing Agent and Tender Agent; Resignation; Removal 65
SECTION 1403. Notice of Bonds Delivered for Purchase; Purchase of Bonds 66
SECTION 1404. Indexing Agent 66
SECTION 1405. Qualifications of Indexing Agent 67
SECTION 1406. Remarketing of Bonds; Notice of Interest Rates 67
SECTION 1407. Delivery of Bonds 68
SECTION 1408. Delivery of Proceeds of Sale 68

ARTICLE XV

MISCELLANEOUS PROVISIONS

SECTION 1501. Covenants Binding Upon Successors 69
SECTION 1502. Notices 69
SECTION 1503. Manner of Notice 70
SECTION 1504. Issuer, Trustee, FPL and Bondholders Alone Have Rights Under Indenture 70
SECTION 1505. Severability and Effect of Invalidity 70
SECTION 1506. Release of Officers, Employees and Agents of Issuer 70
SECTION 1507. If Payment or Performance Date not a Business Day 70
SECTION 1508. Headings Not Part of Indenture 71
SECTION 1509. Counterparts 71
SECTION 1510. Applicable Law 71

Exhibit A - Form of Bond
Exhibit B - Notices of Tender of Book-Entry Bonds

TRUST INDENTURE

THIS TRUST INDENTURE, made and entered into as of the 1st day of June, 2003, is by and between MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body corporate and politic and a public instrumentality created and validly existing under the Constitution and laws of the State of Florida (the "Issuer"), and THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., a national banking association having a corporate trust office in Jacksonville, Florida (said national banking association and any bank or trust company becoming successor trustee under this Indenture being herein called the "Trustee"),

WITNESSETH:

WHEREAS, the Issuer is a "local agency" as defined in Chapter 159, Part II, Florida Statutes, as amended (the "Act"), and as such is authorized to finance and refinance capital projects including industrial and manufacturing plants and solid waste and sewage facilities or devices with appurtenant facilities, for the purpose of promoting effective and efficient solid waste disposal; to issue revenue bonds payable solely from revenues derived from the sale, operation or leasing of such capital projects or other payments received under financing agreements with respect thereto; and to provide for the issuance of revenue refunding bonds for the purpose of refunding any bonds or notes then outstanding which shall have been issued under the provisions of the Act, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds or notes and for constructing improvements, additions, extensions, or enlargements of the project in connection with which the bonds to be refunded shall have been issued and for paying the cost of any additional project; and

WHEREAS, in furtherance of the statutory purposes of the Act, the Issuer entered into a Loan Agreement with Florida Power & Light Company ("FPL"), a corporation duly organized and validly existing under the laws of the State of Florida, dated as of August 1, 1991 as to the hereinafter described Prior Bonds, to finance the acquisition, installation and construction of certain sewage and solid waste disposal facilities (collectively, the "Project"), described in Exhibit A to the hereinafter described Agreement, located at Units 3 and 4 (the "Turkey Point Units") of the Turkey Point Electrical Generating Plant in Miami-Dade County, Florida, and Units 5 and 6 of the Cutler Electrical Generating Plant in Miami-Dade County, Florida (the "Cutler Units" and, together with the Turkey Point Units, the "Units"), all owned by FPL; and

WHEREAS, in order to provide funds to finance the Project, the Issuer issued, pursuant to a Trust Indenture dated as of August 1, 1991 (the "Prior Indenture"), between the Issuer and The Bank of New York, as successor trustee (the "Prior Trustee"), its $15,000,000 Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "Prior Bonds"), all of which Prior Bonds are currently outstanding; and

WHEREAS, in order to finance the refunding by redemption of the outstanding principal amount of the Prior Bonds, FPL has requested the Issuer to issue, pursuant to the Act and this Indenture, its Miami-Dade County Industrial Development Authority Solid Waste Disposal

Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003, in the aggregate principal amount of $15,000,000 (the "Series 2003 Bonds" or "Bonds"); and

WHEREAS, concurrently with the issuance of the Bonds, FPL and the Issuer have entered into the Loan Agreement, dated as of June 1, 2003 (the "Agreement"), whereby the Issuer has agreed to lend the proceeds of the Bonds to FPL to pay the principal portion of the redemption price of the Prior Bonds on the redemption thereof, and FPL has agreed to make Loan Repayments under the Agreement equal to the principal of and interest and any premium on the Bonds and the Issuer will assign its right, title and interest in the Agreement (except for certain reserved rights described below) to the Trustee for the benefit of the holders of the Bonds; and

WHEREAS, the Issuer has determined that the Bonds to be issued initially hereunder and the certificate of authentication by the Registrar (hereinafter identified) to be endorsed on all such Bonds shall be, respectively, substantially in the form attached hereto as Exhibit A, with such variations, omissions and insertions as are required or permitted by this Indenture; and

WHEREAS, the execution and delivery of this Indenture and the Agreement have been duly authorized by a resolution of the Issuer; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of Florida to happen, exist and be performed precedent to and in the execution and delivery of this Indenture and the Agreement have happened, exist and have been performed as so required in order to make this Indenture a valid and binding trust indenture for the security of the Bonds in accordance with its terms and in order to make the Agreement a valid and binding loan agreement in accordance with its terms; and

WHEREAS, the Trustee has accepted the trusts created by this Indenture and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in consideration of the premises, of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the holders thereof, and also for and in consideration of the sum of One Dollar ($1.00) to the Issuer in hand paid by the Trustee at or before the execution and delivery of this Indenture, the receipt of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become holders thereof, and in order to secure the payment of the principal of all the Bonds at any time issued and outstanding hereunder and the premium, if any, and interest thereon according to their tenor, purport and effect, and in order to secure the performance and observance of all the covenants, agreements and conditions therein and herein contained, the Issuer has executed and delivered this Indenture and has pledged and assigned and does hereby pledge and assign to the Trustee the Issuer's rights under the Agreement (except its rights under Sections 5.1(c) and 9.4 of the Agreement to payment of certain costs and expenses and under Section 7.3 of the Agreement to indemnification), including its rights to the Loan Repayments, revenues and other income derived from the sale, leasing or operation of the Project and other moneys to the extent provided in this Indenture and under the Agreement, and has granted and

does hereby grant a security interest in the Bond Fund, all as security for the payment of the Bonds and the premium, if any, and interest thereon and as security for the satisfaction of any other obligation assumed by it in connection with such Bonds, and it is so mutually agreed and covenanted by and between the parties hereto.

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended so to be, to the Trustee, its successors in trust and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit and security, except as otherwise hereinafter expressly provided, of all and singular the present and future holders of the Bonds issued and to be issued under this Indenture, without preference, priority or distinction as to lien or otherwise, except as otherwise hereinafter expressly provided, of any one Bond over any other Bond, by reason of priority in the issue, sale or negotiation thereof or otherwise;

PROVIDED, HOWEVER, that if, after the rights, title and interest of the Trustee in and to the estate pledged and assigned to it under this Indenture shall have ceased, terminated and become void in accordance with Article XIII hereof, the principal of and premium, if any, and interest on all of the Bonds shall have been paid to the Bondholders or shall have been paid to FPL pursuant to Section 505 hereof, then this Indenture and all covenants, agreements and other obligations of the Issuer hereunder shall cease, determine and be void, and thereupon the Trustee shall cancel and discharge this Indenture and shall execute and deliver to the Issuer and FPL such instruments in writing prepared by or on behalf of the Issuer or FPL as shall be required to evidence the discharge hereof; otherwise this Indenture shall be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said Loan Repayments, revenues and other income and moneys hereby pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective holders and owners, from time to time, of the Bonds, or any part thereof, as follows:

ARTICLE I

DEFINITIONS

SECTION 101. Meaning of Words and Terms. All words and terms defined in Article I of the Agreement shall have the same meanings in this Indenture, unless otherwise specifically defined herein. In addition, the following words and terms as used in this Indenture shall have the following meanings unless some other meaning is plainly intended:

"Alternate Long-Term Interest Rate Index" shall mean 75% of the average annual yield shown for United States Treasury Notes or Bonds having the same number of 30-day periods to maturity as the number of such periods in the applicable Long-Term Interest Rate Period, as published in the Federal Reserve Bulletin (published by the Board of Governors of the Federal Reserve System in Washington, D.C.) most recently published prior to the date of determination of the Alternate Long-Term Interest Rate Index, as computed by the Indexing Agent; provided, that, if the most recently published Federal Reserve Bulletin does not publish a yield for United States Treasury Notes or Bonds having the number of 30-day periods to maturity described above, the Alternate Long-Term Interest Rate Index shall mean 75% of an assumed yield for United States Treasury Notes or Bonds having the same number of 30-day periods to maturity as the applicable Long-Term Interest Rate Period (determined by the Indexing Agent by linear interpolation based on the yield for United States Treasury Notes or Bonds having the next shorter and the next longer number of 30-day periods to maturity), as published in such Federal Reserve Bulletin.

"Authorized FPL Representative" shall mean each person at the time designated to act on behalf of FPL by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of FPL by the Chairman or any Vice Chairman of the Board, the President, any Senior or Administrative Vice President, any Vice President, the Treasurer or any Assistant Treasurer of FPL. Such certificate may designate an alternate or alternates who shall have the same authority, duties and powers as the Authorized FPL Representative.

"Authorized Denominations" shall mean: (i) with respect to any Long-Term Interest Rate Period, $5,000 and any integral multiple thereof; (ii) with respect to any Daily Interest Rate Period or Weekly Interest Rate Period, $100,000 and any integral multiple of $100,000 and, as necessary in order to total the outstanding principal amount, a single bond in the denomination of any integral multiple of $5,000 in excess of $100,000; and (iii) with respect to any Commercial Paper Interest Rate Period, $25,000 and any integral multiple of $5,000 in excess of $25,000.

"Authorized Newspaper" means a financial journal or newspaper, including without limitation The Bond Buyer and any successor thereto, in English customarily published each business day and generally circulated in the financial community in the Borough of Manhattan, City and State of New York.

"Bond Counsel" means counsel nationally recognized on the subject of, and qualified to render approving legal opinions on the issuance of, municipal bonds and acceptable to FPL, the Trustee and the Issuer.

"Bond Fund" means the fund created by Section 501 hereof.

"Bonds" or "Series 2003 Bonds" means the Bonds authorized to be issued under Section 201 of this Indenture for the purpose of financing the refunding by redemption of the outstanding principal amount of the Prior Bonds.

"Business Day" shall mean a day on which banks located in the cities in which the Principal Offices of the Trustee and the Tender Agent are located, are not required or authorized to remain closed and on which The New York Stock Exchange, Inc. is not closed.

"Chairman" shall mean the person at the time occupying the office of Chairman of the Issuer, or his designee, or any successor to the principal functions thereof.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time. References to the Code and Sections of the Code include relevant applicable regulations and proposed regulations thereunder and under the Internal Revenue Code of 1954, as amended to the date of enactment of the Tax Reform Act of 1986, and any successor provisions to those Sections, regulations or proposed regulations and, in addition, all revenue rulings, announcements, notices, procedures and judicial determinations under the foregoing applicable to the Bonds.

"Commercial Paper Interest Rate Period" shall mean each period, comprised of Commercial Paper Terms, during which Commercial Paper Term Rates are in effect.

"Commercial Paper Term" shall mean, with respect to any Bond, each period established in accordance with Section 201(g) hereof during which such Bond shall bear interest at a Commercial Paper Term Rate.

"Commercial Paper Term Rate" shall mean, with respect to each Bond, a fixed, non-variable interest rate on such Bond established periodically in accordance with Section 201(g) hereof.

"Daily Interest Rate" shall mean a variable interest rate on the Bonds established in accordance with Section 201(d) hereof.

"Daily Interest Rate Period" shall mean each period during which a Daily Interest Rate is in effect.

"Defeasance Obligations" means (i) Government Obligations and (ii) evidences of ownership of a proportionate interest in specified Government Obligations, which Government Obligations are held by a bank or trust company in the capacity of custodian.

"DTC" shall mean The Depository Trust Company, its successors and their assigns.

"Favorable Opinion of Bond Counsel" shall mean an opinion of Bond Counsel addressed to the Issuer and the Trustee to the effect that the action proposed to be taken is authorized or permitted by the laws of the State and this Indenture and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Bonds.

"First Mortgage Bonds" means FPL's First Mortgage Bonds, executed and delivered by FPL to the Trustee in the form set forth in a supplemental indenture to the Mortgage.

"First Mortgage Trustee" means the trustee or trustees at the time serving as such under the Mortgage.

"Government Obligations" means obligations issued or unconditionally guaranteed as to the timely payment of principal and interest by the United States.

"Indexing Agent" shall mean the initial and any successor indexing agent appointed in accordance with Section 1404 hereof and any successor thereto.

"Interest Accrual Date" shall mean (i) with respect to any Daily Interest Rate Period, the first day thereof and, thereafter, the first day of each calendar month during that Daily Interest Rate Period, (ii) with respect to any Weekly Interest Rate Period, the first day thereof and, thereafter, the first Wednesday of each calendar month during that Weekly Interest Rate Period, (iii) with respect to any Long-Term Interest Rate Period, the first day thereof and, thereafter, each Interest Payment Date in respect thereof, other than the last such Interest Payment Date, and (iv) with respect to each Commercial Paper Term, the first day thereof.

"Interest Payment Date" shall mean (i) with respect to any Daily Interest Rate Period, the fifth Business Day of each calendar month, (ii) with respect to any Weekly Interest Rate Period, the first Wednesday of each calendar month, or, if such first Wednesday shall not be a Business Day, the next succeeding Business Day, (iii) with respect to any Long-Term Interest Rate Period, each February 1 and August 1, (iv) with respect to any Commercial Paper Term, the day next succeeding the last day thereof, and (v) with respect to each Interest Rate Period, the day next succeeding the last day thereof.

"Interest Rate Period" shall mean any Daily Interest Rate Period, any Weekly Interest Rate Period, any Commercial Paper Interest Rate Period or any Long-Term Interest Rate Period.

"Investment Obligations" means: (i) certificates of deposit issued by, or time deposits with, or bankers' acceptances drawn on and accepted by, foreign, national or state banks, including the Trustee, which have combined capital and surplus of at least $10,000,000; (ii) bonds and other obligations issued by, or by authority of, any state of the United States, any territory or possession of the United States, including the Commonwealth of Puerto Rico and agencies thereof, or any political subdivision of any of the foregoing; (iii) commercial paper; (iv) other corporate debt securities; (v) repurchase agreements (including repurchase agreements with the Trustee) fully secured by any of the foregoing obligations; (vi) Government Obligations; or (vii) any other obligations or securities which may lawfully be purchased by the Trustee.

"Letter of Representations" shall mean any letter of representations with DTC with respect to Bonds deposited with DTC in its book-entry system.

"Long-Term Interest Rate" shall mean, with respect to each Bond, a fixed, non-variable interest rate on such Bond established in accordance with Section 201(f) hereof.

"Long-Term Interest Rate Period" shall mean each period during which a Long-Term Interest Rate is in effect.

"Maturity Date" shall mean February 1, 2023.

"Moody's" shall mean Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by FPL by notice to the Trustee, the Tender Agent, the Issuer, the Remarketing Agent and the Indexing Agent.

"Mortgage" means the Mortgage and Deed of Trust, dated as of January 1, 1944, between FPL and Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as trustee, and The Florida National Bank of Jacksonville, as co-trustee (now resigned), as supplemented and amended.

"No Call Period" means the period during a Long-Term Interest Rate Period during which the Bonds are not subject to optional redemption by the Issuer at the direction of FPL pursuant to Section 301(c)(ii) hereof.

"Outstanding" or "outstanding" means all Bonds which have been authenticated and delivered by the Trustee under this Indenture, except:

(a) Bonds paid or redeemed or delivered to or acquired by the Trustee for cancellation;

(b) Bonds deemed to have been paid in accordance with Article XIII hereof;

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under this Indenture; and

(d) Undelivered Bonds;

provided, however, that in determining whether the holders of the requisite principal amount of outstanding Bonds have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Bonds owned by the Issuer or FPL or any other obligor upon the Bonds or the Agreement or any Affiliate of FPL or such other obligor shall be disregarded and deemed not to be outstanding (unless all of the outstanding Bonds are then owned by FPL or any other obligor upon the Bonds or the Agreement or any Affiliate of FPL or such other obligor), except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Trustee knows to be so owned shall be so disregarded. Bonds so owned which have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer or FPL or any other obligor upon the Bonds or the Agreement or any Affiliate of FPL or such other obligor. "Affiliate of FPL or such other obligor" as used in this definition means any person directly or indirectly controlling or controlled by or under direct or indirect common control with FPL or such other obligor. For the purposes of this definition, "control" when used with respect to FPL

or such other obligor means the power to direct the management and policies of FPL or such other obligor, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Paying Agent" shall mean the initial and any successor paying agent or agents appointed in accordance with Section 917 hereof. "Principal Office" of the Paying Agent shall mean the Principal Office of the Tender Agent or such other office thereof designated in writing to the Issuer, the Trustee, the Tender Agent and the Remarketing Agent.

"Pledge Agreement" means a Pledge Agreement to be entered into by and between FPL and the Trustee, pursuant to which the First Mortgage Bonds are pledged as collateral security for the payment of the principal of and interest on the Bonds, as provided in Section 5.3 of the Agreement.

"Principal Office" of the Trustee means the office at which, at the time in question, its corporate trust activities relating to the Bonds are principally conducted.

"Purchase Fund" shall mean the fund created by Section 1401 hereof.

"Rating Category" shall mean a generic securities rating category, without regard, in the case of a long-term rating category, to any refinement or gradation of such long-term rating category by a numerical modifier or otherwise.

"Record Date" shall mean (a) with respect to any Interest Payment Date in respect of any Daily Interest Rate Period, the last Business Day of each calendar month or, in the case of the last Interest Payment Date in respect of a Daily Interest Rate Period, the Business Day immediately preceding such Interest Payment Date, (b) with respect to any Interest Payment Date in respect of any Weekly Interest Rate Period or any Commercial Paper Term, the Business Day immediately preceding such Interest Payment Date, and (c) with respect to any Interest Payment Date in respect of any Long-Term Interest Rate Period, the fifteenth day (whether or not a Business Day) immediately preceding such Interest Payment Date or, in the event that an Interest Payment Date shall occur less than 15 days after the first day of a Long-Term Interest Rate Period, such first day.

"Registrar" shall mean the registrar or registrars appointed in accordance with Section 206 hereof. "Principal Office" of the Registrar shall mean the Principal Office of the Tender Agent or such other office thereof designated in writing to the Issuer, the Trustee, the Tender Agent and the Remarketing Agent.

"Remarketing Agent" shall mean the initial and any successor remarketing agent appointed in accordance with Section 1401(a) hereof. "Principal Office" of the Remarketing Agent shall mean Wachovia Bank, National Association, 301 South College Street, DC-8, Charlotte, North Carolina 28288-0600, Attention: Municipal Trading Desk, or such other office thereof designated in writing to the Issuer, the Trustee and the Tender Agent.

"S&P" shall mean Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York,

its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by FPL by notice to the Trustee, the Tender Agent, the Issuer, the Remarketing Agent and the Indexing Agent.

"Secretary Ex-Officio" shall mean the person at the time occupying the office of Secretary Ex-Officio of the Issuer.

"Special Record Date" shall mean, with respect to any Bond, the date established by the Trustee in connection with the payment of overdue interest on that Bond pursuant to Section 203 hereof.

"Tender Agent" shall mean the initial and any successor tender agent appointed in accordance with Section 1401(b) hereof. "Principal Office" of the Tender Agent shall mean The Bank of New York Trust Company of Florida, N.A., 10161 Centurion Parkway, Jacksonville, Florida 32256, Attention: Corporate Trust Division, or such other office thereof designated in writing to the Issuer, the Trustee and the Remarketing Agent.

"Tender Agreement" shall mean the Tender Agreement, dated as of June 1, 2003, between the Trustee, FPL, the Tender Agent and the Remarketing Agent, relating to the Bonds, as supplemented or amended in accordance with the provisions thereof.

"Treasury Rate" shall mean the interest rate applicable to 13-week United States Treasury bills determined by the Indexing Agent on the basis of the average per annum discount rate at which such 13-week Treasury bills shall have been sold at the most recent Treasury auction.

"Undelivered Bonds" shall mean any Bond so designated in accordance with the provisions of Section 202(f) hereof.

"Weekly Interest Rate" shall mean a variable interest rate on the Bonds established in accordance with Section 201(e) hereof.

"Weekly Interest Rate Period" means each period during which a Weekly Interest Rate is in effect.

SECTION 102. Rules of Construction.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words "Bond", "owner", "holder" and "person" shall include the plural as well as the singular number; the word "person" shall include any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof; and the words "holder" or "Bondholder" or "Owner" when used herein with respect to Bonds shall mean the registered owner of one or more Bonds at the time issued and outstanding hereunder.

(b) Words importing the redemption or calling for redemption of the Bonds shall not be deemed to refer to or connote payment of Bonds at their stated maturity.

(c) The captions or headings in this Indenture are for convenience only and in no way limit the scope or intent of any provision or section of this Indenture.

(d) All reference herein to particular articles or sections are references to articles or sections of this Indenture unless some other reference is indicated.

ARTICLE II

FORM, EXECUTION, AUTHENTICATION AND DELIVERY OF BONDS

SECTION 201. Issuance of Bonds.

(a) (i) Limitations on Issuance. No Bonds may be issued under the provisions of this Indenture except in accordance with the provisions of this Article. There shall be issued under and secured by this Indenture the Bonds of the Issuer in the aggregate principal amount of Fifteen Million Dollars ($15,000,000) for the purpose of refunding and redeeming the Prior Bonds. The Bonds shall be designated "Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003" and shall be dated their date of original issuance. The Bonds shall mature, subject to the right of prior redemption as hereinafter set forth, on the Maturity Date and shall bear interest at the rate or rates determined as hereinafter provided.

(ii) Form of Bonds. The Bonds are issuable as registered Bonds without coupons in Authorized Denominations and shall initially be issued and held under the book-entry system maintained by DTC; provided, however, that FPL may at any time elect to discontinue the use of such book-entry system. The Bonds shall be substantially in the form set forth as Exhibit A hereto, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

(b) (i) The Bonds bearing interest at a rate other than a Commercial Paper Term Rate shall bear interest from and including the Interest Accrual Date immediately preceding the date of authentication thereof, or, if such date of authentication shall be an Interest Accrual Date to which interest on the Bonds has been paid in full or duly provided for or the date of initial authentication of the Bonds, from such date of authentication and each Bond bearing interest at a Commercial Paper Term Rate shall bear interest from and including the first day of the related Commercial Paper Term; provided, however, that if, as shown by the records of the Trustee, interest on the Bonds shall be in default, Bonds issued in exchange for Bonds surrendered for registration of transfer or exchange shall bear interest from the date to which interest has been paid in full on the Bonds or, if no interest has been paid on the Bonds, the date of the first authentication of Bonds hereunder.

(ii) For any Daily Interest Rate Period, interest on the Bonds shall be payable on each Interest Payment Date for the period commencing on the second preceding Interest Accrual Date and ending on the day immediately preceding the immediately preceding Interest Accrual Date, unless the Interest Payment Date shall be the day next succeeding the last day of a Daily Interest Rate Period, in which case interest shall be payable on such Interest Payment Date for the period commencing on the Interest Accrual Date to which interest shall have been paid in full and ending on the day immediately preceding such Interest Payment Date. For any Weekly Interest Rate Period, interest on the Bonds shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date (or, if any Interest Payment Date is not a Wednesday, commencing on the second preceding Interest Accrual Date) and

ending on the Tuesday immediately preceding the Interest Payment Date (or, if the period ends sooner than that Tuesday, ending on the last day of the Weekly Rate Period). For any Commercial Paper Interest Rate Period or Long-Term Interest Rate Period, interest on the Bonds shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date and ending on the day immediately preceding such Interest Payment Date. In any event, interest on the Bonds shall be payable for the final Interest Rate Period to the date on which the Bonds shall have been paid in full.

(iii) Interest shall be computed, in the case of a Long-Term Interest Rate Period, on the basis of a 360-day year consisting of twelve, 30-day months, and in the case of any other Interest Rate Period, on the basis of a 365 or 366-day year, as appropriate, and the actual number of days elapsed.

(c) In the manner hereinafter provided, the term of the Bonds will be divided into consecutive Interest Rate Periods during each of which the Bonds shall bear interest at the Daily Interest Rate, the Weekly Interest Rate, Commercial Paper Term Rates or Long-Term Interest Rates. The first Interest Rate Period shall commence on the date of issuance and delivery of the Bonds and shall be a Daily Interest Rate Period. The Bonds shall initially bear interest at the rates per annum determined in accordance with the provisions hereof as set forth in the acceptance of its appointment as Remarketing Agent signed by Wachovia Bank, National Association, on the date of issuance and delivery of the Bonds.

(d) (i) Determination of Daily Interest Rate. During each Daily Interest Rate Period, the Bonds shall bear interest at the Daily Interest Rate, which shall be determined by the Remarketing Agent on each Business Day for such Business Day. The Daily Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof. If for any reason, the Daily Interest Rate cannot be determined for any Business Day by the Remarketing Agent as hereinbefore provided, the Daily Interest Rate for such Business Day shall be a percentage per annum determined by the Indexing Agent equal to 75% of the Treasury Rate. The Daily Interest Rate for any day which is not a Business Day shall be the same as the Daily Interest Rate in effect for the immediately preceding Business Day. In no event shall the Daily Interest Rate exceed 15% per annum.

(ii) Adjustment to Daily Interest Rate. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Daily Interest Rate. Such direction shall specify (1) the effective date of such adjustment to a Daily Interest Rate, which shall be (A) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, (B) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would

otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur, and (C) in the case of an adjustment from a Commercial Paper Interest Rate Period, either the day immediately following the last day of the Commercial Paper Interest Rate Period or, as to any Bond, the day immediately following the last day of the Commercial Paper Term then in effect (or to be in effect) with respect to that Bond, and (2) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Daily Interest Rate. In addition, the direction shall be accompanied by a Favorable Opinion of Bond Counsel unless the then-current Interest Rate Period is a Weekly Interest Rate Period or a Commercial Paper Interest Rate Period. During each Daily Interest Rate Period commencing on a date so specified and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the Bonds shall be a Daily Interest Rate.

(iii) Notice of Adjustment to Daily Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Daily Interest Rate Period to the Owners of the Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of such Daily Interest Rate Period. FPL shall cause the form of such notice to be provided to the Registrar. Such notice shall state (1) that the interest rate on the Bonds will be adjusted to a Daily Interest Rate, (2) the effective date of such Daily Interest Rate Period, (3) the method by which the Daily Interest Rate shall be determined during the Daily Interest Rate Period, (4) the Interest Payment Dates during the Daily Interest Rate Period, (5) that the Bonds are subject to mandatory tender for purchase on such effective date, setting forth the applicable purchase price, (6) that, subsequent to such effective date, the Owners of the Bonds will have the right to require the purchase of Bonds on any Business Day upon notice to the Tender Agent, (7) the procedures of such purchase, (8) the optional redemption provisions set forth herein which are applicable to the Bonds during a Daily Interest Rate Period, and (9) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Daily Interest Rate.

(e) (i) Determination of Weekly Interest Rate. During each Weekly Interest Rate Period, the Bonds shall bear interest at the Weekly Interest Rate, which shall be determined by the Remarketing Agent no later than the Business Day immediately preceding the first day of each Weekly Interest Rate Period and thereafter no later than the Business Day immediately preceding Wednesday of each week during such Weekly Interest Rate Period. The Weekly Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof. If for any reason, the Weekly Interest Rate cannot be determined for any week by the Remarketing Agent as hereinbefore provided, the Weekly Interest Rate for such week shall be a percentage per annum determined by the Indexing Agent equal to 80% of the Treasury Rate. In no event shall the Weekly Interest Rate exceed 15% per annum. The first Weekly Interest Rate determined for each Weekly Interest Rate Period shall apply to the period commencing on the first day of such period and ending on the next succeeding Tuesday. Thereafter, each Weekly Interest Rate shall apply to the period commencing on Wednesday and

ending on the earlier of the next succeeding Tuesday or the day immediately preceding the effective date of the next Interest Rate Period.

(ii) Adjustment to Weekly Interest Rate. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Weekly Interest Rate. Such direction shall specify (1) the effective date of such adjustment to a Weekly Interest Rate, which shall be (A) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, (B) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur, and (C) in the case of an adjustment from a Commercial Paper Interest Rate Period, either the day immediately following the last day of the Commercial Paper Interest Rate Period or, as to any Bond, the day immediately following the last day of the Commercial Paper Term then in effect (or to be in effect) with respect to that Bond, and (2) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Weekly Interest Rate. In addition, the direction shall be accompanied by a Favorable Opinion of Bond Counsel unless the then-current Interest Rate Period is a Daily Interest Rate Period or a Commercial Paper Interest Rate Period. During each Weekly Interest Rate Period commencing on a date so specified and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the Bonds shall be a Weekly Interest Rate.

(iii) Notice of Adjustment to Weekly Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Weekly Interest Rate Period to the Owners of the Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of such Weekly Interest Rate Period. FPL shall cause the form of such notice to be provided to the Registrar. Such notice shall state (1) that the interest rate on the Bonds will be adjusted to a Weekly Interest Rate, (2) the effective date of such Weekly Interest Rate Period, (3) the method by which the Weekly Interest Rate shall be determined during the Weekly Interest Rate Period, (4) the Interest Payment Dates during the Weekly Interest Rate Period, (5) that the Bonds are subject to mandatory tender for purchase on such effective date, setting forth the applicable purchase price, (6) that, subsequent to such effective date, the Owners of the Bonds will have the right to require the purchase of Bonds on any Business Day upon not less than seven days' notice to the Tender Agent, (7) the procedures of such purchase, (8) the optional redemption provisions set forth herein which are applicable to the Bonds during a Weekly Interest Rate Period, and (9) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Weekly Interest Rate.

(f) (i) Determination of Long-Term Interest Rate. During each Long-Term Interest Rate Period, the Bonds shall bear interest at the Long-Term Interest Rate. The Long-Term Interest Rate for the Bonds, or, in the case of an adjustment from a Commercial Paper Interest Rate Period in accordance with Alternative II set forth in Section 201(g)(iv) hereof, the Long-Term

Interest Rate for each Bond, shall be determined by the Remarketing Agent on the effective date, or on a Business Day selected by it not more than 30 days prior to such effective date, of such Long-Term Interest Rate Period, with respect to the Bonds or such Bond. The Long-Term Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such effective date at a price (without regard to accrued interest) equal to the principal amount thereof. If for any reason, the Long-Term Interest Rate for any Long-Term Interest Rate Period cannot be determined by the Remarketing Agent as hereinabove provided, the Long-Term Interest Rate for such Long-Term Interest Rate Period shall be a percentage per annum equal to the Alternate Long-Term Interest Rate Index. Except during a Long-Term Interest Rate Period ending on the day immediately preceding the Maturity Date, the Long-Term Interest Rate shall in no event exceed 15% per annum.

(ii) Adjustment to Long-Term Interest Rate. (A) At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, and upon satisfaction of the conditions set forth in Section 211 hereof, may elect that the Bonds shall bear interest at a Long-Term Interest Rate or Rates. As a part of such election, FPL also may determine that the initial Long-Term Interest Rate Period shall be followed by successive Long-Term Interest Rate Periods. Such direction (A) shall specify the duration of the Long-Term Interest Rate Period or Periods during which the Bonds shall bear interest at such Long-Term Interest Rate or Rates; (B) shall specify the effective date of each such Long-Term Interest Rate Period, which date shall be (1) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, (2) in the case of an adjustment from a Long-Term Interest Rate Period to another Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur, (3) in the case of the determination of successive Long-Term Interest Rate Periods, the day immediately following the last day of the immediately preceding Long-Term Interest Rate Period and (4) in the case of an adjustment from a Commercial Paper Interest Rate Period, the date or dates determined in accordance with Alternatives I or II set forth in Section 201(g)(iv) hereof (provided, that if prior to FPL's making such election, any Bonds shall have been called for redemption and such redemption shall not have theretofore been effected, the effective date of such Long-Term Interest Rate Period shall not precede such redemption date); (C) shall specify the duration of such Long-Term Interest Rate Period or, if successive Long-Term Interest Rate Periods shall have been designated, of each such Long-Term Interest Rate Period, in accordance with Section 201(f)(iii) hereof; (D) shall specify a date or dates on or prior to which Owners are required to deliver such Bonds to be purchased (if other than the effective date); (E) with respect to any such Long-Term Interest Rate Period, may specify redemption prices greater or lesser, and after periods longer or shorter, than those set forth in Section 301(c)(ii) hereof; and (F) state the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Long-Term Interest Rate or Rates.

(B) Unless the Long-Term Interest Rate Period or Periods so determined are part of a series of successive Long-Term Interest Rate Periods which, together with the then-current Long-Term Interest Rate Period, shall be equal in length, as nearly as possible taking into account the requirements of this Section 201(f)(ii), such notice shall be accompanied by a Favorable Opinion of Bond Counsel. In any event, a Favorable Opinion of Bond Counsel shall be required prior to adjustment from a Long-Term Interest Rate Period of a duration in excess of one year to a Long-Term Interest Rate Period of a duration of exactly one year. If FPL shall designate successive Long-Term Interest Rate Periods, but shall not, with respect to the second or any subsequent Long-Term Interest Rate Period, specify any of the information described in clauses (D), (E) or (F) of Section 2.01(f)(ii)(A) above, FPL, by written direction to the Issuer, the Trustee, the Tender Agent and the then current Remarketing Agent, given not later than the third Business Day preceding the 15th day prior to the first day of such Long-Term Interest Rate Period, may specify any of such information not previously specified with respect to such Long-Term Interest Rate Period, accompanied by a Favorable Opinion of Bond Counsel if such opinion was required pursuant to the provisions above at the time of the determination of the initial Long-Term Interest Rate Period. During the Long-Term Interest Rate Period commencing and ending on the dates so determined and during each successive Long-Term Interest Rate Period, if any, so determined, the interest rate borne by the Bonds shall be a Long-Term Interest Rate.

(C) If, in connection with the expiration of any Long-Term Interest Rate Period (other than one of a succession of Long-Term Interest Rate Periods of equal duration, determined as aforesaid), by the Business Day preceding the date on which the Registrar must mail notice to the Owners of an adjustment of Interest Rate Period pursuant to Section 201(f)(iv) hereof, the Trustee shall not have received notice of FPL's election that, during the next succeeding Interest Rate Period, the Bonds shall bear interest at a Daily Interest Rate, a Weekly Interest Rate or a Long-Term Interest Rate, or at Commercial Paper Term Rates, the next succeeding Interest Rate Period shall be (i) if the Long-Term Interest Rate Period to expire is longer than one year in duration, a Long-Term Interest Rate Period ending on the day immediately preceding the next Interest Payment Date which is at least one year and one day after the first day of the new Long-Term Interest Rate Period, in which case no Favorable Opinion of Bond Counsel need be delivered and FPL shall not be required to deliver First Mortgage Bonds or other credit enhancement to the Trustee pursuant to Section 5.3 of the Agreement in connection with the commencement of the new Long-Term Interest Rate Period or (ii) if the Long-Term Interest Rate Period to expire is one year in duration, a Daily Interest Rate Period, in which case no Favorable Opinion of Bond Counsel need be delivered.

(iii) Selection of Long-Term Interest Rate Period. The Long-Term Interest Rate Period shall be established by FPL in the notice given pursuant to Section 201(f)(ii) hereof (the first such Long-Term Interest Rate Period commencing on the date of adjustment of the Bonds to the Long-Term Interest Rate) and thereafter each successive Long-Term Interest Rate Period shall be the same as that so established by FPL until a different Long-Term Interest Rate Period is specified by FPL in accordance with this Section or until the adjustment of the Bonds to a Daily, Weekly or Commercial Paper Interest Rate Period or the Maturity Date. Each Long-Term Interest Rate Period shall be at least one year in duration and shall end on the day next preceding an Interest Payment Date (which must be a Business Day). Prior to the adjustment to a Long-Term Interest Rate Period or the commencement of any subsequent Long-Term Interest

Rate Period, and except as otherwise provided in Section 5.3 of the Agreement, FPL shall deliver First Mortgage Bonds to the Trustee in compliance with said Section 5.3 of the Agreement, in the principal amount of the then Outstanding Bonds and maturing on the last day of such Long-Term Interest Rate Period. Except as otherwise provided in Section 5.3 of the Agreement, if the First Mortgage Bonds are not delivered prior to the adjustment to a Long-Term Interest Rate Period or the commencement of any subsequent Long-Term Interest Rate Period, the Bonds shall bear interest (i) if the Interest Rate Period to expire is of one year or less in duration, at the Daily Interest Rate, and (ii) if the Interest Rate Period to expire is longer than one year in duration, at the Long-Term Interest Rate for a Long-Term Interest Rate Period ending on the day immediately preceding the next Interest Payment Date which is at least one year and one day after the first day of the new Long-Term Interest Rate Period.

(iv) Notice of Adjustment to Long-Term Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Long-Term Interest Rate Period to the Owners of the Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date (or each effective date in the case of an adjustment from a Commercial Paper Interest Rate Period in accordance with Alternative II set forth in Section 201(g)(iv) hereof) of such Long-Term Interest Rate Period. FPL shall cause the form of such notice to be provided to the Registrar. Such notice shall state: (1) that the interest rate on the Bonds shall be adjusted to a Long-Term Interest Rate, (2) the effective date or dates and the last day of such Long-Term Interest Rate Period, (3) that the Long-Term Interest Rate or Rates for such Long-Term Interest Rate Period will be determined on or prior to the effective date or dates thereof, (4) how such Long-Term Interest Rate or Rates may be obtained from the Remarketing Agent, (5) the Interest Payment Dates during the Long-Term Interest Rate Period, (6) that the Bonds are subject to mandatory tender for purchase on such effective date, (7) that, during such Long-Term Interest Rate Period, the Owners of the Bonds will not have the right to require the purchase of Bonds, (8) the optional redemption provisions set forth herein that are applicable to the Bonds during such Long-Term Interest Rate Period, (9) either (A) that the adjustment is conditioned upon the Trustee receiving First Mortgage Bonds in compliance with Section 5.3 of the Agreement or (B) that the adjustment is conditioned upon the Trustee receiving other credit enhancement in compliance with Section 5.3 of the Agreement and describing such credit enhancement and the provider thereof, and (10) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Long-Term Interest Rate or Rates.

(v) Adjustment from Long-Term Interest Rate Period. In addition to an adjustment from a Long-Term Interest Rate Period on the day immediately following the last day of the Long-Term Interest Rate Period, at any time during a Long-Term Interest Rate Period (subject to the provisions set forth in this paragraph (v)) FPL may elect that the Bonds no longer shall bear interest at a Long-Term Interest Rate and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Term Rates or a new Long-Term Interest Rate, as specified in such election. In the notice of such election, FPL shall also specify (1) the effective date of the new Interest Rate Period, which date shall be no earlier than the first date, not less than thirty-five days following the date of receipt by the Trustee of the notice of election from FPL, on which the Bonds shall be subject to optional redemption in accordance with Section 301(c)(ii) hereof, and (2) the name and Principal Office of the Remarketing Agent while the

Bonds bear interest based on such new interest rate determination method. Bonds shall be subject to mandatory tender for purchase on the effective date of the new Interest Rate Period thereof, in accordance with Section 202(d) hereof, at a purchase price equal to the optional redemption price set forth in Section 301(c)(ii) hereof which would be applicable on that date. Notwithstanding any other provision of this Indenture, in the event that FPL elects to adjust from a Long-Term Interest Rate Period prior to the day following the last day thereof, the Registrar shall give the notice of adjustment to the new Interest Rate Period required by Sections 201(d)(iii), (e)(iii), (f)(iv) and (g)(iii), as applicable, not less than 30 days prior to the effective date of the new Interest Rate Period.

(g) (i) Determination of Commercial Paper Terms and Commercial Paper Term Rates. (A) During each Commercial Paper Interest Rate Period, each Bond shall bear interest during each Commercial Paper Term for such Bond at the Commercial Paper Term Rate for such Bond. Each of such Commercial Paper Terms and Commercial Paper Term Rates for each Bond shall be determined by the Remarketing Agent no later than the first day of each Commercial Paper Term. Each Commercial Paper Term for each Bond shall be a period of not more than 364 days, determined by the Remarketing Agent to be the period which, together with all other Commercial Paper Terms for all Bonds then Outstanding, will result in the lowest overall interest expense on the Bonds over the next succeeding 364 days. However, any Bond purchased on behalf of FPL and remaining unsold by the Remarketing Agent as of the close of business on the first day of the Commercial Paper Term for that Bond shall have a Commercial Paper Term of one day or, if that Commercial Paper Term would not end on a day immediately preceding a Business Day, a Commercial Paper Term ending on a day immediately preceding the next Business Day. Further, each Commercial Paper Term shall end on either a day which immediately precedes a Business Day or on the day immediately preceding the Maturity Date. If for any reason a Commercial Paper Term for any Bond can not be so determined by the Remarketing Agent, such Commercial Paper Term either (1) shall have the same number of days as the immediately preceding Commercial Paper Term for such Bond, (2) if there should be no such immediately preceding Commercial Paper Term, shall be 30 days, (3) if the last day determined in accordance with clause (1) or (2) above shall not be a day immediately preceding a Business Day, shall end on the first day immediately preceding the Business Day next succeeding such last day, or (4) if such last day would be on or after the Maturity Date, shall end on the day immediately preceding the Maturity Date. In determining the number of days in each Commercial Paper Term, the Remarketing Agent shall take into account the following factors: (I) existing short-term tax-exempt market rates and indices of such short-term rates, (II) the existing market supply and demand for short-term tax-exempt securities, (III) existing yield curves for short-term and long-term tax-exempt securities for obligations of credit quality comparable to the Bonds, (IV) general economic conditions, (V) industry economic and financial conditions that may affect or be relevant to the Bonds, and (VI) such other facts, circumstances and conditions as the Remarketing Agent, in its sole discretion, shall determine to be relevant. Not later than 12:30 p.m. on the first day of each Commercial Paper Term the Remarketing Agent shall notify the Tender Agent of each Commercial Paper Term and Commercial Paper Term Rate established on such day.

(B) The Commercial Paper Term Rate for each Commercial Paper Term for each Bond shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing

Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by such Bond, would enable the Remarketing Agent to sell such Bond on the date and at the time of such determination at a price (without regard to accrued interest) equal to the principal amount thereof. If for any reason, the Commercial Paper Term Rate for any Commercial Paper Term cannot be so determined by the Remarketing Agent as hereinabove provided, the Commercial Paper Term Rate for such Bond for such Commercial Paper Term shall be a percentage per annum, determined by the Remarketing Agent on the basis of the table set forth below, equal to the applicable percentage of the interest rate for taxable commercial paper (prime paper placed through dealers) of the applicable term most recently announced by the Federal Reserve Bank of New York at the time of such determination (where t = the maximum marginal corporate tax rate of federal income taxation):

Duration of the next Commercial Paper Term	Applicable Term of Commercial Paper	Applicable Percentage
1 – 30 days	30 days	1.00 (1-t)
31 – 60 days	60 days	1.05 (1-t)
61 – 180 days	90 days	1.15 (1-t)
181 – 364 days	180 days	1.20 (1-t)

In no event shall any Commercial Paper Term Rate exceed 15% per annum.

(ii) Adjustment to Commercial Paper Term Rates. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at Commercial Paper Term Rates. Such direction shall specify (1) the effective date of the Commercial Paper Interest Rate Period (during which the Bonds shall bear interest at Commercial Paper Term Rates), which shall be (A) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, and (B) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur; provided that, if prior to FPL's making such election any Bonds shall have been called for redemption and such redemption shall not have theretofore been effected, the effective date of such Commercial Paper Interest Rate Period shall not precede such redemption date; and (2) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Commercial Paper Term Rates. In addition, the direction shall be accompanied by a Favorable Opinion of Bond Counsel unless the then-current Interest Rate Period is a Daily Interest Rate Period or a Weekly Interest Rate Period. During each Commercial Paper Interest Rate Period commencing on the date so specified and ending, with respect to each Bond, on the day immediately preceding the effective date of the next succeeding Interest Rate Period with respect to such Bond, each Bond shall bear interest at a Commercial Paper Term Rate during each Commercial Paper Term for such Bond.

(iii) Notice of Adjustment to Commercial Paper Term Rates. The Registrar shall give notice by first-class mail of an adjustment to a Commercial Paper Interest Rate Period to the Owners of the Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of such Commercial Paper Interest Rate Period. FPL shall cause the form of such notice to be provided to the Registrar. Such notice shall state (1) that during such Commercial Paper Interest Rate Period, each Bond will have one or more consecutive Commercial Paper Terms during each of which such Bond will bear a Commercial Paper Term Rate, (2) the effective date of such Commercial Paper Interest Rate Period, (3) that, for each Bond, a Commercial Paper Term and a Commercial Paper Term Rate therefor will be determined not later than the first day of each such Commercial Paper Term, (4) how such Commercial Paper Terms and Commercial Paper Term Rates may be obtained from the Remarketing Agent, (5) that interest on each Bond will be paid on the day next succeeding the last day of each Commercial Paper Term but only upon presentation of such Bond to the Tender Agent, (6) that the Bonds are subject to mandatory tender for purchase on the effective date of such Commercial Paper Interest Rate Period, setting forth the applicable purchase price, (7) that, subsequent to such effective date, each Bond shall be purchased on the day following the last day of each Commercial Paper Term with respect thereto, (8) the optional redemption provisions set forth herein which are applicable to the Bonds during a Commercial Paper Interest Rate Period, and (9) the name and Principal Office of the Remarketing Agent while the Bonds bear interest at the Commercial Paper Term Rates.

(iv) Adjustment from Commercial Paper Interest Rate Period. At any time during a Commercial Paper Interest Rate Period, FPL may elect, pursuant to Section 201(d)(ii), (e)(ii) or (f)(ii) hereof, that the Bonds no longer shall bear interest at Commercial Paper Term Rates and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate or a Long-Term Interest Rate, as specified in such election. Such election also shall specify an alternative from the immediately succeeding Alternatives (I) and (II) and, in accordance with such election, the Remarketing Agent shall effect one of such alternatives:

> Alternative (I): determine Commercial Paper Terms of such duration that, as soon as possible, all Commercial Paper Terms shall end on the same date, not less than 14 days following the second Business Day after the receipt by the Trustee of the direction of FPL effecting such election; or
>
> Alternative (II): determine Commercial Paper Terms of such duration that will, in the judgment of the Remarketing Agent, best promote an orderly transition to the next succeeding Interest Rate Period.

If Alternative (I) above shall be selected, the date on which all Commercial Paper Terms so determined shall end shall be the last day of the then-current Commercial Paper Interest Rate Period and the day next succeeding such date shall be the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period elected by FPL. If Alternative (II) above shall be selected, beginning on the 14th day following the second Business Day after the receipt by the Trustee of the direction of FPL effecting such election, the day next succeeding the last day of the Commercial Paper Term determined in accordance with

Alternative (II) with respect to each Bond shall be, with respect to such Bond, the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period elected by FPL. The Remarketing Agent, promptly upon the determination thereof, shall give written notice of each such last date and each such effective date with respect to each Bond to the Issuer, FPL, the Trustee and the Tender Agent.

(v) During any transition period from a Commercial Paper Interest Rate Period to the next succeeding Interest Rate Period in accordance with Alternative (II) of Section 201(g)(iv) hereof, Bonds bearing interest at a Commercial Paper Term Rate shall be governed by the provisions of this Indenture applicable to a Commercial Paper Interest Rate Period and Bonds bearing interest at a Daily Interest Rate, Weekly Interest Rate or Long-Term Interest Rate, as applicable, shall be governed by the provisions of this Indenture applicable to such Interest Rate Period.

(h) The determination of the Alternate Long-Term Interest Rate Index and the Treasury Rate by the Indexing Agent and the determination of each Daily Interest Rate, Weekly Interest Rate and Long-Term Interest Rate and each Commercial Paper Term and Commercial Paper Term Rate by the Remarketing Agent shall be conclusive and binding upon the Remarketing Agent, the Indexing Agent, the Trustee, the Tender Agent, the Issuer, FPL, and the Owners of the Bonds.

(i) The Bonds shall be numbered from 1 consecutively upwards in order of authentication.

(j) Notwithstanding anything to the contrary contained in this Indenture, FPL may at any time, by written direction of an Authorized FPL Representative to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, elect that the Bonds shall bear interest based on an alternate interest rate determination method not included under the provisions of this Indenture. Such direction shall set forth in full the details of such interest rate determination method, including (without limitation) the manner of determining interest rates, the effective date of adjustment, the term of the interest rate period, the interest payment dates, the provisions for tender for purchase and redemption, if any, and the name and Principal Office of the Remarketing Agent while the Bonds bear interest based on such interest rate determination method, and shall include the form of Bonds incorporating such details; provided, however, that the effective date of such adjustment shall be (A) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, (B) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur, and (C) in the case of an adjustment from a Commercial Paper Interest Rate Period, either the day immediately following the last day of the Commercial Paper Interest Rate Period or, as to any Bond, the day immediately following the last day of the Commercial Paper Interest Term then in effect (or to be in effect) with respect to that Bond. In addition, the direction shall be accompanied by a Favorable Opinion of Bond Counsel. The Issuer, the Trustee, the Registrar, the Tender Agent, the Remarketing Agent and

FPL shall take such actions and enter into such documents, and FPL shall appoint such additional parties, as may be necessary to effectuate such direction.

SECTION 202. Purchase of Bonds.

(a) During Daily Interest Rate Period. During any Daily Interest Rate Period, any Bond or portion thereof in an Authorized Denomination shall be purchased from its Owner at the option of the Owner on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date, in which case at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its Principal Office, by no later than 10:30 a.m., New York City time, on such Business Day, of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by tested telex, telecopy or other writing, which states the principal amount of such Bond or such portion thereof and the date of purchase. For payment of such purchase price on the date specified in such notice, such Bond must be delivered, at or prior to 12:00 Noon, New York City time, on such Business Day, to the Tender Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly-authorized attorney, with such signature guaranteed by an "eligible guarantor institution" as defined in Regulation 17 Ad-15 of the Securities Exchange Act of 1934 (an "Eligible Guarantor Institution"). Notwithstanding the foregoing, during any period when the Bonds are registered in the name of Cede & Co. or such other nominee of DTC as DTC shall designate and held by DTC in its book-entry system, the optional tender of Bonds shall be accomplished in accordance with the Letter of Representations with DTC with respect to the Bonds and a tender of such Bonds must be initiated by the delivery of a notice to the Tender Agent in the form set forth as Exhibit B hereto.

(b) During Weekly Interest Rate Period. During any Weekly Interest Rate Period, any Bond or portion thereof in an Authorized Denomination shall be purchased from its Owner at the option of the Owner on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest, if any, from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date in which case at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its Principal Office of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by tested telex, telecopy or other writing, which states the principal amount of such Bond or such portion thereof and the date on which the same shall be purchased, which date shall be a Business Day not prior to the seventh day next succeeding the date of the delivery of such notice to the Tender Agent. For payment of such purchase price on the date specified in such notice, such Bond must be delivered, at or prior to 12:00 Noon, New York City time, on the date specified in such notice, to the Tender Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution. Notwithstanding the foregoing, during any period when the Bonds are registered in the name of Cede & Co. or such other nominee of DTC as DTC shall designate and held by DTC in its book-entry system, the optional tender of Bonds shall be accomplished in

accordance with the Letter of Representations with DTC with respect to the Bonds and a tender of such Bonds must be initiated by the delivery of a notice to the Tender Agent in the form set forth as Exhibit B hereto.

(c) Mandatory Tender for Purchase On Business Day Next Succeeding the Last Day of Each Commercial Paper Term. On the Business Day next succeeding the last day of each Commercial Paper Term for a Bond, unless such day is the first day of a new Interest Rate Period (in which event Section 202(d) hereof shall be applicable), such Bond shall be purchased from its Owner, at a purchase price equal to the principal amount thereof, payable in immediately available funds. For payment of such purchase price on such day, such Bond must be delivered, at or prior to 12:30 p.m., New York City time, on such day, to the Tender Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution.

(d) Mandatory Tender for Purchase on First Day of Each Interest Rate Period. The Bonds shall be subject to mandatory tender for purchase on the first day of each Interest Rate Period, at a purchase price, payable in immediately available funds, equal to 100% of the principal amount of the Bonds or, in the case of a purchase on the first day of an Interest Rate Period which shall be preceded by a Long-Term Interest Rate Period and which shall commence prior to the day originally established as the last day of such preceding Long-Term Interest Rate Period, at a purchase price equal to the optional redemption price set forth in Section 301(c)(ii) which would have been applicable to the Bonds on such mandatory purchase date if such preceding Long-Term Interest Rate Period had continued to the day originally established as its last day.

(e) Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of Bonds in accordance with Section 202(d) hereof, the Registrar shall give notice as a part of the notice given pursuant to Sections 201(d)(iii), (e)(iii), (f)(iv) or (g)(iii) hereof. Such notice shall state (i) the type of Interest Rate Period to commence on such mandatory purchase date; (ii) that the purchase price of any Bond so subject to mandatory purchase shall be payable only upon surrender of such Bond to the Tender Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution; and (iii) that all Bonds so subject to mandatory tender for purchase shall be purchased on the mandatory purchase date.

(f) Irrevocable Notice Deemed to be Tender of Bond; Undelivered Bonds. (i) The giving of notice by an Owner of a Bond as provided in Sections 202(a) or (b) hereof, shall constitute the irrevocable tender for purchase of each Bond with respect to which such notice shall have been given irrespective of whether such Bond shall be delivered as provided in such Section, except that Bonds held at DTC and for which an optional tender has been made by delivery of the notice set forth as Exhibit B hereto shall not be purchased unless such Bonds are transferred to the account of the Tender Agent on the tender date as provided in such notice. Further, each Bond shall be deemed irrevocably tendered for purchase on the first day of each Commercial Paper Term or Interest Rate Period as provided in Sections 202(c) or (d) hereof, in each case irrespective of whether such Bond shall be delivered as provided in this Section.

(ii) The Tender Agent may refuse to accept delivery of any Bonds for which a proper instrument of transfer has not been provided. In the event that any Owner of a Bond who shall have given notice of tender for purchase pursuant to Sections 202(a) or (b) hereof, or the Owner of any Bond subject to mandatory tender for purchase pursuant to Section 202(c) or (d) hereof, shall fail to deliver such Bond to the Tender Agent at the place and on the applicable date and time specified, or shall fail to deliver such Bond properly endorsed, such Bond shall constitute an Undelivered Bond. If funds in the amount of the purchase price of the Undelivered Bond are available for payment to the Owner thereof on the date and at the time specified, from and after the date and time of that required delivery, (i) the Undelivered Bond shall no longer be deemed to be Outstanding under this Indenture; (ii) interest shall no longer accrue thereon; and (iii) funds in the amount of the purchase price of the Undelivered Bond shall be held by the Tender Agent for the benefit of the Owner thereof (provided that the Owner shall have no right to any investment proceeds derived from such funds), to be paid on delivery (or proper endorsement) of the Undelivered Bond to the Tender Agent. Any funds held by the Tender Agent as described in clause (iii) of the preceding sentence shall be held uninvested.

SECTION 203. Execution and Payment. The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signatures of the Chairman and attested by the Secretary Ex-Officio, and the official seal of the Issuer shall be impressed or a facsimile thereof imprinted thereon.

In case any officer whose signature or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until such delivery, and also any Bond may be signed by or bear the facsimile signature of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

Principal or redemption price of and interest on the Bonds shall be payable, without deduction for the services of any paying agent, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, subject to the further provisions of this Section, (i) in the case of principal or redemption price of such Bond, when due, upon presentation and surrender of such Bond at the Principal Office of the Trustee or at the office, designated by the Trustee, of any other paying agent and (ii) in the case of interest on such Bond, on each Interest Payment Date by check mailed on that date to the address of the person entitled thereto, as of the applicable Record Date, as such address appears on the registration books of the Issuer hereinafter provided or, except for interest in respect of a Long-Term Interest Rate Period, upon the request of each Owner of Bonds who has provided deposit or transfer instructions to the Paying Agent at least two Business Days prior to such Record Date, deposited in immediately available funds to the account of such Owner maintained with the Paying Agent or transmitted by wire transfer to the account of such Owner maintained with a commercial bank located within the United States of America, but, in the case of interest payable in respect of a Commercial Paper Term, only upon delivery of such Bond to the Tender Agent.

If and to the extent, however, that payment or provision for payment of interest on any Bond on any Interest Payment Date is not made, that interest shall cease to be payable to the Owner of that Bond as of the applicable Record Date. When moneys become available for payment of the interest, (a) the Trustee shall establish a Special Record Date for the payment of that interest which shall be not more than 15 nor fewer than 10 days prior to the date of the proposed payment, and (b) the Trustee shall give notice by first-class mail of the proposed payment and of the Special Record Date to each Owner not fewer than 10 days prior to the Special Record Date and, thereafter, the interest shall be payable to the Owners of the Bonds as of the Special Record Date at the close of business on the Special Record Date.

Notwithstanding any provision of this Indenture or of any Bond, the Trustee or the Paying Agent may enter into an agreement with any holder of 100% in aggregate principal amount of the Bonds of a series providing for making any or all payments to that holder of principal or redemption price of and interest on that Bond or any part thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner other than as provided in this Indenture and in the Bond, without presentation or surrender of the Bond, and for giving any notice required hereunder, upon any conditions that shall be satisfactory to the Trustee, the Paying Agent and FPL; provided that no such agreement with such a holder shall provide for less notice than is otherwise provided for herein.

The Trustee or the Paying Agent, as the case may be, will furnish a copy of each of those agreements, certified to be correct by an officer of the Trustee, to FPL. Any payment of principal, redemption price or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Indenture.

SECTION 204. Authentication of Bonds. Only such of the Bonds having endorsed thereon a certificate of authentication substantially in the form set forth in Exhibit A hereto, duly executed by the Registrar, shall be entitled to any benefit or security under this Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Registrar, and such certificate of the Registrar upon any such Bond shall be conclusive evidence that such Bond has been duly issued and delivered under this Indenture. The Registrar's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized signatory of the Registrar, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time.

SECTION 205. Exchange of Bonds. Upon surrender thereof at the Principal Office of the Registrar, Bonds may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of any denomination or denominations authorized by this Indenture, and bearing interest at the same rate as the Bonds surrendered for exchange.

SECTION 206. Transfer of Bonds. The Tender Agent is hereby appointed as Registrar and as such shall keep books for the registration and for the registration of transfer of Bonds as provided in this Indenture, provided that during a Long-Term Interest Rate Period, the Trustee shall be and is hereby appointed as Registrar, with responsibility for the duties of the Registrar hereunder.

At reasonable times and under reasonable regulations established by the Registrar, the books for the registration and registration of transfer of Bonds may be inspected and copied by the Issuer, the Trustee, FPL, or by Owners (or a designated representative thereof) of 25% or more in principal amount of the Bonds then Outstanding, the authority of any such designated representative to be evidenced to the satisfaction of the Registrar.

The Issuer, the Trustee, the Tender Agent, the Paying Agent and the Remarketing Agent may deem and treat the Owner of any Bond as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest and any premium on, or the purchase price of, such Bond and for all other purposes, and neither the Issuer, the Trustee, the Tender Agent, the Paying Agent nor the Remarketing Agent shall be affected by any notice to the contrary. All such payments so made to any such Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The transfer of any Bond may be registered only upon the books kept for the registration and registration of transfer of Bonds upon surrender thereof to the Registrar, together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Registrar. Upon any such registration of transfer the Issuer shall execute and the Registrar shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this Indenture, in an aggregate principal amount equal to the principal amount of such Bonds and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Issuer shall execute and the Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Registrar. The Issuer or the Registrar may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or registration of transfer, and such charge shall be paid before any such new Bond shall be delivered. Except in connection with the remarketing of Bonds, neither the Issuer nor the Registrar shall be required to make any such exchange or registration of transfer of Bonds, in the case of any proposed redemption of Bonds, during the 15 days immediately preceding the selection of Bonds for such redemption or after any such Bond or any portion thereof has been called for redemption.

SECTION 207. Ownership of Bonds. Except as provided in Section 203 hereof, the person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of and premium, if any, and interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his registered assigns on the applicable Record Date. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

Any owner of any Bond is hereby granted power to transfer absolute title thereto by assignment thereof to a bona fide purchaser for value (present or antecedent) without notice of

prior defenses or equities or claims of ownership enforceable against his assignor or any person in the chain of title and before the maturity of such Bond. Every prior owner of any Bond shall be deemed to have waived and renounced all of his equities or rights therein in favor of every such bona fide purchaser, and every such bona fide purchaser shall acquire absolute title thereto and to all rights represented thereby.

SECTION 208. Prerequisite to Execution of Bonds. The Bonds shall be executed substantially in the form and manner herein set forth and shall be deposited with the Registrar for authentication, but prior to or simultaneously with the authentication and delivery of the Bonds by the Registrar there shall be delivered to the Trustee the following:

(a) copies, certified by the Secretary Ex-Officio, of the resolutions adopted by the Issuer authorizing the issuance, sale and delivery of the Bonds and the execution and delivery of the Agreement and this Indenture;

(b) executed counterparts or certified copies of the Agreement and this Indenture;

(c) opinions of counsel for the Issuer or Bond Counsel, addressed to the Trustee, to the effect that the execution and delivery of the Agreement have been duly authorized by the Issuer, that the Agreement is in substantially the form so authorized and has been duly executed and delivered by the Issuer and that, assuming proper authorization and the execution and delivery of the Agreement by FPL, the Agreement is valid and binding on the Issuer in accordance with its terms;

(d) an opinion of counsel for FPL, addressed to the Trustee, to the effect that (i) the execution and delivery of the Agreement have been duly authorized by FPL, that the Agreement is in substantially the form so authorized and has been duly executed and delivered by FPL and that, assuming proper authorization, execution and delivery of the Agreement by the Issuer, the Agreement is valid and binding on FPL in accordance with its respective terms, and (ii) all approvals of the provisions of this Indenture and the terms and price of the Bonds have been given on behalf of FPL by a duly authorized representative of FPL;

(e) an opinion of Bond Counsel to the effect that the interest on the Bonds is excluded from gross income of the holders thereof for purposes of federal income taxes under the then existing laws of the United States of America and a reliance letter addressed to the Trustee with respect to such opinion;

(f) an opinion of Bond Counsel, addressed to the Trustee, to the effect that the issuance of the Bonds and the execution of this Indenture have been duly and validly authorized by the Issuer and that all conditions precedent to the delivery of the Bonds have been fulfilled, and that the Bonds and this Indenture are valid and binding obligations of the Issuer in accordance with their terms;

(g) a request and authorization of the Issuer, signed by the Chairman, to the Registrar to authenticate and deliver the Bonds to such person or persons named therein upon payment to the Trustee for the account of the Issuer of a sum specified therein.

When the documents mentioned above in this Section shall have been filed with the Trustee and when the Bonds shall have been executed as required by this Indenture, the Registrar shall authenticate the Bonds and deliver them to or upon the order of the purchasers named in the resolution mentioned in clause (a) of this Section, but only upon payment to the Trustee for the account of the Issuer of the purchase price of the Bonds (other than accrued interest on the Bonds, to be deposited pursuant to Section 502 hereof). The Trustee shall be entitled to rely upon such resolution, or any certificate of award authorized by such resolution, as to the names of the purchasers, the interest rate or rates and periods of the Bonds and the amount of such purchase price.

The amount of the proceeds representing accrued interest on the Bonds shall be deposited by the Trustee in accordance with Section 502 hereof simultaneously with the delivery of the Bonds. The balance of the proceeds received from the sale of the Bonds shall be transferred by the Trustee to the Prior Trustee for deposit in accordance with Section 401 hereof simultaneously with the delivery of said Bonds.

SECTION 209. Temporary Bonds. Until definitive Bonds are ready for delivery, there may be executed, and upon request of the Issuer the Registrar shall authenticate and deliver, in lieu of definitive Bonds and subject to the same limitations and conditions, temporary Bonds, in the form of registered Bonds without coupons in Authorized Denominations, substantially of the tenor set forth in Exhibit A hereto and with such appropriate omissions, insertions and variations as may be required. Until definitive Bonds are ready for delivery, any temporary Bond may, if so provided by the Issuer by resolution, be exchanged at the Principal Office of the Registrar, without charge to the holder thereof, for an equal aggregate principal amount of temporary registered Bonds without coupons, of like tenor and bearing interest at the same rate.

If temporary Bonds shall be issued, the Issuer shall cause the definitive Bonds to be prepared and to be executed and delivered to the Registrar, and the Registrar, upon presentation to it at its Principal Office of any temporary Bond shall cancel the same and authenticate and deliver in exchange therefor at the Principal Office of the Registrar, without charge to the holder thereof, a definitive Bond or Bonds of an equal aggregate principal amount and bearing interest at the same rate as the temporary Bond surrendered. Until so exchanged the temporary Bonds shall in all respects be entitled to the same benefit and security of this Indenture as the definitive Bonds to be issued and authenticated hereunder.

SECTION 210. Mutilated, Destroyed, Stolen or Lost Bonds. In case any Bond secured hereby shall become mutilated or be destroyed, stolen, or lost, the Issuer shall cause to be executed, and the Registrar shall authenticate and deliver, a new Bond of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond destroyed, stolen, or lost, upon the holder's paying the reasonable expenses and charges of the Issuer and the Registrar in connection therewith and, in the case of a Bond destroyed, stolen, or lost, his filing with the Registrar evidence satisfactory to it, the Issuer and FPL that such Bond was destroyed, stolen, or lost, and of his ownership thereof and furnishing the Issuer, the Registrar, the Trustee and FPL indemnity satisfactory to each of them.

In case any such mutilated, destroyed, stolen or lost Bond has become or is about to become due and payable, the Issuer, at the direction of FPL, may, instead of issuing a new Bond, direct the Trustee to pay such Bond.

SECTION 211. Delivery of First Mortgage Bonds. (a) As a condition of the adjustment of the Bonds to a Long-Term Interest Rate Period or of the commencement of any subsequent Long-Term Interest Rate Period, except as otherwise set forth in Sections 201(f)(ii)(C) and 201(f)(iii) hereof and in Section 5.3 of the Agreement, FPL shall deliver, on or before the effective date of such adjustment or the commencement of any subsequent Long-Term Interest Rate Period, as the case may be, First Mortgage Bonds to the Trustee in an aggregate principal amount equal to the then outstanding principal amount of the Bonds, which First Mortgage Bonds shall bear interest at the then applicable Long-Term Interest Rate, shall mature on the last day of such Long-Term Interest Rate Period and shall comply with Section 5.3 of the Agreement.

(b) FPL may, (i) so long as no default or event of default has occurred and is continuing under this Indenture, at its sole option, or (ii) if a default or event of default has occurred and is continuing under this Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, deliver at any other time First Mortgage Bonds in an aggregate principal amount equal to the then outstanding principal amount of the Bonds, which First Mortgage Bonds shall bear interest at then applicable interest rates, shall mature on the Maturity Date and shall comply with Section 5.3 of the Agreement.

SECTION 212. Rights Under the Agreement and any First Mortgage Bonds. The Agreement, a duly executed counterpart of which has been filed with the Trustee, and any First Mortgage Bond shall set forth the covenants and obligations of the Issuer and FPL, including provisions that subsequent to the issuance of the First Mortgage Bonds and prior to the payment in full or provision for payment of the Bonds in accordance with the provisions hereof, the Agreement and any First Mortgage Bond may not be effectively amended, changed, modified, altered or, except as provided in Section 5.3 of the Agreement, terminated without the written consent of the Trustee, and reference is hereby made to the same for a detailed statement of said covenants and obligations of FPL thereunder, and that the Trustee may enforce all rights of the Issuer and all obligations of FPL under and pursuant to the Agreement or any First Mortgage Bond for and on behalf of the Bondholders, whether or not the Issuer is in default hereunder.

SECTION 213. Rights of Trustee Regarding First Mortgage Bonds. (a) For so long as the Trustee shall hold First Mortgage Bonds pursuant to Section 211 hereof, the Trustee shall have and may exercise, in the manner and upon the terms and conditions set forth herein, all the rights and remedies provided in the Mortgage for holders of bonds issued thereunder, including, without limitation, the right to receive payments of principal of and interest on the First Mortgage Bonds.

(b) For so long as the Trustee shall hold First Mortgage Bonds pursuant to Section 211 hereof, the Trustee covenants and agrees, as the holder of such First Mortgage Bonds, to attend any meeting of bondholders under Article XIX of the Mortgage or, at its option, to deliver its proxy in connection therewith. Either at such meeting, or otherwise when the consent of the holders of FPL's first mortgage bonds issued under the Mortgage is sought without a meeting,

the Trustee shall vote as the holder of the First Mortgage Bonds, or shall consent with respect thereto, proportionately with what the Trustee reasonably believes will be the vote or consent of the holders of all other first mortgage bonds of FPL then outstanding under the Mortgage the holders of which vote or consent; provided, however, that the Trustee shall not vote as such holder in favor of, or give its consent to, any amendment or modification of the Mortgage which is correlative to any amendment or modification of this Indenture referred to in Section 1102 hereof without the prior consent and approval, obtained in the manner prescribed in Section 1102 hereof, of the holders of Bonds which would be required under Section 1102 hereof for such correlative amendment or modification of the Indenture.

SECTION 214. Release of First Mortgage Bonds. (a) The Issuer and the Trustee covenant that FPL shall be entitled to such credits and the release of such First Mortgage Bonds as provided in this Section 214, the Agreement and the corresponding supplemental indenture of the Mortgage.

(b) With respect to First Mortgage Bonds delivered pursuant to Section 211(a) hereof, upon adjustment from a Long-Term Interest Rate Period to a Daily, Weekly, Commercial Paper or another Long-Term Interest Rate Period pursuant to the provisions hereof, the Trustee shall, in accordance with the provisions hereof, surrender for cancellation to the First Mortgage Trustee or to FPL, within five (5) business days thereafter, the First Mortgage Bonds relating to the Long-Term Interest Rate Period then ending, together with such appropriate instruments of release as may be required in order to release any claim of the Trustee for the payment of the amount of principal of or interest on such First Mortgage Bonds.

(c) With respect to First Mortgage Bonds delivered pursuant to Section 211(b) hereof, the Trustee shall, (i) so long as no default or event of default has occurred and is continuing under this Indenture, at the sole option of FPL, or (ii) if a default or event of default has occurred and is continuing under this Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, upon receipt of written instructions of FPL and a Favorable Opinion of Bond Counsel, surrender for cancellation to the First Mortgage Trustee or to FPL, within five (5) Business Days thereafter, such First Mortgage Bonds, together with such appropriate instruments of release as may be required in order to release any claim of the Trustee for the payment of the amount of principal of or interest on such First Mortgage Bonds.

ARTICLE III

REDEMPTION OF BONDS

SECTION 301. Redemption Dates and Prices.

(a) The Bonds issued under the provisions of this Indenture shall not be subject to prior redemption except as provided or permitted in this Article III.

(b) During any Long-Term Interest Rate Period, in the event of a prepayment by FPL of Loan Repayments with respect to the Bonds pursuant to subsection (a) of Section 10.1 of the Agreement, the Bonds shall be redeemed in whole on the date selected by FPL at the principal amount thereof plus accrued interest to the redemption date, if:

(i) FPL has determined that the continued operation of any of the Units or any portion of the Project is impracticable, uneconomical or undesirable; or

(ii) all or substantially all of any of the Units or any portion of the Project shall have been condemned or taken by eminent domain; or

(iii) the operation by FPL of any of the Units or any portion of the Project shall have been enjoined for a period of at least six consecutive months; or

(iv) as a result of any change in the Constitution of the State of Florida or the Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after any contest thereof by FPL in good faith, the Indenture, the Agreement or the Bonds shall become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement.

(c) In the event of a prepayment by FPL of all or a portion of the Loan Repayments, together with interest thereon, pursuant to subsection (b) of Section 10.1 of the Agreement, the Bonds shall be subject to redemption prior to maturity as follows:

(i) (A) On any Business Day during a Daily Interest Rate Period or a Weekly Interest Rate Period, the Bonds shall be subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at 100% of their principal amount, plus accrued interest, if any, to the redemption date.

(B) On the day succeeding the last day of any Commercial Paper Term with respect to any Bond, such Bond shall be subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at 100% of its principal amount.

(ii) During any Long-Term Interest Rate Period, the Bonds shall be subject to optional redemption by the Issuer, at the direction of FPL, on the first day thereof, in whole or in part, at the redemption price of 100% of their principal amount, and thereafter, during the periods specified below or specified in the notice of FPL to the Trustee, the Tender Agent and the

Remarketing Agent pursuant to Section 201(f)(ii) hereof, in whole at any time or in part from time to time, at the redemption prices (expressed as percentages of principal amount) hereinafter indicated or specified in the notice of FPL to the Trustee pursuant to Section 201(f)(ii) hereof, plus accrued interest, if any, to the redemption date:

Length of Long-Term Interest Rate Period (expressed in years)	Redemption Prices
Greater than 14	after 10 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 14 and greater than 10	after 5 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 10 and greater than 8	after 5 years at 101%, declining by 1/2 of 1% every 6 months to 100%
Less than or equal to 8 and greater than 6	after 3 years at 101%, declining by 1/2 of 1% every 6 months to 100%
Less than or equal to 6 and greater than 4	after 2 years at 101%, declining by 1/2 of 1% every 6 months to 100%
Less than or equal to 4 and greater than 3	after 2 years at 100-1/2%, declining by 1/2 of 1% after 6 months to 100%
Less than or equal to 3 and greater than 2	after 1 year at 100-1/2%, declining by 1/2 of 1% after 6 months to 100%
Less than or equal to 2 and greater than 1	after 1 year at 100%
1 year	not redeemable.

(iii) In addition, during any No Call Period, the Bonds will be nonetheless subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at any time, if FPL delivers to the Trustee a written certificate (i) to the effect that by reason of a change in use of the Project or any portion thereof, FPL has been unable, after reasonable effort, to obtain an opinion of Bond Counsel to the effect that a court, in a properly presented case, should decide that (a) Section 150 of the Code (or successor provision of similar import) does not prevent that portion of the Loan Repayments payable under the Agreement and attributable to interest on the Bonds from being deductible by FPL for federal income tax purposes and (b) Treasury Regulations Section 1.142-2 (or a successor provision of similar import) does not prevent interest on the Bonds from being excluded for federal income tax purposes from the gross income of the Bondholders thereof (other than a Bondholder who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code), (ii) specifying that as a result of its inability to obtain such opinion of Bond Counsel, FPL has elected to prepay amounts due under the Agreement equal to the redemption price of the Bonds to be so redeemed and (iii) specifying the principal amount of the Bonds which FPL has determined to be the minimum

necessary to be so redeemed in order for FPL to retain its rights to such interest deductions and for interest on the Bonds to retain such exclusion from gross income for federal income tax purposes (which principal amount of the Bonds will be so redeemed). The redemption price for the Bonds shall be equal to the highest redemption price which would be payable on the first date such Bonds could be called for optional redemption under Section 301(c)(ii) above on the basis of the length of the then current Long-Term Interest Rate Period.

(d) The Bonds shall be subject to mandatory redemption by the Issuer, at the principal amount thereof plus accrued interest to the redemption date, on the 180th day (or such earlier date as may be designated by FPL) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Issuer and FPL of an opinion of Bond Counsel obtained by FPL and rendered at the request of FPL, to the effect that, as a result of a failure by FPL to perform or observe any covenant, agreement or representation contained in the Agreement, the interest payable on the Bonds is included for federal income tax purposes in the gross income of the Bondholders thereof. No determination by any court or administrative agency shall be considered final for the purposes of this paragraph unless FPL shall have had the opportunity to participate in the proceeding which resulted in such determination, either directly or through a Bondholder, to a degree it deems sufficient and until the conclusion of any court proceeding initiated after a final agency determination, and of any appellate review sought by any party to such agency or court proceeding or the expiration of the time for seeking such review. The Bonds shall be redeemed either in whole or in part in such principal amount that the interest payable on the Bonds remaining outstanding after such redemption would not be included in the gross income of any Bondholder thereof, other than a Bondholder who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code.

(e) If less than all of the Bonds shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Trustee, by lot or in such other manner as the Trustee in its discretion may determine to be fair and appropriate, in the principal amounts designated by FPL or otherwise as required by this Indenture; provided, however, that in connection with any redemption of Bonds, the Trustee shall first select for redemption any Bonds held by the Tender Agent for the account of FPL (or any nominees thereof) pursuant to Section 1407(c) hereof, and that if, as indicated in a certificate of an Authorized FPL Representative delivered to the Trustee, FPL shall have offered to purchase all Bonds then Outstanding and less than all of such Bonds shall have been tendered to FPL for such purchase, the Trustee, at the direction of an Authorized FPL Representative, shall select for redemption all such Bonds which have not been so tendered; and provided, further, that the portion of any Bond to be redeemed shall be in the principal amount constituting an Authorized Denomination, and that, in selecting Bonds for redemption, the Trustee shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by the minimum Authorized Denomination.

SECTION 302. Notice of Redemption. At least 30 days before the redemption date of any Bonds, the Registrar shall cause a notice of any such redemption, in the name of the Issuer, to be mailed by first class mail (except as otherwise provided below), postage prepaid, to all registered owners of Bonds to be redeemed as a whole or in part at their addresses as they appear on the registration books hereinabove provided for. In addition, the Trustee shall mail copies of

the redemption notice to S&P, Moody's, an Authorized Newspaper and at least two national information services that disseminate redemption notices. The notice provided pursuant to this Section shall be sent by certified mail, return receipt requested, to any owner of the Bonds that is a depository institution and those entities described in the immediately preceding sentence. Any such notice shall be given in the name of the Issuer, shall identify (i) the complete official name of the issue, (ii) the Bonds or portions thereof to be redeemed by designation, letters, CUSIP numbers, numbers or other distinguishing marks, dated date, interest rate, maturity date and principal amount, (iii) the redemption price to be paid, (iv) the date of mailing and the date fixed for redemption, (v) the place or places, by name and address, where the amounts due upon redemption are payable and (vi) the name, address and telephone number of the person to whom inquiries regarding the redemption may be directed, and shall state that on the redemption date the Bonds called for redemption will be payable and that from that date interest will cease to accrue. A second notice shall be sent in the same manner described above not more than 60 days after the redemption date to the owner of any called Bond which was not presented for payment on the redemption date. Failure so to mail any such notice to the registered owner of any Bond shall not affect the validity of the proceedings for redemption of any other Bond and failure to mail any such notice to any other entity as required by this Section shall not affect the validity of the proceedings for redemption of any Bond. The Registrar shall not be subject to any liability to any Bondholder by reason of its failure to mail any such notice provided in this Section. In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond in principal amount equal to the unredeemed portion of such Bond will be issued.

Any notice of redemption, except a notice of mandatory redemption pursuant to Section 301(d) hereof or any similar provision contained in any indenture supplemental hereto, shall, unless at the time such notice is given the Bonds to be redeemed are deemed to have been paid in accordance with Article XIII hereof, state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such Bonds shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the principal of and premium, if any, and interest on such Bonds are not received by the Trustee on or prior to the redemption date, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

If a notice of redemption shall be unconditional, or if the conditions of a conditional notice of redemption shall have been satisfied, the Bonds so called for redemption shall become and be due and payable on the date fixed for redemption, and upon the presentation and surrender of such Bonds at the place or places specified such Bonds shall be redeemed.

SECTION 303. Effect of Redemption. All Bonds and portions of Bonds which have been duly selected for redemption under the provisions of this Article and which are deemed to have been paid in accordance with Article XIII hereof shall cease to bear interest on the date fixed for redemption.

SECTION 304. Partial Redemption. In case part but not all of an outstanding Bond shall be selected for redemption, the owner thereof or his attorney or legal representative shall present and surrender such Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the Issuer shall execute and the Trustee shall authenticate and deliver to or upon the order of such owner or his attorney or legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond bearing interest at the same rate.

ARTICLE IV

REFUNDING OF PRIOR BONDS

SECTION 401. Application of Proceeds of Series 2003 Bonds. Subject to the deposit of funds into the Bond Fund in accordance with Section 502(i) hereof, $15,000,000 of the proceeds of the Bonds shall be delivered to the Prior Trustee for deposit to the bond fund under the Prior Indenture to be applied (together with any investment earnings thereon and any moneys delivered by FPL to the Prior Trustee for such purpose) to pay the redemption price of the Prior Bonds, which shall be redeemed on June 26, 2003. On June 26, 2003, after the provision for the payment of the redemption price of the Prior Bonds, any funds remaining in the bond fund for any of the Prior Bonds may be transferred to FPL to be used to pay or reimburse FPL for the payment of issuance expenses allocable to the portion of the Bonds used to refund such series of Prior Bonds but in any event not in excess of two percent of the principal amount of the Bonds used to refund such series of Prior Bonds.

SECTION 402. Redemption of Prior Bonds. Pursuant to Section 4.3 of the Agreement, FPL has directed the Prior Trustee to call the Prior Bonds for redemption prior to maturity on June 26, 2003 at a redemption price of 100% of the principal amount thereof plus interest accrued to that redemption date.

ARTICLE V

BOND FUND

SECTION 501. Creation of Bond Fund. A special fund is hereby created and designated the "Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 Bond Fund" (the "Bond Fund"). The moneys in the Bond Fund shall be held by the Trustee in trust and applied as hereinafter provided and, pending such application, shall be subject to a lien and charge in favor of the holders of the Bonds issued and outstanding under this Indenture and for the further security of such holders until paid out or transferred as herein provided.

SECTION 502. Payments into Bond Fund. There shall be deposited to the credit of the Bond Fund (i) the accrued interest received on the Bonds issued hereunder, (ii) all Loan Repayments, (iii) any payments made on the First Mortgage Bonds and (iv) all other moneys received by the Trustee under and pursuant to any of the provisions of the Agreement or otherwise which are required, or are accompanied by directions from FPL or the Issuer that such moneys are, to be paid into the Bond Fund. The Trustee is authorized to receive at any time payments from FPL pursuant to the Agreement or otherwise for deposit in the Bond Fund.

SECTION 503. Use of Moneys in Bond Fund. All interest accruing on the Bonds up to the dates of their delivery shall be paid from the amounts deposited in the Bond Fund pursuant to Section 502(i) hereof. Except as otherwise provided in this Indenture, moneys in the Bond Fund shall be used solely for the payment of the principal of and premium, if any, and interest on the Bonds. Upon receipt of a written notice from FPL pursuant to Article X of the Agreement, and, in the case of a directed purchase of Bonds, upon the deposit of cash or Investment Obligations in the Bond Fund sufficient, together with other amounts available therefor in the Bond Fund, to make the directed purchase of Bonds, the Issuer and the Trustee covenant and agree to take and cause to be taken the necessary steps to redeem or purchase such principal amount of Bonds as specified by FPL in such written notice; provided, however, that any moneys in the Bond Fund may be used on direction of FPL to redeem a part of the Bonds outstanding and then redeemable or to purchase Bonds for cancellation only so long as FPL is not in default with respect to any payments required pursuant to Section 5.1 of the Agreement and to the extent said moneys are in excess of the amount required for payment of the Bonds theretofore matured or called for redemption and interest accrued and payable in respect of outstanding Bonds.

SECTION 504. Custody of Bond Fund. The Bond Fund shall be in the custody of the Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of and premium, if any, and interest on the Bonds as the same become due and payable, for the purpose of paying said principal and premium, if any, and interest, which authorization and direction the Trustee hereby accepts.

SECTION 505. Non-Presentment of Bonds. All moneys which the Trustee shall have withdrawn from the Bond Fund or shall have received from any other source and set aside, for the purpose of paying any of the Bonds hereby secured, either at the maturity thereof or upon call for redemption, shall be held in trust for the respective holders of such Bonds, but any moneys

which shall be so set aside by the Trustee and which shall remain unclaimed by the holders of such Bonds for a period of one year after the date on which such Bonds shall have become due and payable shall upon request in writing be paid to FPL; provided, however, that the Trustee, before being required to make any such payment, may at the expense of FPL cause to be published at least twice before the date of such payment in an Authorized Newspaper, a notice that said moneys have not been claimed and that after a date named therein any unclaimed balance of said moneys then remaining will be returned to FPL and thereafter the holders of such Bonds shall look only to FPL for payment and then only to the extent of the amount so received without any interest thereon, and the Issuer and the Trustee shall have no responsibility with respect to such moneys.

SECTION 506. Cancellation and Destruction of Bonds. All Bonds paid, redeemed or purchased, either at or before maturity, and all Bonds acquired by or delivered to the Trustee for cancellation shall be canceled upon the payment, redemption or purchase, or upon such acquisition or delivery, of such Bonds. All Bonds canceled under any of the provisions of this Indenture shall be destroyed by the Trustee. The Trustee shall execute a certificate in triplicate describing the Bonds so destroyed, and one executed certificate shall be filed with the Issuer, one executed certificate shall be filed with FPL and the other executed certificate shall be retained by the Trustee.

ARTICLE VI

DEPOSITARIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

SECTION 601. Deposits Constitute Trust Funds. All moneys deposited with the Trustee under the provisions of this Indenture or the Agreement shall be held in trust and applied only in accordance with the provisions of this Indenture and the Agreement and shall not be subject to lien or attachment by any creditor of the Issuer or FPL.

All moneys deposited with the Trustee under this Indenture and the Agreement shall be continuously secured for the benefit of the Issuer and the holders of the Bonds either (a) by lodging with a bank or trust company approved by the Issuer and by the Trustee, as custodian, as collateral security, obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America, or other marketable securities eligible as security for the deposit of trust funds under regulations of the Comptroller of the Currency of the United States of America, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) in such other manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Trustee to give security for any moneys which shall be represented by the investments mentioned in the first paragraph of Section 602 of this Article VI purchased under the provisions of this Article VI as an investment of such moneys.

SECTION 602. Investment of Moneys. Moneys held for the credit of the Bond Fund, except as provided in Article XIII hereof, shall at the written request, or telephone advice promptly confirmed by a certificate, of an Authorized FPL Representative be invested and reinvested by the Trustee in Investment Obligations. Any request by an Authorized FPL Representative shall specify the issuer or obligor, type, principal amount, interest rate and maturity of each such requested investment of moneys.

Obligations so purchased as an investment of moneys in the Bond Fund shall be deemed at all times to be part of such Fund and any interest accruing on and any profit realized from the investment of moneys in such Fund shall be credited to such Fund and any loss resulting from such investment shall be charged to such Fund. Neither the Trustee nor the Issuer shall be liable or responsible for any loss resulting from any such investment.

The Issuer hereby authorizes and directs the Trustee to comply with any instructions of FPL given from time to time with respect to income from the investment of moneys in the Bond Fund or any other fund created under the Indenture to pay all or a portion of such income to the United States in furtherance of the covenants set forth in Section 4.5 of the Agreement, which authorization and direction the Trustee hereby accepts. Amounts held by the Tender Agent in the Purchase Fund shall not be invested.

ARTICLE VII

PARTICULAR COVENANTS AND PROVISIONS

SECTION 701. Covenant of Issuer as to Performance of Obligations. The Issuer covenants that it will cause to be paid promptly the principal of and premium, if any, and interest on every Bond issued under the provisions of this Indenture at the places, on the dates and in the manner provided herein and in said Bond, according to the true intent and meaning thereof; provided, however, that any amount in the Bond Fund available for any payment of the principal of or premium, if any, or interest on said Bond shall be credited against any amount required to be caused by the Issuer so to be paid. Except as in this Indenture otherwise provided, such principal, premium and interest are payable solely from the Loan Repayments, any other income derived from the sale, leasing or operation of the Project and other moneys to the extent provided in this Indenture and any payments on the First Mortgage Bonds or under any other credit enhancement provided by FPL in accordance with the provisions of the Agreement and this Indenture, which Loan Repayments and any other income and other moneys to the extent provided in this Indenture are hereby pledged to the payment thereof in the manner and to the extent hereinabove particularly specified.

The Bonds issued under the provisions of this Indenture and the premium, if any, and interest thereon and the payment of any purchase price thereof, shall not be deemed to constitute a debt, liability or obligation of the Issuer or of the State of Florida or any political subdivision thereof, but shall be payable solely from the revenues and proceeds pledged therefor and the Issuer is not obligated to pay the Bonds or the premium, if any, or interest thereon except from the Loan Repayments and other revenues and proceeds derived from the sale, operation or leasing of the Project and payments made on the First Mortgage Bonds or under any other credit enhancement provided by FPL in accordance with the provisions of the Agreement and this Indenture, and the Issuer is not obligated to pay the purchase price of the Bonds except from any moneys available therefor as provided in this Indenture, and neither the faith and credit nor the taxing power of the Issuer or of the State of Florida or any political subdivision thereof is pledged to the payment of the principal of or premium, if any, or interest on, or purchase price of, the Bonds.

SECTION 702. Covenant to Perform Obligations. The Issuer covenants and agrees that it will not knowingly consent to or take any action or fail to take any action upon request by the Trustee or FPL or fail to do anything upon request by the Trustee or FPL which would result in the termination of the Agreement so long as any Bonds are outstanding; that it will not terminate the Agreement or cause it to be terminated except in strict accordance with the terms of the Agreement; that it will promptly notify the Trustee, when known to the Issuer, of any actual or alleged event of default under or breach of the Agreement, whether by FPL or the Issuer; that it will not execute or agree to any change, amendment or modification of or supplement to the Agreement except by a supplement or an amendment duly executed by FPL and the Issuer with the approval of the Trustee and upon the further terms and conditions set forth in Article XII of this Indenture; and that it will not agree to any abatement, reduction, abrogation, waiver, diminution or other modification in any manner or to any extent whatsoever of the obligation of FPL under the Agreement to pay the Loan Repayments without the consent of the holder of each Bond adversely affected thereby. The Issuer covenants that it will faithfully perform at all times

any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all proceedings of the Issuer pertaining thereto. The Issuer represents that it is duly authorized under the Constitution and laws of the State of Florida, including particularly and without limitation the Act, to issue the Bonds authorized hereby and to enter into this Indenture, to pledge and assign the Loan Repayments and any other income and other moneys in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds initially issued hereunder and the execution and delivery of this Indenture has been duly and effectively taken; and that such Bonds in the hands of the owners thereof are and will be valid and binding obligations of the Issuer according to the tenor and import thereof.

SECTION 703. Covenant to Perform Further Acts. The Issuer covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such supplements and amendments to this Indenture and such further acts, instruments and transfers as the Trustee may reasonably require for the better pledging and assigning unto the Trustee of each and all of the Loan Repayments and any other income and other moneys pledged and assigned hereby to the payment of the principal of and premium, if any, and interest on the Bonds.

SECTION 704. Bonds Not to Become Arbitrage Bonds. The Issuer covenants with the holders of the Bonds that, notwithstanding any other provision of this Indenture or any other instrument, to the best of its knowledge, information and belief, it will not take or consent to be taken on its behalf any actions and will make no investment or other use of the proceeds of the Bonds which would cause the Bonds to be arbitrage bonds under Section 148 of the Code and it further covenants that it will, to the extent within its control, comply with the requirements of such Section at the expense of FPL. The foregoing covenants shall extend, throughout the term of the Bonds, to all funds created under this Indenture and all moneys on deposit to the credit of any such fund, and to any other amounts which are proceeds of the Bonds for purposes of Section 148 of the Code and the regulations thereunder. In taking any action pursuant to this Section 704, the Issuer may rely on a Favorable Opinion of Bond Counsel.

ARTICLE VIII

DEFAULTS AND REMEDIES

SECTION 801. Events of Default. Each of the following events is hereby declared an "event of default":

(a) Failure to pay the principal of or premium, if any, on any of the Bonds when the same shall become due and payable, whether at maturity, through unconditional proceedings for redemption or otherwise; or

(b) (i) During any period when the Trustee holds First Mortgage Bonds pursuant to Section 211 hereof, failure to pay interest on any of the Bonds when the same shall become due and payable and the continuation of such failure for a period of 60 days; or (ii) when the Trustee does not hold First Mortgage Bonds, failure to pay interest on any of the Bonds when the same shall become due and payable and the continuation of such failure for five Business Days; or

(c) Failure to pay an amount due pursuant to Section 202 hereof after such payment has become due and payable and the continuation of such failure for five Business Days; or

(d) Failure to perform any other covenant, condition, agreement or provision contained in the Bonds or in this Indenture on the part of the Issuer to be performed which failure shall continue for ninety (90) days after written notice specifying such failure and requiring same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the holders of not less than 25% in aggregate principal amount of the Bonds then outstanding, unless the Trustee, or the Trustee and the holders of a principal amount of Bonds not less than the principal amount of Bonds the holders of which requested such notice, as the case may be, agree in writing to an extension of such period prior to its expiration; provided, however, that the Trustee, or the Trustee and the holders of such principal amount of Bonds, as the case may be, shall be deemed to have agreed to an extension of such period if corrective action is instituted by the Issuer or FPL within the applicable period and is being diligently pursued; or

(e) An "event of default" as defined in Section 9.1 of the Agreement; or

(f) During any period when the Trustee holds First Mortgage Bonds pursuant to Section 211 hereof, a "Default" as defined in Section 65 of the Mortgage.

SECTION 802. Acceleration of Maturities.

(a) (i) If the Trustee is holding First Mortgage Bonds hereunder, then upon the occurrence and continuance of an event of default specified in clause (a), (b)(i), (c) or (f) of Section 801 of this Article, and further upon the condition that, in accordance with the terms of the Mortgage, all first mortgage bonds outstanding thereunder shall have become immediately due and payable, then the Bonds shall, without further action, become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and the Trustee shall give notice thereof in writing to the Issuer, FPL, the Tender Agent and the

Remarketing Agent, and notice to the holders of the Bonds in the same manner as a notice of redemption under Section 302 of this Indenture.

(ii) If the Trustee is not holding First Mortgage Bonds hereunder, then upon the occurrence and continuance of an event of default specified in clause (a), (b)(ii) or (c) of Section 801 of this Article or an event of default specified in clauses (d) or (e) of Section 9.1 of the Agreement, the Trustee may, and upon the written request of the holders of not less than 25% in aggregate principal amount of Bonds then outstanding shall, by a notice in writing to the Issuer and FPL, declare the principal of all the Bonds then outstanding (if not then due and payable) to be immediately due and payable, and upon such declaration the same shall become and be immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding; and the Trustee shall give notice thereof in writing to the Issuer, FPL, the Tender Agent and the Remarketing Agent, and notice to the holders of the Bonds in the same manner as a notice of redemption under Section 302 of this Indenture.

(b) The provisions of the preceding paragraph (a)(ii), however, are subject to the condition that, if, after the principal of the Bonds shall have been so declared to be due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, FPL, pursuant to the Agreement, shall deposit with the Trustee a sum sufficient to pay all matured installments of interest upon all Bonds and the principal of any and all Bonds which shall have become due otherwise than by reason of such declaration (with interest upon such principal and, to the extent permissible by law, on overdue installments of interest, at the rate per annum borne by the Bonds on the date of such declaration) and such amounts as shall be sufficient to cover reasonable compensation and reimbursement of expenses payable to the Trustee, and all Events of Default hereunder other than nonpayment of the principal of Bonds which shall have become due by said declaration shall have been remedied, then, in every such case, such Event of Default shall be deemed waived and such declaration and its consequences rescinded and annulled, and the Trustee shall promptly give written notice of such waiver, rescission and annulment to the Issuer, FPL, the Tender Agent, the Remarketing Agent, and, if notice of the acceleration of the Bonds shall have been given to the Owners, shall give notice thereof to the Owners; but no such waiver, rescission and annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon.

(c) If the Trustee is holding First Mortgage Bonds hereunder, any waiver of a "Default" under the Mortgage and a rescission and annulment of its consequences shall constitute a waiver of the corresponding event of default under Subsection 801(f) of this Indenture and a rescission and annulment of the consequences thereof, and the Trustee shall promptly give written notice of such waiver, rescission and annulment to the Issuer, FPL, the Tender Agent and the Remarketing Agent and notice to holders of the Bonds in the same manner as a notice of redemption under Section 302 of this Indenture; but no such waiver, rescission and annulment shall extend to or affect any subsequent event of default or impair any right or remedy consequent thereon.

SECTION 803. Other Remedies.

(a) Upon the occurrence and continuance of any event of default specified in Section 801 of this Indenture, then and in every such case the Trustee may proceed, and upon the written request of the holders of not less than 25% in aggregate principal amount of the Bonds then outstanding hereunder shall proceed, subject to the provisions of Section 902 of this Indenture, to protect and enforce its rights and the rights of the Bondholders under the laws of the State of Florida and under this Indenture and the Agreement by such suits, actions or special proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or therein or in aid or execution of any power herein or therein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

(b) In the enforcement of any remedy under this Indenture the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due for principal, interest or otherwise under any of the provisions of this Indenture or of the Bonds or in respect of Loan Repayments under the Agreement and unpaid, with interest on overdue payments of principal and interest or Loan Repayments (if and to the extent permitted by law) at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and all proceedings hereunder, and under such Bonds and the Agreement, without prejudice to any other right or remedy of the Trustee or of the Bondholders, but solely subject to the limitations provided herein and in such Bonds and the Agreement, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect in any manner provided by law any moneys adjudged or decreed to be payable; provided that any amounts due from the Issuer and not payable by FPL under the Agreement shall be payable solely from moneys in the Bond Fund and available therefor.

SECTION 804. Application of Moneys. Anything in this Indenture to the contrary notwithstanding, if at any time the moneys in the Bond Fund shall not be sufficient to pay the principal of or premium, if any, or interest on the Bonds as the same shall become due and payable (either by their terms or by acceleration of maturities under the provisions of Section 802 of this Article), such moneys, together with any moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied, following the satisfaction of any payments due to the Trustee under the provisions of Sections 902 and 905 of this Indenture, as follows:

(a) If the principal of all the Bonds shall not have become due and payable either in accordance with their terms or by acceleration, all such moneys shall be applied

First: to the payment to the persons entitled thereto of all installments of interest then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds;

Second: to the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of such Bonds which shall have become due and payable (other than Bonds deemed to have been paid in accordance with Article XIII hereof), in the order of their due dates, with interest on the principal amount of such Bonds at the respective rates specified therein from the respective dates upon which such Bonds became due and payable to the payment date, and, if the amount available shall not be sufficient to pay in full the principal of and premium, if any, on such Bonds due and payable on any particular date, together with such interest, then to the payment first of such interest, ratably, according to the amount of such interest due on such payment date, and then to the payment of such principal and premium, if any, ratably, according to the amount of such principal and premium, if any, due on such date, to the persons entitled thereto without any discrimination or preference; and

Third: to the payment of the interest and premium, if any, on and the principal of such Bonds, to the purchase and retirement of such Bonds and to the redemption of such Bonds, all in accordance with the provisions of this Indenture.

(b) If the principal of all the Bonds has become due and payable either in accordance with their terms or by acceleration, all such moneys shall be applied to the payment of the principal, premium, if any, and interest then due on the Bonds, without preference or priority of principal and premium, if any, over interest or of interest over principal and premium, if any, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal, premium, if any, and interest, to the persons entitled thereto, without discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

(c) If the principal of all the Bonds shall have become immediately due and payable under the provisions of Section 802 of this Article and if such acceleration shall thereafter have been rescinded and annulled, then, subject to the provisions of subparagraph (b) of this Section in the event that the principal of all such Bonds shall later become due and payable, the moneys remaining in and thereafter accruing to the Bond Fund for such Bonds shall be applied in accordance with the provisions of subparagraph (a) of this Section.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for such application and the likelihood of additional moneys becoming available for such application in the future; setting aside such moneys in trust for the proper purpose shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Issuer, to any Bondholder or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any

such date, and shall not be required to make payment to the holder of any Bond until such Bond shall be surrendered to the Trustee for appropriate endorsement, or for cancellation if fully paid.

SECTION 805. Effect of Discontinuance of Proceedings. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, then and in every such case the Issuer, FPL, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

SECTION 806. Right of Bondholders to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in principal amount of the Bonds then outstanding hereunder shall have the right, subject to the provisions of Section 902 of this Indenture, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder or the exercise of any trust or power conferred upon the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture.

SECTION 807. Rights and Remedies of Bondholders. No holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Bond or for the execution of any trust hereunder or for any other remedy hereunder unless such holder previously shall have given to the Trustee and to FPL written notice of the event of default on account of which such suit, action or proceeding is to be instituted, and unless also the holders of not less than 25% in aggregate principal amount of the Bonds then outstanding shall have made written request of the Trustee, after the right to exercise such powers or right of action, as the case may be, shall have accrued, to institute such action, suit or proceeding in its or their name and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such written request within a reasonable time; and such notification, request and offer to indemnify are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture or to any other remedy hereunder. It is understood and intended that, except as otherwise above provided, no one or more holders of the Bonds hereby secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right hereunder except in the manner herein provided, that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all holders of such outstanding Bonds, and that any individual rights of action or any other right given to one or more of such holders by law are restricted by this Indenture to the rights and remedies herein provided.

Nothing in this Section shall affect or impair the right of any Bondholder to enforce the payment of the principal of and premium, if any, and interest on his Bond or Bonds, at the time and place in said Bond expressed.

SECTION 808. Appointment of Receiver by Trustee. Upon the occurrence of an event of default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders under this Indenture, the Trustee shall be entitled, as a matter or right, to the appointment of a receiver or receivers of the Loan Repayments and other amounts payable under the Agreement pending such proceedings, with such powers as the court making such appointment shall confer, whether or not said Loan Repayments and other amount and income shall be deemed sufficient ultimately to satisfy the Bonds outstanding hereunder.

SECTION 809. Action by Trustee without Possession of Bonds. All rights of action under this Indenture or under any of the Bonds secured hereby, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds or the production thereof in the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the holders of such Bonds, subject to the provisions of this Indenture.

SECTION 810. No Remedy Exclusive. No remedy herein conferred upon or reserved the Trustee or to the holders of the Bonds is intended to be exclusive of any other remedy or remedies herein provided, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or by law.

SECTION 811. Waiver of Default. No delay or omission of the Trustee or of any holder of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein and every power and remedy given by this Indenture to the Trustee and to the holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Indenture or before the completion of the enforcement of any other remedy under this Indenture, the Trustee shall be permitted to discontinue such suit, action, proceeding or enforcement of any remedy if in its opinion any default forming the basis of such suit, action, proceeding or enforcement of any remedy shall have been remedied.

Notwithstanding anything contained herein to the contrary, the Trustee, upon the written request of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, shall waive any event of default hereunder and its consequences; provided, however, that, except under the circumstances set forth in clause (b) of Section 802 hereof, an event of default under clauses (a), (b) or (c) of Section 801 hereof with respect to any Bonds may not be waived without the written consent of the holders of all such Bonds.

SECTION 812. Notice of Default. The Trustee shall mail, by first-class mail, postage prepaid, to all owners of the Bonds at their addresses as they appear on the registration books written notice of the occurrence of any event of default set forth in Section 801 of this Article within 30 days (i) after the occurrence of an event of default under clause (a) or (b) of Section 801 hereof or (ii) after the Trustee shall have notice, pursuant to the provisions of Section 908 of this Indenture, that any other such event of default shall have occurred; provided, however, that, except in the case of a default under clause (a) or (b) of Section 801 hereof, the

Trustee shall be protected in withholding such notice if so long as the Board of Directors, the Executive Committee or a Trust Committee of Directors and/or responsible officers of the Trustee in good faith determines that the withholding of such notice is in the best interest of the Bondholders. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail any such notice.

SECTION 813. Remedies in Article VIII in Addition to Remedies in Agreement, Pledge Agreement and Mortgage. The remedies conferred in this Article shall be in addition to any remedies available to the Trustee under the Agreement or any other instruments now or hereafter securing the Loan Repayments, which remedies are hereby incorporated herein by reference.

ARTICLE IX

TRUSTEE; PAYING AGENT

SECTION 901. Acceptance of Trusts and Performance of Duties. The Trustee accepts and agrees to execute the trusts imposed upon it by this Indenture, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Indenture, to all of which the parties hereto and the respective holders of the Bonds agree. The Trustee may execute any of the trusts or powers hereunder either directly or by or through agents or attorneys.

The Trustee shall have only such duties and obligations as are expressly specified in this Indenture and no duties or obligations shall be implied to the Trustee.

In case an event of default within the purview of Section 801 hereof has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

The Trustee also accepts and agrees to do and perform the duties and obligations imposed upon it by and under the Agreement and the Pledge Agreement, but only upon the terms and conditions set forth in the Agreement, the Pledge Agreement and this Indenture.

SECTION 902. Indemnification of Trustee. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Indenture or under the Agreement or Pledge Agreement, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder or under the Agreement or Pledge Agreement, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees (including counsel fees on appeal, if any) and other reasonable disbursements, and against all liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Issuer shall reimburse the Trustee, but solely from funds available therefor under the Agreement, for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the Issuer shall fail to make such reimbursement from such funds, the Trustee may reimburse itself from any moneys in its possession under the provisions of this Indenture and it shall be entitled to a preference over any of the Bonds outstanding hereunder.

SECTION 903. Limitation on Obligations and Responsibilities of the Trustee. The Trustee shall not be under any obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies or insurance carried by the Issuer or FPL, or to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. The Trustee shall not have any responsibility in respect to the validity, sufficiency, due execution or acknowledgment of this Indenture by the Issuer or the validity or sufficiency of the security provided hereunder or in respect of the title or value of the Project or, except as to the authentication thereof by the

Trustee, in respect of the validity of the Bonds or the due execution or issuance thereof. The Trustee shall not be under any obligation to see that any duties herein imposed upon any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall not be under any obligation for failure to see that any such duties or covenants are so done or performed.

SECTION 904. Trustee Not Liable for Failure of Issuer to Act. The Trustee shall not be liable or responsible because of the failure of the Issuer or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Issuer or because of the loss of any moneys arising through the insolvency or the act or default or omission of any other depositary in which such moneys shall have been deposited under the provisions of this Indenture. The Trustee shall not be responsible for the application of any of the proceeds of the Bonds or any other moneys deposited with it and paid out, withdrawn or transferred thereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Indenture. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

None of the provisions of this Indenture or the Pledge Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) the Trustee shall not be liable for any error or judgment made in good faith by any one of its officers, unless it shall be established that the Trustee was grossly negligent in ascertaining the pertinent facts; and

(b) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of not less than a majority in principal amount of the Bonds then outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under the provisions of this Indenture.

SECTION 905. Compensation of Trustee. The Trustee, the Paying Agent, the Registrar, the Tender Agent, the Remarketing Agent and the Indexing Agent under this Indenture shall be entitled to reasonable compensation for their services rendered hereunder (not limited by any provision of law in regard to the compensation of the trustee of an express trust) and to reimbursement for their actual out-of-pocket expenses (including counsel fees) reasonably incurred in connection therewith except as a result of their gross negligence or willful misconduct. If the Issuer shall fail to perform any of the covenants or agreements contained in this Indenture, other than the covenants or agreements in respect of the payment of the principal of and interest on the Bonds, the Trustee may, in its discretion and without notice to the Owners of the Bonds, at any time and from time to time, make advances to effect performance of the same on behalf of the Issuer, but the Trustee shall be under no obligation to do so; but no such advance shall operate to relieve the Issuer from any default hereunder. In Section 5.1 of the Agreement, FPL has agreed that it will pay the Trustee, the Paying Agent, the Registrar, the Tender Agent, the Remarketing Agent and the Indexing Agent such compensation and reimbursement of expenses and advances, but FPL may, without creating a default hereunder, contest in good faith the reasonableness of any such services, expenses and advances. In

Section 7.3 of the Agreement, FPL has agreed to indemnify the Trustee to the extent stated therein. If FPL shall have failed to make any payment to the Trustee under Section 5.1 of the Agreement and such failure shall have resulted in an event of default under the Agreement, the Trustee shall have, in addition to any other rights hereunder, a claim, prior to the claim of the Owners of the Bonds, for the payment of its compensation and the reimbursement of its expenses and any advances made by it, as provided in this Section 905, upon the moneys and obligations in the Bond Fund, except for moneys or obligations deposited with or paid to the Trustee for the redemption or payment of Bonds which are deemed to have been paid in accordance with Article XIII hereof and funds held pursuant to Article XIV hereof.

SECTION 906. Records Open to Inspection. All records and files pertaining to the Project in the custody of the Trustee shall be open at all reasonable times to the inspection of the Issuer, FPL and the agents and representatives of either of them.

SECTION 907. Trustee May Rely on Certificates. In case at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Trustee, and in any case in which this Indenture provides for permitting or taking any action, the Trustee may rely upon any certificate required or permitted to be filed with it under the provisions of this Indenture, and any such certificate shall be evidence of such fact to protect the Trustee in any action that it may or may not take or in respect of anything it may or may not do, in good faith, by reason of the supposed existence of such fact. Except as otherwise provided in this Indenture, any request, notice, certificate or other instrument from the Issuer or FPL to the Trustee shall be deemed to have been signed by the proper party or parties if signed by the Authorized Issuer Representative or by the Authorized FPL Representative, as the case may be, and the Trustee may accept and rely upon a request, notice, certificate or other instrument so signed as to any action taken by the Issuer or FPL.

SECTION 908. Trustee Not Deemed to Have Notice of Default. Except upon the happening of any event of default specified in clause (a) or (b) of Section 801 of this Indenture, the Trustee shall not be obliged to take notice or be deemed to have notice of any event of default hereunder or under the Agreement, unless specifically notified in writing of such event of default by the holders of not less than 25% in aggregate principal amount of the Bonds hereby secured and then outstanding.

SECTION 909. Trustee May Deal in Bonds and take Action as Bondholder. Any bank or trust company acting as Trustee under this Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued under and secured by this Indenture, and may join in the capacity of a Bondholder in any action which any bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under this Indenture.

SECTION 910. Trustee Not Responsible for Recitals, Etc. The recitals, statements and representations contained herein and in the Bonds (excluding the Trustee's certificate of authentication on the Bonds) shall be taken and construed as made by and on the part of the Issuer and not by the Trustee, and the Trustee does not assume and shall not be under any responsibility for the correctness of the same.

SECTION 911. Trustee Protected in Relying on Certain Documents. The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have adopted or signed by the purported proper board or person or to have been repaired and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any attorney, engineer, accountant or other expert reasonably believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. Neither the Trustee nor the Issuer shall be under any obligation to see the recording or filing of the Indenture or the Agreement or any other instrument or otherwise to the giving to any person of notice of the provisions hereof or thereof.

SECTION 912. Qualifications of Trustee. There shall at all times be a trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least Twenty Five Million Dollars ($25,000,000) and subject to supervision or examination by federal or state authority. If such corporation published reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 912, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 912, it shall resign immediately in the manner and with the effect specified in Section 913 hereof.

SECTION 913. Resignation by and Removal of Trustee.

(a) No resignation by or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 914 hereof.

(b) The Trustee may resign at any time by giving written notice thereof to the Issuer and FPL. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the retiring Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed at any time by demand of the holders of a majority in principal amount of the Bonds then outstanding, signed in person by such holders or by their attorneys, legal representatives or agents and delivered to the Trustee, the Issuer and FPL (such demand to be effective only when received by the Trustee, the Issuer and FPL).

(d) If at any time:

(1) the Trustee shall cease to be eligible under Section 912 hereof and shall fail to resign after written request therefor by the Issuer, by FPL or by any Bondholder who shall have been a bona fide Bondholder for at least six months, or

(2) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, (A) the Issuer or FPL may remove the Trustee, or (B) any Bondholder who has been a Bondholder for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor.

(e) If the Trustee shall resign, be removed, be dissolved or otherwise become incapable of action or the bank or trust company acting as Trustee shall be taken over by any governmental official, agency, department or board, or if a vacancy shall occur in the office of the Trustee for any reason, the Issuer with the approval of FPL shall promptly appoint a successor. If, within one year after such resignation, removal, incapability or taking over, or the occurrence of such vacancy, a successor Trustee shall be appointed by an instrument or concurrent instruments in writing executed by the holders of a majority in principal amount of the Bonds then outstanding and delivered to the Issuer, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the successor Trustee appointed by the Issuer and approved by FPL. Photographic copies of each such instrument shall be delivered promptly by the Issuer to FPL, to the successor Trustee appointed by the Issuer and to the successor Trustee so appointed by the Bondholders. If no successor Trustee shall have been so appointed by the Issuer and approved by FPL or the Bondholders and accepted appointment in the manner hereinafter provided, any Bondholder which has been a bona fide holder of a Bond for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee.

(f) The resigning Trustee or Trustee being removed shall give notice, on behalf of the Issuer, of any resignation or removal, as applicable, of the Trustee and each appointment of a successor Trustee by publishing notice of such event in an Authorized Newspaper and by mailing written notice of such event by first class mail, postage prepaid, to all registered owners of Bonds at their addresses as they may appear on the registration books. Each notice shall include the name of the successor Trustee and the address of its principal office. The Issuer and such resigning Trustee or Trustee being removed shall not, however, be subject to any liability to any Bondholder by reason of the failure to mail any such notice.

SECTION 914. Appointment of Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Issuer, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, shall become fully vested with all the rights, immunities, powers and trusts, and subject to all the duties and obligations, of its predecessor; but such predecessor

shall, nevertheless, on the written request of its successors or of the Issuer, and upon payment of the expenses, charges and other disbursements of such predecessor which are payable pursuant to the provisions of Section 905 of this Article, execute and deliver an instrument transferring to such successor Trustee all the rights, immunities, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all property and moneys held by it hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the Issuer.

Notwithstanding any of the foregoing provisions of this Article, any bank or trust company having power to perform the duties and execute the trusts of this Indenture and otherwise qualified to act as Trustee hereunder with or into which the bank or trust company acting as Trustee may be merged or consolidated, or to which the assets and business of such bank or trust company may be sold, shall be deemed the successor of the Trustee.

SECTION 915. Separate Trustee or Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of Florida) denying or restricting the right of banking corporations or associations to transact business as trustees in such jurisdiction. Therefore, in the event of the incapacity or lack of authority of the Trustee, as determined by the Trustee, by reason of any present or future law of any jurisdiction, to exercise any of the powers, rights or remedies herein granted to the Trustee or to hold title to the property in trust as herein granted or to take other action which may be necessary or desirable in connection therewith in such jurisdiction, the Trustee may appoint an additional individual or institution as a separate Trustee or Co-Trustee, and each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate Trustee or Co-Trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate Trustee or Co-Trustee shall run to and be enforceable by either of them.

Should any conveyance or instrument in writing from the Issuer be required by the separate Trustee or Co-Trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. In case any separate Trustee or Co-Trustee, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate Trustee or Co-Trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate Trustee or Co-Trustee.

SECTION 916. Reserved.

SECTION 917. Paying Agent. The Tender Agent is hereby appointed as the initial Paying Agent. FPL shall appoint any successor Paying Agent for the Bonds, subject to the

conditions set forth in Section 918 hereof. Each Paying Agent (if not also the Trustee) shall designate to the Trustee its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, FPL and the Trustee under which such Paying Agent will agree, particularly:

(a) to hold all sums held by it for the payment of the principal of and interest and any premium on Bonds in trust for the benefit of the Owners until such sums shall be paid to the Owners or otherwise disposed of as herein provided; and

(b) to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee and FPL at all reasonable times.

The Issuer shall cooperate with the Trustee and FPL to cause the necessary arrangements to be made and to be thereafter continued whereby funds will be made available for the payment when due of the Bonds as presented at the Principal Office of the Paying Agent.

SECTION 918. Qualifications of Paying Agent; Resignation; Removal. The Paying Agent shall be a bank, a trust company or another corporation duly organized under the laws of the United States of America or any state or territory thereof, and, in the case of a corporation other than a bank or a trust company and for so long as the Bonds shall be rated by Moody's, rated at least Baa3/P-3 or otherwise qualified by Moody's, and in each case, having a combined capital and surplus of at least Twenty Five Million Dollars ($25,000,000) and authorized by law to perform all the duties imposed upon it by this Indenture. The Paying Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Issuer, FPL and the Trustee. The Paying Agent may be removed at any time by an instrument, signed by FPL, filed with the Issuer, the Paying Agent and the Trustee.

In the event of the resignation or removal of the Paying Agent, the Paying Agent shall pay over, assign and deliver any moneys held by it in such capacity to its successor or, if there be no successor, to the Trustee.

In the event that the Paying Agent shall resign, be removed or be dissolved, or if the property or affairs of the Paying Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy, insolvency or any other reason, and FPL shall not have appointed its successor as Paying Agent, the Trustee shall ipso facto be deemed to be the Paying Agent for all purposes of this Indenture until the appointment by FPL of the Paying Agent or successor Paying Agent, as the case may be.

SECTION 919. Registrar. The Tender Agent is hereby appointed as the initial Registrar. FPL shall appoint any successor Registrar for the Bonds, subject to the conditions set forth in Section 920 and Section 206 hereof. Each Registrar (if not also the Trustee) shall designate to the Trustee its Principal Office and signify its acceptance of the duties imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, FPL and the Trustee under which such Registrar will agree, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee and FPL at all reasonable times.

The Issuer shall cooperate with the Trustee and FPL to cause the necessary arrangements to be made and to be thereafter continued whereby Bonds, executed by the Issuer and authenticated by the Trustee, shall be made available for exchange and registration of transfer at the Principal Office of the Registrar. The Issuer shall cooperate with the Trustee, the Registrar and FPL to cause the necessary arrangements to be made and thereafter continued whereby the Paying Agent and the Remarketing Agent shall be furnished such records and other information, at such times, as shall be required to enable the Paying Agent and the Remarketing Agent to perform the duties and obligations imposed upon them hereunder.

SECTION 920. Qualifications of Registrar; Resignation; Removal. **The** Registrar shall be a corporation duly organized under the laws of the United States of America or any state or territory thereof, having a combined capital and surplus of at least Twenty Five Million Dollars ($25,000,000) and authorized by law to perform all the duties imposed upon it by this Indenture. The Registrar may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Issuer, the Trustee and FPL. The Registrar may be removed at any time by an instrument, signed by FPL, filed with the Issuer, the Registrar and the Trustee.

In the event of the resignation or removal of the Registrar, the Registrar shall deliver any Bonds held by it in such capacity to its successor or, if there be no successor, to the Trustee.

In the event that the Registrar shall resign, be removed or be dissolved, or if the property or affairs of the Registrar shall be taken under the control of any state or federal court or administrative body because of bankruptcy, insolvency or any other reason, and FPL shall not have appointed its successor as Registrar, the Trustee shall ipso facto be deemed to be the Registrar for all purposes of this Indenture until the appointment by FPL of the Registrar or successor Registrar, as the case may be.

SECTION 921. Procedures with DTC. During any period when the Bonds are held under the book-entry system maintained by DTC, the Trustee is hereby directed to comply with the provisions of the Letter of Representations and, to the extent such provisions conflict with the provisions of this Indenture, the provisions of the Letter of Representations shall control with respect to Bonds to which such Letter of Representations applies. Notwithstanding any other provisions of this Indenture to the contrary, the Issuer and the Remarketing Agent agree to give the Trustee such notices and to make payment at such time or times as shall be necessary in order to enable the Trustee to comply with the provisions of the Letter of Representations.

ARTICLE X

EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND PROOF OF OWNERSHIP OF BONDS

SECTION 1001. Consents, etc., of Bondholders. Any request, direction, consent or other instrument in writing required or permitted by this Indenture to be signed or executed by Bondholders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders or their attorneys or legal representatives. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proved in accordance with such reasonable rules as the Trustee may adopt.

(b) The ownership of Bonds shall be proved by the registration books kept under the provisions of Section 206 of this Indenture.

But nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request or consent of the holder of any Bond shall bind every future holder of the same Bond and of any Bond issued in place thereof in respect of anything done by the Trustee in pursuance of such request or consent.

ARTICLE XI

SUPPLEMENTAL INDENTURES

SECTION 1101. Supplemental Indentures Not Requiring Consent of Bondholders. The Issuer and the Trustee may, from time to time and at any time, with the consent of FPL but without the consent of Bondholders, enter into such supplements and amendments to this Indenture as shall not be inconsistent with the terms and provisions hereof and, in the opinion of Bond Counsel selected by FPL, shall not be detrimental to the interests of the Bondholders:

(a) to cure any ambiguity or defect or omission in this Indenture or in any supplemental trust indenture, or

(b) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders or the Trustee, or

(c) to confirm the lien of this Indenture or to subject to this Indenture additional revenues, properties or collateral, or

(d) to correct any description of, or to reflect changes in, any properties comprising the Project, or

(e) in connection with any other change which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of the Issuer to pay the principal of and premium, if any, and interest on the Bonds or otherwise impair the security of the Bondholders under this Indenture, or

(f) to modify, amend or supplement this Indenture or any supplemental trust indenture hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States, or

(g) to make amendments to the provisions hereof relating to matters under Section 148(f) of the Code, provided that an opinion of Bond Counsel, to the effect that such amendments will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds, is delivered to the Trustee, or

(h) to authorize different Authorized Denominations of the Bonds and to make correlative amendments and modifications to this Indenture regarding exchangeability of Bonds of different Authorized Denominations, redemptions of portions of Bonds of particular Authorized Denominations and similar amendments and modifications of a technical nature, or

(i) to increase or decrease the number of days specified in Sections 201(d)(ii) and (iii), 201(e)(ii) and (iii), 201(f)(i), (ii), (iii) and (iv) and 201(g)(i), (ii) and (iii) hereof; provided that no decreases in any such number of days shall become effective except during a Daily

Interest Rate Period or a Weekly Interest Rate Period and until 30 days after the Trustee shall have given notice to the holders of the Bonds affected thereby, or

(j) to make any amendments appropriate or necessary to provide for the delivery of First Mortgage Bonds or any insurance policy, irrevocable transferable letter of credit, guaranty, surety bond, line of credit, revolving credit agreement or other agreement or security device delivered to the Trustee and providing for (i) payment of the principal, interest and redemption premium on the Bonds or a portion thereof, or (ii) payment of the purchase price of the Bonds, or (iii) both (i) and (ii).

SECTION 1102. Supplemental Indentures Requiring Consent of Bondholders. Subject to the terms and provisions contained in this Section, and not otherwise, the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding and FPL shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such trust indenture or trust indentures supplemental hereto as shall be deemed necessary or desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental trust indenture; provided, however, that, unless approved in writing by the holders of all Bonds then Outstanding and FPL, nothing herein contained shall permit, or be construed as permitting, (a) an extension of the maturity of the principal of or the interest on any Bond issued hereunder or (b) a reduction in the principal amount of any Bond or the redemption premium or the rate of interest thereon, or (c) the creation of a lien upon or a pledge of the Loan Repayments or any other income derived from the sale, leasing or operation of the Project other than the lien and pledge created by this Indenture, or (d) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (e) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental trust indenture. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the execution of any supplemental trust indenture as authorized in Section 1101 of this Article.

If at any time the Issuer shall request the Trustee to enter into any supplement or amendment for any of the purposes of this Section, the Trustee shall, at the expense of FPL, cause notice of the proposed execution of such supplement or amendment to be mailed by first class mail, postage prepaid, to all owners of Bonds at their addresses as they appear on the registration books. Such notice shall briefly set forth the nature of the proposed supplement or amendment and shall state that copies thereof are on file at the Principal Office of the Trustee for inspection by any Bondholder. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail any such notice, and any such failure shall not affect the validity of such supplement or amendment when consented to and approved as provided in this Section.

Whenever, at any time within one year after the date of the mailing of such notice, the Issuer shall deliver to the Trustee an instrument or instruments in writing purporting to be executed by the holders of not less than the required aggregate principal amount of the Bonds then Outstanding and FPL, which instrument or instruments shall refer to the proposed supplemental trust indenture described in such notice and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof referred to in such

notice, thereupon, but not otherwise, the Trustee may execute such supplemental trust indenture in substantially such form, without liability or responsibility to any holder of any Bond, whether or not such holder shall have consented thereto.

If the holders of not less than the percentage of Bonds required by this Section 1102 shall have consented to and approved the execution thereof as herein provided, no holder of any Bond shall have any right to object to the execution of such supplement or amendment, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof.

Upon the execution of any supplement or amendment pursuant to the provisions of this Section, this Indenture shall be and be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Issuer, the Trustee and all holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

SECTION 1103. Any Supplemental Indenture Shall Be Deemed a Part of Indenture. The Trustee is authorized to join with the Issuer in the execution of any supplemental trust indenture hereto and to make the further agreements and stipulations which may be contained therein. Any supplemental trust indenture executed in accordance with the provisions of this Article shall thereafter form a part of this Indenture, and all of the terms and conditions contained in any such supplemental trust indenture as to any provision authorized to be contained therein shall be and shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 1104. Discretion of Trustee; Reliance on Counsel. In each and every case provided for in this Article, the Trustee shall be entitled to exercise its discretion in determining whether or not to execute any proposed supplemental trust indenture, if the rights, obligations and interests of the Trustee would be affected, and the Trustee shall not be under any responsibility or liability to the Issuer or to any Bondholder or to anyone whomsoever for its refusal in good faith to enter into any such supplemental trust indenture if such supplemental trust indenture is deemed by it to be contrary to the provisions of this Article. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it, who may be counsel for FPL, as conclusive evidence that any such proposed supplemental trust indenture does or does not comply with the provisions of this Indenture, and that it is or is not proper for it, under the provisions of this Article, to join in the execution of such supplemental trust indenture.

ARTICLE XII

SUPPLEMENTAL AGREEMENTS AND SUPPLEMENTAL PLEDGE AGREEMENTS

SECTION 1201. Supplemental Agreements and Supplemental Pledge Agreements Not Requiring Consent of Bondholders. Without the consent of any Bondholder, the Issuer and FPL may enter into, and the Trustee may consent to, from time to time and at any time, such agreements supplemental to the Agreement as shall not be inconsistent with the terms and provisions thereof and, if a Pledge Agreement shall then be in effect, the Trustee may enter into any agreement supplemental to the Pledge Agreement as shall not be inconsistent with the terms thereof, which in the opinion of Bond Counsel selected by FPL shall not be detrimental to the interests of the Bondholders (which supplemental agreements shall thereafter form a part of the Agreement and Pledge Agreement, respectively),

(a) to cure any ambiguity or defect or omission in the Agreement or in any supplemental agreement, or in any Pledge Agreement or in any supplemental pledge agreement then in effect, or

(b) to grant to or confer upon the Issuer or the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Issuer or the Bondholders or the Trustee, or

(c) to correct any description of, or to reflect changes in, any properties comprising the Project, or

(d) in connection with any other change which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of FPL to pay the Loan Repayments or otherwise materially impair the security of the Bondholders under this Indenture.

SECTION 1202. Supplemental Agreements and Supplemental Pledge Agreements Requiring Consent of Bondholders. Except for supplemental agreements or supplemental pledge agreements provided for in Section 1201 of this Article or amendments to the Agreement and the Pledge Agreement as therein provided for, the Issuer shall not enter into and the Trustee shall not consent to any supplemental agreement or amendment to the Agreement or enter into any supplemental pledge agreement or amendment to the Pledge Agreement unless notice of the proposed execution of such supplemental agreement, supplemental pledge agreement or amendment shall have been given and the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding shall have consented to and approved the execution thereof all as provided for in Section 1102 of this Indenture in the case of supplemental trust indentures; provided that the Trustee shall be entitled to exercise its discretion in consenting or not consenting to any such supplemental agreement, supplemental pledge agreement or amendment in the same manner as provided for in Section 1104 of this Indenture in the case of supplemental trust indentures.

ARTICLE XIII

DEFEASANCE

SECTION 1301. Defeasance of Bonds. If there is paid to the holders of all of the Bonds secured hereby the principal of and premium, if any, and interest on such Bonds which is and shall thereafter become due and payable thereon, together with all other sums payable hereunder, then and in that case the rights, title and interest of the Trustee in and to the estate pledged and assigned to it under this Indenture shall cease, terminate and become void, and such Bonds shall cease to be entitled to any lien, benefit or security under this Indenture. In such event, the Trustee shall transfer and assign to FPL all property then held by the Trustee, shall execute such documents as may be reasonably required by the Issuer or FPL to evidence said transfer and assignment and shall turn over to FPL any surplus in the Bond Fund and any surplus in any other fund created hereunder. If the Issuer shall pay or cause to be paid to the holders of less than all of the outstanding Bonds the principal of and premium, if any, and interest on such Bonds which is and shall thereafter become due and payable upon such Bonds, such Bonds, or portions thereof, shall cease to be entitled to any lien, benefit or security under this Indenture.

Any or all of the outstanding Bonds then bearing interest at a Long-Term Interest Rate during a Long-Term Interest Rate Period ending on or after the redemption date or on the day immediately preceding the Maturity Date, as the case may be, or at Commercial Paper Term Rates for Commercial Paper Terms which end on the redemption date or the day immediately preceding the Maturity Date, as the case may be, shall be deemed to have been paid within the meaning and with the effect expressed in this Section when (a) in case said Bonds, or portions thereof, have been selected for redemption in accordance with Section 301 hereof prior to their maturity, FPL shall have given to the Trustee irrevocable instructions to mail in accordance with the provisions of Section 302 hereof notice of redemption of such Bonds, or portions thereof, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Obligations, which shall not contain provisions permitting the redemption thereof at the option of the issuer thereof, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Trustee available therefor, shall be sufficient to pay when due the principal of and premium, if any, and interest due and to become due on said Bonds, or portions thereof, on or prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Bonds do not mature and are not to be redeemed within the next succeeding 60 days, FPL shall have given the Trustee irrevocable instructions to mail, as soon as practicable in the same manner as a notice of redemption is mailed pursuant to Section 302 hereof, a notice to the holders of said Bonds, or portions thereof, stating that the deposit of moneys or Defeasance Obligations required by clause (b) of this paragraph has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of and premium, if any, and interest on said Bonds, or portions thereof. Neither the moneys or Defeasance Obligations deposited with the Trustee pursuant to this Section nor principal or interest payments on any such obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and premium, if any, and interest on said Bonds, or portions thereof. If payment of less than all of the Bonds is to be provided for in the manner and with the effect expressed in this Section, the

Trustee shall select such Bonds, or portions thereof, in the manner specified in Section 301 hereof for selection for redemption of less than all Bonds in the principal amounts designated to the Trustee by FPL.

ARTICLE XIV

REMARKETING AGENT; TENDER AGENT; PURCHASE AND REMARKETING OF BONDS; INDEXING AGENT

SECTION 1401. Remarketing Agent and Tender Agent. (a) Wachovia Bank, National Association, shall be the initial Remarketing Agent for the Bonds. FPL shall appoint any successor Remarketing Agent for the Bonds, subject to the conditions set forth in Section 1402(a) hereof. The term of appointment of any Remarketing Agent shall expire, and FPL shall appoint a successor Remarketing Agent, upon the adjustment of the interest rate determination method for the Bonds in accordance with Section 201 hereof; provided, however, that FPL may elect to appoint the then current Remarketing Agent as the successor Remarketing Agent, in which event any remarketing agreement between FPL and the then current Remarketing Agent may, at the option of FPL, remain in effect during such new term of appointment. The Remarketing Agent shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Trustee, the Tender Agent, the Indexing Agent and FPL under which the Remarketing Agent will agree, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee, the Tender Agent and FPL at all reasonable times.

(b) The initial Tender Agent shall be The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida. FPL shall appoint any successor Tender Agent for the Bonds, subject to the conditions set forth in Section 1402(b) hereof. The Tender Agent shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Trustee, FPL, and the Remarketing Agent. By acceptance of its appointment hereunder, the Tender Agent agrees:

(i) to hold all Bonds delivered to it pursuant to Section 202 hereof, as agent and bailee of, and in escrow for the benefit of, the respective Owners which shall have so delivered such Bonds until moneys representing the purchase price of such Bonds shall have been delivered to or for the account of or to the order of such Owners;

(ii) to establish and maintain, and there is hereby established with the Tender Agent, a separate segregated trust fund designated as the "Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 Purchase Fund" (the "Purchase Fund") until such time as it has been discharged from its duties as Tender Agent hereunder;

(iii) to hold all moneys (without investment thereof) delivered to it hereunder for the purchase of Bonds pursuant to Section 202 hereof in the Purchase Fund for the purchase of Bonds pursuant to Section 202 hereof, as agent and bailee of, and in escrow for the benefit of, the person or entity which shall have so delivered such moneys until the Bonds purchased with such moneys shall have been delivered to or for the account of such person or entity;

(iv) to hold all Bonds registered in the name of the new Owners thereof and make such Bonds available for delivery to the Remarketing Agent in accordance with the Tender Agreement;

(v) to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee, FPL and the Remarketing Agent at all reasonable times.

The Issuer shall cooperate with FPL and the Trustee to cause the necessary arrangements to be made and to be thereafter continued to enable the Tender Agent to perform its duties and obligations described above.

SECTION 1402. Qualifications of Remarketing Agent and Tender Agent; Resignation; Removal.

(a) The Remarketing Agent shall be a member of the National Association of Securities Dealers, Inc., having a combined capital stock, surplus and undivided profits of at least $15,000,000 and authorized by law to perform all the duties imposed upon it by this Indenture. Any successor Remarketing Agent shall be rated, so long as the Bonds shall be rated by Moody's, at least Baa3/P-3 or otherwise qualified by Moody's. The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 45 days notice to the Issuer, the Trustee, the Tender Agent, the Indexing Agent and FPL. Such resignation shall take effect on the day a successor Remarketing Agent shall have been appointed by FPL and shall have accepted such appointment. FPL may from time to time remove the Remarketing Agent upon five Business Days' notice and appoint a different Remarketing Agent by an instrument signed by FPL and filed with the Issuer, the Remarketing Agent, the Trustee, the Tender Agent and the Indexing Agent.

(b) The Tender Agent shall be a corporation or a national or state banking association or trust company duly organized under the laws of the United States of America or any state or territory thereof, and, if not a bank or trust company, for so long as the Bonds shall be rated by Moody's, shall be rated at least Baa3/P-3 or otherwise qualified by Moody's, and in any case having a combined capital stock, surplus and undivided profits of at least $25,000,000 and authorized by law to perform all the duties imposed upon it by this Indenture and the Tender Agreement. The Tender Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Issuer, the Trustee, FPL and the Remarketing Agent. Such resignation shall take effect on the day a successor Tender Agent shall have been appointed by FPL and shall have accepted such appointment. The Tender Agent may be removed by FPL, at any time by an instrument signed by FPL, filed with the Tender Agent, the Issuer, the Trustee, the Remarketing Agent.

In the event of the resignation or removal of the Tender Agent, the Tender Agent shall deliver any Bonds and moneys held by it in such capacity to its successor or, if there is no successor, to the Trustee.

SECTION 1403. Notice of Bonds Delivered for Purchase; Purchase of Bonds.

(a) The Tender Agent shall determine timely and proper delivery of Bonds pursuant to this Indenture and the proper endorsement of such Bonds. Such determination shall be binding on the Owners of such Bonds, the Issuer, FPL, the Remarketing Agent and the Trustee absent manifest error. As promptly as practicable, in accordance with the provisions of the Tender Agreement, the Tender Agent shall give telephonic or telegraphic notice, promptly confirmed by a written notice, to the Trustee, the Remarketing Agent and FPL specifying the principal amount of Bonds, if any, as to which it shall receive notice of tender for purchase in accordance with Sections 202(a) or (b).

(b) Bonds required to be purchased in accordance with Section 202 hereof shall be purchased from the Owners thereof, on the date and at the purchase price at which such Bonds are required to be purchased. Funds for the payment of such purchase price shall be derived from the following sources in the order of priority indicated:

(i) moneys furnished by the Trustee to the Tender Agent pursuant to Section 1401 hereof, such moneys to be applied only to the purchase of Bonds which are deemed to be paid in accordance with this Article XIV;

(ii) proceeds of the sale of such Bonds remarketed pursuant to Section 1406 hereof and furnished to the Tender Agent by the Remarketing Agent for deposit into the Purchase Fund;

(iii) moneys furnished to the Tender Agent representing moneys provided by FPL pursuant to Section 11.1 or 11.2 of the Agreement or otherwise available for such purpose.

(c) (i) The Registrar shall authenticate a new Bond or Bonds in an aggregate principal amount equal to the principal amount of Bonds purchased in accordance with Section 1403(b), whether or not the Bonds so purchased are presented by the Owners thereof, bearing a number or numbers not contemporaneously outstanding. Every Bond authenticated and delivered as provided in this Section 1403(c) shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Bonds duly issued hereunder. The Registrar shall maintain a record of the Bonds purchased as provided in this Section 1403, together with the names and addresses of the former Owners thereof.

(ii) In the event any Bonds purchased as provided in this Section 1403 shall not be presented to the Tender Agent, the Tender Agent shall segregate and hold the moneys for the purchase price of such Bonds in trust for the benefit of the former Owners of such Bonds, who shall, except as provided in the following sentence, thereafter be restricted exclusively to such moneys for the satisfaction of any claim for the purchase price of such Bonds. Any moneys which the Tender Agent shall segregate and hold in trust for the payment of the purchase price of any Bond and remaining unclaimed for one year after the date of purchase shall, upon FPL's written request to the Tender Agent, be paid to FPL. After the payment of such unclaimed moneys to FPL, the former Owner of such Bond shall look only to FPL for the payment thereof.

SECTION 1404. Indexing Agent. The Remarketing Agent is hereby appointed as the initial Indexing Agent for the Bonds. FPL shall appoint any successor Indexing Agent for the Bonds, subject to the conditions set forth in Section 1405 hereof. The Indexing Agent shall

designate to the Issuer and the Trustee its address for the purposes of Section 1502 hereof and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Trustee, FPL, the Tender Agent and the Remarketing Agent under which the Indexing Agent will agree to determine indices as provided herein, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee, the Tender Agent, the Remarketing Agent and FPL at all reasonable times.

SECTION 1405. Qualifications of Indexing Agent. The Indexing Agent shall be a nationally recognized municipal securities evaluation service or a member of the National Association of Securities Dealers, Inc. and authorized by law to perform all the duties imposed upon it by this Indenture. The Indexing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Issuer, the Trustee, the Tender Agent, the Remarketing Agent and FPL. FPL may from time to time remove the Indexing Agent and appoint a different Indexing Agent by an instrument, signed by FPL and filed with the Issuer, the Indexing Agent, the Trustee, the Tender Agent and the Remarketing Agent.

SECTION 1406. Remarketing of Bonds; Notice of Interest Rates.

(a) Upon notice of the tender for purchase of Bonds, or in connection with any mandatory tender for purchase of Bonds, in accordance with Section 202 hereof, the Remarketing Agent shall offer for sale and use its best efforts to sell such Bonds, any such sale to be made on the date of such purchase in accordance with Section 202. Any Bond which is tendered for purchase, pursuant to Sections 202(a) or (b) hereof, or after that Bond has become subject to mandatory tender for purchase pursuant to Sections 202(c) or (d) hereof, shall be sold only to a purchaser who agrees to refrain from selling that Bond other than under the terms of this Indenture and hold that Bond only to the date of mandatory purchase.

(b) The Remarketing Agent shall determine the rate of interest to be borne by the Bonds during each Interest Rate Period and by each Bond during each Commercial Paper Term for such Bond and the Commercial Paper Terms for each Bond during each Commercial Paper Interest Rate Period as provided in Section 201 hereof and shall furnish to the Registrar, Paying Agent, the Company and the Trustee on the Business Day of determination each rate of interest and Commercial Paper Term so determined.

(c) The Remarketing Agent shall give telephonic or facsimile notice to the Trustee and the Tender Agent on each date on which Bonds shall have been purchased pursuant to Section 1403(b) hereof, specifying the principal amount of Bonds, if any, sold by it pursuant to Section 1406(a) hereof.

SECTION 1407. Delivery of Bonds.

(a) Bonds purchased with moneys described in clause (i) of Section 1403(b) hereof shall be delivered to the Trustee for cancellation.

(b) Bonds purchased with moneys described in clause (ii) of Section 1403(b) hereof shall be made available for delivery by the Tender Agent to the Remarketing Agent for delivery to the purchasers thereof against payment therefor in accordance with the Tender Agreement.

(c) Bonds purchased with moneys described in clause (iii) of Section 1403(b) hereof shall at the direction of FPL, be (i) held by the Tender Agent for the account of FPL, (ii) delivered to the Trustee for cancellation or (iii) delivered to FPL; provided, however, that any Bonds so purchased after the selection thereof by the Trustee for redemption shall be delivered to the Trustee for cancellation.

(d) Bonds delivered as provided in this Section 1407 shall be registered in the manner directed by the recipient thereof.

SECTION 1408. Delivery of Proceeds of Sale. The proceeds of the sale by the Remarketing Agent of any Bonds delivered to it by, or held by it for the account of, the Trustee, or FPL, or delivered to it by any other Owner, shall be turned over to the Tender Agent, FPL, or such other Owner, as the case may be; provided, however, that if any such Bond is sold by the Remarketing Agent at a price in excess of the principal amount thereof (exclusive of that portion, if any, of such price representing accrued interest), such excess shall be paid to FPL.

ARTICLE XV

MISCELLANEOUS PROVISIONS

SECTION 1501. Covenants Binding Upon Successors. In the event of the dissolution of the Issuer, all of the covenants, stipulations, obligations and agreements contained in this Indenture by or on behalf of or for the benefit of the Issuer shall bind or inure to the benefit of the successor or successors of the Issuer from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the word "Issuer" as used in this Indenture shall include such successor or successors.

SECTION 1502. Notices. Any notice, demand, direction, request or other instrument authorized or required by this Indenture to be given to or filed with the Issuer or the Trustee shall be (subject, with respect to the Trustee, to Section 913 hereof) deemed to have been sufficiently given or filed for all purposes of this Indenture if and when sent by registered mail, return receipt requested:

to the Issuer, if addressed to Miami-Dade County Industrial Development Authority, Brickell BayView Centre, 80 S.W. 8th Street, Suite 2801, Miami, Florida 33130, Attention: Executive Director;

to the Trustee, if addressed to The Bank of New York Trust Company of Florida, N.A., 10161 Centurion Parkway, Jacksonville, Florida 32256, Attention: Corporate Trust Division;

to FPL, if addressed as provided in the Agreement;

to the Tender Agent, if addressed to The Bank of New York Trust Company of Florida, N.A., 10161 Centurion Parkway, Jacksonville, Florida 32256, Attention: Corporate Trust Division;

to the Remarketing Agent, if addressed to Wachovia Bank, National Association, 301 South College Street, DC-8, Charlotte, North Carolina 28288-0600, Attention: Municipal Trading Desk;

to the Indexing Agent, if addressed to Wachovia Bank, National Association, 301 South College Street, DC-8, Charlotte, North Carolina 28288-0600, Attention: Municipal Trading Desk

The Issuer, the Trustee, FPL, the Tender Agent, the Remarketing Agent, and the Indexing Agent may, by notice given hereunder, designate any further or different addresses to which subsequent communications under this Indenture may be sent.

All documents received by the Trustee under the provisions of this Indenture, or photographic copies thereof, shall be retained in its possession until this Indenture shall be released under the provisions of this Indenture, subject at all reasonable times to the inspection of the Issuer, FPL, any Bondholder and any agent or representative thereof. A copy of any

notice, certificate or other communication given pursuant to this Indenture shall also be given to FPL at the address set forth in Section 12.1 of the Agreement.

SECTION 1503. Manner of Notice. If, because of the temporary or permanent suspension of publication of any newspaper or financial journal or for any other reason, the Trustee shall be unable to publish in a newspaper or financial journal any notice required to be published by the provisions of this Indenture, the Trustee shall give such notice in such other manner as in the judgment of the Trustee shall most effectively approximate such publication thereof, and the giving of such notice in such manner shall for all purposes of this Indenture be deemed to be in compliance with the requirement for the publication thereof.

SECTION 1504. Issuer, Trustee, FPL and Bondholders Alone Have Rights Under Indenture. Except as herein otherwise expressly provided, nothing in this Indenture express or implied is intended or shall be construed to confer upon any person, other than the parties hereto, FPL and the holders from time to time of the Bonds issued under and secured by this Indenture, any right, remedy or claim, legal or equitable, under or by reason of this Indenture or any provision thereof, this Indenture and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto, FPL and the holders from time to time of the Bonds issued hereunder.

SECTION 1505. Severability and Effect of Invalidity. In case any one or more of the provisions of this Indenture or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Indenture or of said Bonds. In case any covenant, stipulation, obligation or agreement contained in the Bonds or in this Indenture shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Issuer to the full extent permitted by law.

SECTION 1506. Release of Officers, Employees and Agents of Issuer. All covenants, stipulations, obligations and agreements of the Issuer contained in this Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the Issuer to the full extent permitted by the Constitution and laws of the State of Florida. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member of the Issuer, the Chairman, or other officer, agent or employee of the Issuer in his individual capacity, and neither the members of the Issuer, nor the Chairman or any other officer of the Issuer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Issuer, the Chairman, and no other officer, agent or employee of the Issuer shall incur any personal liability in acting or proceeding or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Indenture.

SECTION 1507. If Payment or Performance Date not a Business Day. If the date for making any payment of principal or premium, if any, or interest or the last date for performance of any act or the exercising of any right, as provided in this Indenture, shall be a legal holiday or a day in which banking institutions in the city in which the Trustee or the Paying Agent shall be located are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or not a day on which such

banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Indenture, and no interest shall accrue for the period after such nominal date.

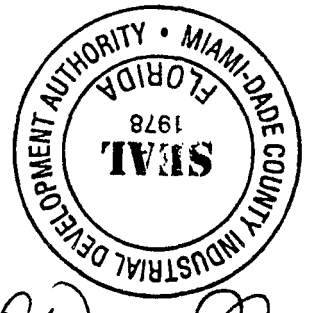
SECTION 1508. Headings Not Part of Indenture. Any headings preceding the texts of the several articles hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Indenture, nor shall they affect its meaning, construction or effect.

SECTION 1509. Counterparts. This Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

SECTION 1510. Applicable Law. This Indenture shall be governed by, and construed in accordance with, the laws of the State of Florida.

IN WITNESS WHEREOF, MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, has caused this Indenture to be executed by its Chairman and the official seal of the Issuer to be impressed hereon, and attested by the Secretary Ex-Officio of the Issuer, and THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., has caused this Indenture to be executed by an authorized signatory and its corporate seal to be impressed hereon for and on its behalf, all as of the day and year first above written.

[SEAL]



Attest:

Secretary Ex-Officio

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman

Approved as to form:

_____
County Attorney

THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., as Trustee

By: Barbara B. Buck
Assistant Vice President

[CORPORATE SEAL]

EXHIBIT A
R-____ $15,000,000

UNITED STATES OF AMERICA
STATE OF FLORIDA

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
SOLID WASTE DISPOSAL REVENUE REFUNDING BOND
(FLORIDA POWER & LIGHT COMPANY PROJECT), SERIES 2003

Interest Rate Period	Original Issue Date	Maturity Date	Cusip No.
	June 25_, 2003	February 1, 2023	59333GAA6

[To be filled in only if the Interest Rate Period identified above is the Commercial Paper Rate]:

Purchase Date	Commercial Paper Term	Commercial Paper Term Rate	Interest Payable

Registered Owner: Cede & Co.

Principal Amount: Fifteen Million Dollars

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (the "Issuer"), a public body corporate and politic and a public instrumentality created and validly existing under the Constitution and laws of the State of Florida, for value received, hereby promises to pay, solely from the special fund provided therefor as hereinafter referred to, to the Registered Owner referred to above or registered assigns, on February 1, 2023 (or earlier as hereinafter referred to) upon the presentation and surrender hereof at the corporate trust office of the Trustee (hereinafter mentioned), the Principal Amount stated above, and to pay, solely from said special fund, to the Registered Owner at his address as it appears on the Bond registration books of the Issuer, interest on said Principal Amount until payment of such Principal Amount, at the rates and on the dates determined as described herein and in the Indenture (hereinafter defined). The principal of and any premium on this Bond are payable at the designated office of The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as Trustee. Interest on this Bond is payable by (i) check mailed to the Registered Owner hereof at the address of the Registered Owner of this Bond as of the close of business on the Record Date (as defined in the Indenture) in respect of such interest, or (ii) except for interest in respect of a Long-Term Interest Rate Period (described herein), upon the request of the Registered Owner hereof, by deposit of immediately available funds to the account of the Registered Owner maintained with The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as Paying Agent or transmitted by wire transfer to such Registered Owner at an account maintained at a commercial bank located within the United States of America; provided that the Registered Owner hereof shall have provided deposit or transfer instructions to the Paying Agent

at least two Business Days (hereinafter defined) prior to the applicable Record Date; provided further, that interest payable in respect of a Commercial Paper Term (described herein) is payable only upon delivery hereof to the Tender Agent (hereinafter identified). Principal or redemption price and interest shall be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts without deduction for the services of the Paying Agent.

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Indenture or the Agreement (herein defined).

THE PRINCIPAL OF AND INTEREST AND ANY PREMIUM ON, AND PURCHASE PRICE OF, THIS BOND ARE PAYABLE SOLELY FROM THE FUNDS PLEDGED FOR THEIR BENEFIT PURSUANT TO THE INDENTURE, INCLUDING AMOUNTS PAYABLE BY FLORIDA POWER & LIGHT COMPANY UNDER THE AGREEMENT (IDENTIFIED BELOW), OTHER REVENUES AND AMOUNTS PLEDGED UNDER THE INDENTURE DERIVED FROM THE SALE, OPERATION OR LEASING OF THE PROJECT (IDENTIFIED BELOW) AND FROM PAYMENTS MADE ON THE PLEDGED BONDS (IDENTIFIED BELOW) OR UNDER ANY OTHER CREDIT ENHANCEMENT PROVIDED BY FLORIDA POWER & LIGHT COMPANY IN ACCORDANCE WITH THE PROVISIONS OF THE INDENTURE AND THE AGREEMENT, IF APPLICABLE. THE BONDS AND THE INTEREST AND ANY PREMIUM THEREON AND THE PAYMENT OF THE PURCHASE PRICE THEREOF SHALL NOT BE DEEMED TO CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE ISSUER OR OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE FAITH AND CREDIT NOR ANY TAXING POWER OF THE ISSUER OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST OR ANY PREMIUM ON, OR PURCHASE PRICE OF, THE BONDS.

No recourse shall be had for the payment of the principal or redemption price or purchase price of, or interest on, this Bond, or for any claim based hereon or on the Indenture, against any member, officer, agent or employee, past, present or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

This Bond is one of a duly authorized series of revenue bonds of the Issuer in the aggregate principal amount of $15,000,000 known as "Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003" (the "Bonds"), dated as of June 25, 2003, and issued for the purpose of financing the refunding by redemption of certain revenue bonds of the Issuer, which financed the acquisition, installation and construction of certain solid waste disposal and sewage facilities (collectively, the "Project") located at Units 3 and 4 (the "Turkey Point Units") of the Turkey Point Electrical Generating Plant, in Miami-Dade County, Florida, and Units 5 and 6 of the Cutler Electrical Generating Plant in Miami-Dade County, Florida (the "Cutler Units" and, together with the Turkey Point Units, the "Units"), all owned by Florida Power & Light

Company ("FPL"), a corporation duly organized and validly existing under the laws of the State of Florida, all as more specifically described in Exhibit A to the Agreement.

The Bonds are issued under and pursuant to a Trust Indenture (said Trust Indenture, together with all trust indentures supplemental thereto as therein permitted, being herein called the "Indenture"), dated as of June 1, 2003, by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., a national banking association, having its corporate trust office in Jacksonville, Florida (said national banking association and any bank or trust company becoming successor trustee under the Indenture being herein called the "Trustee"). Copies of the Indenture are on file at the designated office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Bonds issued under the Indenture, the collection and disposition of revenues, a description of the funds charged with and pledged to the payment of the principal of and premium, if any, and interest on, or purchase price of, the Bonds, the nature and extent of the security, the terms and conditions under which the Bonds are or may be issued, the rights, duties and obligations of the Issuer and of the Trustee and the rights of the holders of the Bonds.

This Bond is issued, and the Indenture was made and entered into, under and pursuant to and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 159, Part II, Florida Statutes, as amended (the "Act"), and under and pursuant to a resolution duly adopted by the Issuer.

The Issuer has entered into a Loan Agreement, dated as of June 1, 2003 (the "Agreement"), with FPL, under the provisions of which the Issuer will loan the proceeds of the Bonds to FPL and FPL will agree to apply such proceeds to refund by redemption the Prior Bonds. The Agreement, in accordance with and as required by the Act, provides for the payment by FPL of amounts ("Loan Repayments") sufficient to pay the principal of and premium, if any, and interest on the Bonds as the same shall become due and payable and the Agreement further obligates FPL to pay the cost of maintaining, repairing and operating the Project. The Agreement provides that the Loan Repayments shall be paid directly to the Trustee for the account of the Issuer. Such Loan Repayments shall be deposited to the credit of a special fund created by the Indenture and designated "Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 Bond Fund" (the "Bond Fund"), which special fund is pledged to and charged with the payment of the principal of and premium, if any, and interest on all Bonds issued under the Indenture. The Agreement further obligates FPL to pay the purchase price of Bonds tendered for purchase by the Registered Owners thereof pursuant to the provisions thereof, to the extent that funds are not otherwise available under the Indenture. The Agreement provides that FPL is unconditionally obligated to meet its obligations to pay the Loan Repayments and to perform and observe the other agreements on its part contained therein.

In the manner hereinafter provided, the term of the Bonds will be divided into consecutive Interest Rate Periods during each of which the Bonds shall bear interest at a Daily Interest Rate (the "Daily Interest Rate Period"), a Weekly Interest Rate (the "Weekly Interest Rate Period"), or a Long-Term Interest Rate or Rates (the "Long-Term Interest Rate Period"), or each Bond may bear interest at a Commercial Paper Term Rate during one or more consecutive

Commercial Paper Terms (the "Commercial Paper Interest Rate Period"). The first Interest Rate Period shall be as specified in the Indenture.

This Bond while bearing interest at a rate other than a Commercial Paper Term Rate shall bear interest from and including the Interest Accrual Date (as hereinafter defined) immediately preceding the date of authentication hereof, or, if such date of authentication shall be an Interest Accrual Date to which interest on this Bond has been paid in full or duly provided for, or the date of initial authentication hereof, from its date of authentication and this Bond while bearing interest at a Commercial Paper Term Rate shall bear interest from and including the first day of the related Commercial Paper Term; provided, however, that if, as shown by the records of the Trustee, interest on the Bonds shall be in default, Bonds issued in exchange for Bonds surrendered for registration of transfer or exchange shall bear interest from the date to which interest has been paid in full on the Bonds or, if no interest has been paid on the Bonds, the date of the first authentication of Bonds under the provisions of the Indenture. For any Daily Interest Rate Period, interest on this Bond shall be payable on each Interest Payment Date (as hereinafter defined) for the period commencing on the second preceding Interest Accrual Date and ending on the day immediately preceding the immediately preceding Interest Accrual Date, unless the Interest Payment Date shall be the day next succeeding the last day of a Daily Interest Rate Period, in which case interest shall be payable on such Interest Payment Date for the period commencing on the Interest Accrual Date to which interest shall have been paid in full and ending on the day immediately preceding such Interest Payment Date. For any Weekly Interest Rate Period, interest on this Bond shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date (or, if any Interest Payment Date is not a Wednesday, commencing on the second preceding Interest Accrual Date) and ending on the Tuesday immediately preceding the Interest Payment Date (or, if the period ends sooner than that Tuesday, ending on the last day of the Weekly Interest Rate Period). For any Commercial Paper Interest Rate Period or Long-Term Interest Rate Period, interest on this Bond shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date and ending on the day immediately preceding such Interest Payment Date. In any event, interest on this Bond shall be payable for the final Interest Rate Period to the date on which this Bond shall have been paid in full. Interest shall be computed, in the case of a Long-Term Interest Rate Period, on the basis of a 360-day year consisting of twelve, 30-day months, and in the case of any other Interest Rate Period, on the basis of a 365 or 366-day year, as appropriate, and the actual number of days elapsed. The Bonds shall be deliverable in the form of registered Bonds without coupons in the denomination of (i) $5,000 and any integral multiple thereof, during any Long-Term Interest Rate Period, (ii) $100,000 and any integral multiple of $100,000, during any Daily Interest Rate Period or Weekly Interest Rate Period, and, as necessary in order to total the outstanding principal amount, a single bond in the denomination of $100,000 and any integral multiple of $5,000 in excess of $100,000, and (iii) $25,000 and any integral multiple of $5,000 in excess of $25,000, during any Commercial Paper Interest Rate Period (such denominations referred to herein as "Authorized Denominations").

The term "Interest Accrual Date" means (i) with respect to any Daily Interest Rate Period, the first day thereof and, thereafter, the first day of each calendar month during that Daily Interest Rate Period, (ii) with respect to any Weekly Interest Rate Period, the first day thereof and, thereafter, the first Wednesday of each calendar month during that Weekly Interest Rate

Period, (iii) with respect to any Long-Term Interest Rate Period, the first day thereof and, thereafter, each Interest Payment Date in respect thereof, other than the last such Interest Payment Date, and (iv) with respect to each Commercial Paper Term within a Commercial Paper Interest Rate Period, the first day thereof. The term "Interest Payment Date" means (1) with respect to any Daily Interest Rate Period, the fifth Business Day (as hereinafter defined) of each calendar month, (2) with respect to any Weekly Interest Rate Period, the first Wednesday of each calendar month, or, if such first Wednesday shall not be a Business Day, the next succeeding Business Day, (3) with respect to any Long-Term Interest Rate Period, each February 1 and August 1, (4) with respect to any Commercial Paper Term, the day next succeeding the last day thereof, and (5) with respect to each Interest Rate Period, the day next succeeding the last day thereof. The term "Business Day" means a day on which banks located in the cities in which the corporate trust office of the Trustee and the Tender Agent are located are not required or authorized to remain closed and on which the New York Stock Exchange, Inc. is not closed.

(1) (i) Determination of Daily Interest Rate. During each Daily Interest Rate Period, this Bond shall bear interest at the Daily Interest Rate, which shall be determined by the Remarketing Agent, hereinafter referred to, on each Business Day for such Business Day. The Daily Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof; provided, however, that if for any reason, the Daily Interest Rate cannot be determined for any Business Day by the Remarketing Agent as hereinbefore provided, the Daily Interest Rate for such Business Day shall be a percentage per annum determined by the Indexing Agent, hereinafter referred to, equal to 75% of the Treasury Rate, defined in the Indenture; and (C) the Daily Interest Rate for any day which is not a Business Day shall be the same as the Daily Interest Rate in effect for the immediately preceding Business Day. In no event shall the Daily Interest Rate exceed 15% per annum.

(ii) Adjustment to Daily Interest Rate. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Daily Interest Rate. Such direction shall be in the form and shall be given in the manner provided in the Indenture. During each Daily Interest Rate Period commencing on the date specified in such direction and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the Bonds shall be a Daily Interest Rate.

(2) (i) Determination of Weekly Interest Rate. During each Weekly Interest Rate Period, this Bond shall bear interest at the Weekly Interest Rate, which shall be determined by the Remarketing Agent no later than the Business Day immediately preceding the first day of each Weekly Interest Rate Period and thereafter no later than the Business Day immediately preceding Wednesday of each week during such Weekly Interest Rate Period. The Weekly Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to

sell the Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof; provided, however, that if for any reason, the Weekly Interest Rate cannot be determined for any week by the Remarketing Agent as hereinbefore provided, the Weekly Interest Rate for such week shall be a percentage per annum determined by the Indexing Agent equal to 80% of the Treasury Rate. In no event shall the Weekly Interest Rate exceed 15% per annum. The first Weekly Interest Rate determined for each Weekly Interest Rate Period shall apply to the period commencing on the first day of such period and ending on the next succeeding Tuesday. Thereafter, each Weekly Interest Rate shall apply to the period commencing on Wednesday and ending on the earlier of the next succeeding Tuesday or the day immediately preceding the effective date of the next Interest Rate Period.

(ii) Adjustment to Weekly Interest Rate. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Weekly Interest Rate. Such direction shall be in the form and shall be given in the manner provided in the Indenture. During each Weekly Interest Rate Period commencing on the date specified in such direction and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the Bonds shall be a Weekly Interest Rate.

(3) (i) Determination of Long-Term Interest Rate. During each Long-Term Interest Rate Period, the Bonds shall bear interest at the Long-Term Interest Rate. The Long-Term Interest Rate for the Bonds, or, in the case of an adjustment from a Commercial Paper Interest Rate Period pursuant to Alternative (II) as described in Paragraph 4(iii) hereof, the Long-Term Interest Rate for each Bond, shall be determined by the Remarketing Agent on the effective date, or on a Business Day selected by it not more than 30 days prior to such effective date, of such Long-Term Interest Rate Period, with respect to the Bonds or such Bond. The Long-Term Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such effective date at a price (without regard to accrued interest) equal to the principal amount thereof; provided, however, that if for any reason, the Long-Term Interest Rate for any Long-Term Interest Rate Period cannot be determined by the Remarketing Agent as hereinabove provided, the Long-Term Interest Rate for such Long-Term Interest Rate Period shall be a percentage per annum equal to the Alternate Long-Term Interest Rate Index (as defined in the Indenture). Except during a Long-Term Interest Rate Period which ends on the date immediately preceding the Maturity Date, in no event shall the Long-Term Interest Rate exceed 15% per annum.

(ii) Adjustment to Long-Term Interest Rate. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Long-Term Interest Rate or Rates during a Long-Term Interest Rate Period or series of successive Long-Term Interest Rate Periods, and if it shall so elect, shall specify the duration of the Long-Term Interest Rate Period or Periods during which the Bonds shall bear interest at such Long-Term Interest Rate or Rates, which duration shall be at least one year; provided that, as set forth below, in connection with the adjustment to a Long-Term Interest Rate Period or the commencement of any subsequent

Long-Term Interest Rate Period, FPL must deliver to the Trustee a series of its first mortgage bonds, unless it delivers to the Trustee other credit enhancement, all as described below. During each Long-Term Interest Rate Period, the interest rate borne by the Bonds shall be a Long-Term Interest Rate. If, in connection with the expiration of any Long-Term Interest Rate Period (other than one of a succession of Long-Term Interest Rate Periods of substantially equal duration), by the Business Day preceding the date on which the Registrar must mail notice to the Registered Owners of the Bonds of an adjustment of Interest Rate Period as described in Paragraph (5)(i) hereof, the Trustee shall not have received notice of FPL's election that the Bonds shall bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Long-Term Interest Rate or Commercial Paper Term Rates, or if such series of first mortgage bonds or other credit enhancement is not so delivered to the Trustee, the next succeeding Interest Rate Period shall be a Daily Interest Rate Period or a Long-Term Interest Rate Period, as described in Section 201(f)(ii)(C) of the Indenture.

(iii) Adjustment from Long-Term Interest Rate Period. In addition to an adjustment from a Long-Term Interest Rate Period on the day immediately following the last day of the Long-Term Interest Rate Period, at any time during a Long-Term Interest Rate Period, FPL may elect that the Bonds no longer shall bear interest at a Long-Term Interest Rate and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Term Rates or a new Long-Term Interest Rate, as specified in such election. In the notice of such election, FPL shall also specify the effective date of the new Interest Rate Period, which date shall be no earlier than the first date, not less than thirty-five days following the date of receipt by the Trustee of the notice of election from FPL, on which the Bonds shall be subject to optional redemption as described in Paragraph 7(iii) hereof. Bonds shall be subject to mandatory tender for purchase on the effective date of the new Interest Rate Period, in accordance with the Indenture and as described in Paragraph 6(iv) hereof, at a purchase price equal to the optional redemption price as described in Paragraph 7(iii) hereof which would be applicable on that date.

(4) (i) Determination of Commercial Paper Terms and Commercial Paper Term Rates. During each Commercial Paper Interest Rate Period, this Bond shall bear interest during each Commercial Paper Term for this Bond at the Commercial Paper Term Rate for this Bond. Each of such Commercial Paper Terms and Commercial Paper Term Rates for this Bond shall be determined by the Remarketing Agent no later than the first day of each Commercial Paper Term. Each Commercial Paper Term for each Bond shall be a period of not more than 364 days, determined by the Remarketing Agent to be the period which, together with all other Commercial Paper Terms for all Bonds then outstanding under the Indenture, will result in the lowest overall interest expense on the Bonds over the next succeeding 364 days, taking into account certain factors set forth in the Indenture; provided, however, that (y) each Commercial Paper Term shall end on either a day which immediately precedes a Business Day or on the day immediately preceding the Maturity Date hereof, and (z) if for any reason a Commercial Paper Term for this Bond cannot be so determined by the Remarketing Agent, such Commercial Paper Term shall have either the same number of days as the immediately preceding Commercial Paper Term for this Bond, or if there should be no such immediately preceding Commercial Paper Term, then 30 days, provided, further, if the last day of such Commercial Paper Term shall not be a day immediately preceding a Business Day, such Commercial Paper Term will end on the first day immediately preceding the Business Day next succeeding such day, or if such last day would be on or after the Maturity Date hereof, that Commercial Paper Term will end on the day

immediately preceding the Maturity Date. The Commercial Paper Term Rate for each Commercial Paper Term for this Bond shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by this Bond, would enable the Remarketing Agent to sell this Bond on the date and at the time of determination at a price (without regard to accrued interest) equal to the principal amount thereof; provided, however, that if for any reason, the Commercial Paper Term Rate for any Commercial Paper Term cannot be so determined by the Remarketing Agent as hereinabove provided, the Commercial Paper Term Rate for this Bond for such Commercial Paper Term shall be a percentage per annum, determined by the Remarketing Agent, equal to the applicable percentage (depending on the duration of the Commercial Paper Term) of the interest rate for taxable commercial paper (prime paper placed through dealers) of the applicable term most recently announced by the Federal Reserve Bank of New York at the time of such determination, as set forth in the Indenture. In no event shall any Commercial Paper Term Rate exceed 15% per annum.

(ii) Adjustment to Commercial Paper Term Rates. At any time, FPL, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at Commercial Paper Term Rates. Such direction shall be in the form and shall be given in the manner provided in the Indenture. During each Commercial Paper Interest Rate Period commencing on the date specified in such direction and ending on the day (with respect to each Bond) immediately preceding the effective date of the next succeeding Interest Rate Period, each Bond shall bear interest at a Commercial Paper Term Rate during each Commercial Paper Term for such Bond.

(iii) Adjustment from Commercial Paper Interest Rate Period. At any time during a Commercial Paper Interest Rate Period, FPL may elect that the Bonds no longer shall bear interest at Commercial Paper Term Rates and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate or a Long-Term Interest Rate, as specified in such election. Such election shall specify an alternative from the immediately succeeding Alternatives (I) and (II), and the Remarketing Agent shall effect one of such alternatives. Alternative (I): determine Commercial Paper Terms of such duration that, as soon as possible, all Commercial Paper Terms shall end on the same date, not less than 14 days following the second Business Day after the receipt by the Trustee of the direction of FPL effecting such election, which date shall be the last day of the then-current Commercial Paper Interest Rate Period and the next succeeding day shall be the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period elected by FPL; or Alternative (II): determine Commercial Paper Terms of such duration that will, in the judgment of the Remarketing Agent, best promote an orderly transition to the next succeeding Interest Rate Period, and beginning on the 14th day following the second Business Day after the receipt by the Trustee of the direction of FPL effecting such election, the day next succeeding the last day of the Commercial Paper Term determined in accordance with Alternative (II) with respect to each Bond shall be, with respect to such Bond, the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period elected by FPL.

(5) Notice of Adjustment to Daily, Weekly or Long-Term Interest Rate or Commercial Paper Term Rates; Bond Counsel Opinions; Remarketing Agent; Indexing Agent; Tender Agent.

(i) The Registrar shall give notice by first-class mail of an adjustment to a Daily, Weekly, Commercial Paper or Long-Term Interest Rate Period, as the case may be, to the Registered Owners of the Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of such Daily, Weekly, Commercial Paper or Long-Term Interest Rate Period.

(ii) Adjustment to an Interest Rate Period in certain circumstances set forth in the Indenture requires a contemporaneous Favorable Opinion of Bond Counsel. "Favorable Opinion of Bond Counsel" means an opinion of counsel nationally recognized on the subject of, and qualified to render approving opinions on the issuance of, municipal bonds and acceptable to FPL and the Trustee, addressed to the Issuer and the Trustee, to the effect that the action proposed to be taken is authorized or permitted by the laws of the State of Florida and the Indenture and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Bonds.

(iii) The initial Remarketing Agent and Indexing Agent, appointed under the Indenture, shall be Wachovia Bank, National Association. The term of appointment of any Remarketing Agent (and while the Remarketing Agent is the Indexing Agent, the Indexing Agent) shall expire, and FPL shall appoint a successor Remarketing Agent, upon the adjustment of the interest rate determination method for the Bonds as described above; provided, however, that FPL may elect to appoint the then current Remarketing Agent as the successor Remarketing Agent. While the Remarketing Agent shall be the Indexing Agent, such successor Remarketing Agent shall also be the Indexing Agent. Notice of such appointment shall be given as provided in the Indenture.

(iv) The initial Tender Agent appointed under the Indenture shall be The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida. For purposes hereof, the principal office of the Tender Agent shall mean The Bank of New York Trust Company of Florida, N.A., 10161 Centurion Parkway, Jacksonville, Florida 32256, Attention: Corporate Trust Division, or such other office as designated by the Tender Agent in accordance with the Indenture.

(6) (i) Purchase of Bonds During Daily Interest Rate Period. During any Daily Interest Rate Period, this Bond or any portion hereof in an Authorized Denomination shall be purchased from its Registered Owner at the option of the Registered Owner on any Business Day at a purchase price equal to the principal amount hereof plus accrued interest from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date, in which case at a purchase price equal to the principal amount hereof, payable in immediately available funds, upon delivery to the Tender Agent at its principal office, by no later than 10:30 a.m., New York City time, on such Business Day, of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by tested telex, telecopy or other writing, which states the principal

amount of this Bond or such portion hereof and the date of purchase. For payment of such purchase price on the date specified in such notice, this Bond must be delivered, at or prior to 12:00 noon, New York City time, on such Business Day, to the Tender Agent at its principal office, accompanied by an instrument of transfer hereof, in form satisfactory to the Tender Agent, executed in blank by the Registered Owner hereof or his duly-authorized attorney, with such signature guaranteed by an "eligible guarantor institution" as defined in Regulation 17 Ad-15 of the Securities Exchange Act of 1934 (an "Eligible Guarantor Institution"). Notwithstanding the foregoing, during any period when the Bonds are registered in the name of Cede & Co. or such other nominee of DTC as DTC shall designate and held by DTC in its book-entry system, the optional tender of Bonds shall be accomplished in accordance with the Letter of Representation with DTC with respect to the Bonds and a tender of such Bonds must be initiated by the delivery of a notice to the Tender Agent in the form set forth as Exhibit B to the Indenture.

(ii) Purchase of Bonds During Weekly Interest Rate Period. During any Weekly Interest Rate Period, this Bond or any portion hereof in an Authorized Denomination shall be purchased from its Registered Owner at the option of the Registered Owner on any Business Day at a purchase price equal to the principal amount hereof plus accrued interest, if any, from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date in which case at a purchase price equal to the principal amount hereof, payable in immediately available funds, upon delivery to the Tender Agent at its principal office of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by tested telex, telecopy or other writing, which states the principal amount of this Bond or such portion hereof and the date on which the same shall be purchased, which date shall be a Business Day not prior to the seventh day next succeeding the date of the delivery of such notice to the Tender Agent. For payment of such purchase price on the date specified in such notice, this Bond must be delivered, at or prior to 12:00 noon, New York City time, on the date specified in such notice, to the Tender Agent at its principal office, accompanied by an instrument of transfer hereof, in form satisfactory to the Tender Agent, executed in blank by the Registered Owner hereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution. Notwithstanding the foregoing, during any period when the Bonds are registered in the name of Cede & Co. or such other nominee of DTC as DTC shall designate and held by DTC in its book-entry system, the optional tender of Bonds shall be accomplished in accordance with the Letter of Representation with DTC with respect to the Bonds and a tender of such Bonds must be initiated by the delivery of a notice to the Tender Agent in the form set forth as Exhibit B to the Indenture.

(iii) Mandatory Tender for Purchase On Business Day Next Succeeding the Last Day of Each Commercial Paper Term. On the Business Day next succeeding the last day of each Commercial Paper Term for this Bond, unless such day is the first day of a new Interest Rate Period (in which event Paragraph 6(iv) hereof shall be applicable), this Bond shall be purchased from its Registered Owner at a purchase price equal to the principal amount hereof, payable in immediately available funds. For payment of such purchase price on such day, this Bond must be delivered at or prior to 12:30 P.M., New York City time, on such day, to the Tender Agent at its principal office, accompanied by an instrument of transfer hereof, in form satisfactory to the

Tender Agent, executed in blank by the Registered Owner hereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution.

(iv) Mandatory Tender for Purchase on First Day of Each Interest Rate Period. This Bond shall be subject to mandatory tender for purchase, at the purchase price, payable in immediately available funds, specified in the Indenture, on the first day of each Interest Rate Period.

(v) Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of this Bond in accordance with Paragraph 6(iv) above, the Registrar shall give notice by first-class mail to the Registered Owner of this Bond at the time and in the form specified in the Indenture.

(vi) Irrevocable Notice Deemed to be Tender of Bonds; Undelivered Bonds. The giving of notice by a Registered Owner of this Bond as provided in Paragraphs 6(i) or (ii) hereof shall constitute the irrevocable tender for purchase of this Bond with respect to which such notice shall have been given, in each case irrespective of whether this Bond shall be delivered as provided in such Paragraphs, except that Bonds held at DTC and for which an optional tender has been made by delivery of the notice set forth as Exhibit B to the Indenture shall not be purchased unless such Bonds are transferred to the account of the Tender Agent on the tender date as provided in such notice; further, this Bond shall be deemed irrevocably tendered for purchase on the first day of each Commercial Paper Term or Interest Rate Period as provided in Paragraphs 6(iii) or (iv) hereof, in each case irrespective of whether this Bond shall be delivered as provided in such Paragraphs.

The Tender Agent may refuse to accept delivery of any Bonds for which a proper instrument of transfer has not been provided. In the event that any Registered Owner of a Bond who shall have given notice of tender for purchase pursuant to Paragraphs 6(i) or (ii) hereof, or whose Bond shall be subject to mandatory tender for purchase pursuant to Paragraphs 6(iii) or (iv) hereof, shall fail to deliver such Bond to the Tender Agent at the place and on the applicable date and time specified, or shall fail to deliver such Bond properly endorsed, such Bond shall constitute an Undelivered Bond. If funds in the amount of the purchase price of the Undelivered Bond are available for payment to the Registered Owner thereof on the date and at the time specified, from and after the date and time of that required delivery, (A) the Undelivered Bond shall no longer be deemed to be outstanding under the Indenture; (B) interest shall no longer accrue thereon; and (C) funds in the amount of the purchase price of the Undelivered Bond shall be held by the Tender Agent for the benefit of the Registered Owner thereof (provided that the Registered Owner shall have no right to any investment proceeds derived from such funds), to be paid on delivery (or proper endorsement) of the Undelivered Bond to the Tender Agent. Any funds held by the Tender Agent as described in clause (C) of the preceding sentence shall be held uninvested.

Upon the purchase as provided in the above referenced Paragraphs by the Tender Agent of each Bond so deemed to be tendered, such Bond shall cease to bear interest payable to the former Registered Owner thereof, who thereafter shall have no rights with respect thereto, other than the right to receive the purchase price thereof upon surrender of such Bond to the Tender Agent.

(7) Redemption Provisions. The Bonds shall be subject to redemption prior to maturity as follows:

(i) On any Business Day during a Daily Interest Rate Period or a Weekly Interest Rate Period, the Bonds shall be subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at 100% of the principal amount thereof, plus accrued interest, if any, to the redemption date.

(ii) On the day succeeding the last day of any Commercial Paper Term with respect to any Bond, such Bond shall be subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at 100% of the principal amount thereof.

(iii) During any Long-Term Interest Rate Period, the Bonds shall be subject to optional redemption by the Issuer, at the direction of FPL, on the first day thereof, in whole or in part, at the redemption price of 100% of the principal amount thereof, and thereafter, during the periods specified below (or such longer or shorter periods as may be specified in accordance with the Indenture) in whole at any time or in part from time to time, at the redemption prices (expressed as percentages of principal amount) hereinafter indicated (or such greater or lesser redemption prices as may be specified in accordance with the Indenture), plus accrued interest, if any, to the redemption date:

Length of Long – Term Interest Rate Period (expressed in years)	Redemption Prices
Greater than 14	after 10 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 14 and greater than 10	after 5 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 10 and greater than 8	after 5 years at 101%, declining by 1/2 of 1% every 6 months to 100%
Less than or equal to 8 and greater than 6	after 3 years at 101%, declining by 1/2 of 1% every 6 months to 100%
Less than or equal to 6 and greater than 4	after 2 years at 101%, declining by 1/2 of 1% every 6 months to 100%
Less than or equal to 4 and greater than 3	after 2 years at 100-1/2%, declining by 1/2 of 1% after 6 months to 100%
Less than or equal to 3 and greater than 2	after 1 year at 100-1/2%, declining by 1/2 of 1% after 6 months to 100%
Less than or equal to 2 and greater than 1	after 1 year at 100%

1 year not redeemable

(iv) In addition, during any No Call Period, the Bonds will be nonetheless subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at any time, if FPL delivers to the Trustee a written certificate (i) to the effect that by reason of a change in use of the Project or any portion thereof, FPL has been unable, after reasonable effort, to obtain an opinion of Bond Counsel to the effect that a court, in a properly presented case, should decide that (a) Section 150 of the Code (or successor provision of similar import) does not prevent that portion of the Loan Repayments payable under the Agreement and attributable to interest on the Bonds from being deductible by FPL for federal income tax purposes and (b) Treasury Regulations Section 1.142-2 (or a successor provision of similar import) does not prevent interest on the Bonds from being excluded for federal income tax purposes from the gross income of the Registered Owners thereof (other than a Registered Owner who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(f) of the Code), (ii) specifying that as a result of its inability to obtain such opinion of Bond Counsel, FPL has elected to prepay amounts due under the Agreement equal to the redemption price of the Bonds to be so redeemed and (iii) specifying the principal amount of the Bonds which FPL has determined to be the minimum necessary to be so redeemed in order for FPL to retain its rights to such interest deductions and for interest on the Bonds to retain such exclusion from gross income for federal income tax purposes (which principal amount of the Bonds will be so redeemed). The redemption price for the Bonds shall be equal to the highest redemption price which would be payable on the first date such Bonds could be called for optional redemption under Paragraph 7(iii) above on the basis of the length of the then current Long-Term Interest Rate Period.

(v) During any Long-Term Interest Rate Period, in the event of the prepayment by FPL of the Loan Repayments with respect to the Bonds pursuant to subsection (a) of Section 10.1 of the Agreement, the Bonds shall be redeemed in whole on the date selected by FPL at the principal amount thereof plus accrued interest to the redemption date, if:

(a) FPL has determined that the continued operation of any of the Units or any portion of the Project is impracticable, uneconomical or undesirable; or

(b) all or substantially all of any of the Units or any portion of the Project shall have been condemned or taken by eminent domain; or

(c) the operation by FPL of any of the Units or any portion of the Project shall have been enjoined for a period of at least six consecutive months; or

(d) as a result of any change in the Constitution of the State of Florida or the Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after any contest thereof by FPL in good faith, the Indenture, the Agreement or the Bonds shall become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement.

(vi) In addition, the Bonds shall be subject to mandatory redemption by the Issuer, at the principal amount thereof plus accrued interest to the redemption date, on the 180th day (or such earlier date as may be designated by FPL) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Issuer and FPL of an opinion of Bond Counsel obtained by FPL and rendered at the request of FPL, to the effect that, as a result of a failure by FPL to perform or observe any covenant, agreement or representation contained in the Agreement, the interest payable on the Bonds is included for federal income tax purposes in the gross income of the Registered Owners thereof. No determination by any court or administrative agency shall be considered final for purposes of this paragraph unless FPL shall have had the opportunity to participate in the proceeding which resulted in such determination, either directly or through a Registered Owner, to a degree it deems sufficient and until the conclusion of any court proceeding initiated after a final agency determination, and of any appellate review sought by any party to such agency or court proceeding or the expiration of the time for seeking such review. The Bonds shall be redeemed either in whole or in part in such principal amount that the interest payable on the Bonds remaining outstanding after such redemption would not be included in the gross income of any Registered Owner thereof, other than a Registered Owner who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended.

(vii) If less than all of the Bonds shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be selected by the Trustee, by lot or in such other manner as the Trustee in its discretion may determine to be fair and appropriate in the principal amounts designated by FPL, all as provided in, and subject to the provisions of, the Indenture.

(viii) Any such redemption, either in whole or in part, shall be made upon at least thirty (30) days' prior notice by first-class mail, postage prepaid, to all Registered Owners of Bonds to be redeemed in whole or in part at their addresses as they appear on the registration books kept by the Registrar and shall be made in the manner and under the terms and conditions provided in the Indenture, but failure so to mail any such notice to the Registered Owner of any Bond shall not affect the validity of the proceedings for redemption of any other Bond. Any notice of redemption, except a notice of a redemption pursuant to Paragraph (7)(vi), shall, unless at the time such notice is given the Bonds to be redeemed are deemed to have been paid in accordance with the Indenture, state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such Bonds shall not be required to be redeemed.

If any Bonds are not presented for payment on their redemption date or at maturity, the Registered Owners thereof shall look only to the moneys set aside for such purpose by the Trustee. After one year, such moneys may be paid to FPL, and the Registered Owners of such Bonds shall thereafter look only to FPL for payment thereof.

At the designated corporate trust office of the Registrar, in the manner and subject to the limitations, conditions and charges provided in the Indenture, Bonds may be exchanged for an equal aggregate principal amount of Bonds of Authorized Denominations and bearing interest at the same rate.

The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

In order to provide collateral security for the payment of the principal of and interest on the Bonds, (i) FPL shall, as a condition to the adjustment to a Long-Term Interest Rate Period, or of the commencement of any subsequent Long-Term Interest Rate Period, except as otherwise provided in the Indenture, and (ii) FPL may, (a) so long as no default or event of default has occurred and is continuing under the Indenture, at its sole option, or (b) if a default or event of default has occurred and is continuing under the Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, at any other time, issue, under the Mortgage and Deed of Trust, dated as of January 1, 1944, as supplemented and amended (the "Mortgage"), between FPL and Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as trustee, and The Florida National Bank of Jacksonville, as co-trustee (now resigned), and pledge to the Trustee, pursuant to a Pledge Agreement to be entered into (the "Pledge Agreement") between FPL and the Trustee, a series of its first mortgage bonds (the "Pledged Bonds"), in an aggregate principal amount equal to the aggregate principal amount of, and having the same stated rate or rates of interest as, the Bonds, and maturing (A) with respect to First Mortgage Bonds delivered pursuant to clause (i) above, on the last day of such Long-Term Interest Rate Period, and (B) with respect to First Mortgage Bonds delivered pursuant to clause (ii) above, on the Maturity Date; provided, however, that in lieu of Pledged Bonds, FPL may elect to deliver, or cause to be delivered, to the Trustee other credit enhancement as more particularly described in the Agreement. The Pledged Bonds shall be subject to release by the Trustee as provided in the Indenture. If the Trustee then holds Pledged Bonds, upon the occurrence and continuance of an event of default under the Indenture arising from a failure to pay the principal of or premium, if any, or interest on, or purchase price of, the Bonds or from a "Default" under the Mortgage, and further upon the condition that in accordance with the terms of the Mortgage all first mortgage bonds outstanding thereunder shall have become immediately due and payable, the Bonds shall, without further action, become and be immediately due and payable. Any amounts received by the Trustee with respect to the Pledged Bonds are to be deposited to the credit of the Bond Fund for application to the payment of the principal of and interest on the Bonds as provided in the Indenture.

Modifications, alterations or amendments of the Indenture or of any trust indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

The Trustee, when holding FPL's first mortgage bonds, shall attend meetings of bondholders under the Mortgage, or deliver its proxy in connection therewith. The Trustee shall vote all first mortgage bonds, including the Pledged Bonds, held by it, or consent with respect thereto, proportionately with what it reasonably believes will be the vote or consent of all other first mortgage bondholders voting or consenting, provided that the Trustee shall not, without the appropriate consent or approval of holders of the Bonds, vote in favor of or consent to any amendment or modification of the Mortgage correlative to any amendment or modification of the Indenture that would require the consent or approval of holders of the Bonds.

The transfer of this Bond may be registered by the Registered Owner hereof in person or by his attorney or legal representative at the corporate trust office of the Registrar, but only in the manner and subject to the limitations and conditions provided in the Indenture and upon surrender and cancellation of this Bond. Upon any such registration of transfer the Issuer shall execute and the Registrar shall authenticate and deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee, of Authorized Denominations, in aggregate principal amount equal to the principal amount of this Bond and bearing interest at the same rate.

This Bond shall be governed by and construed in accordance with the laws of the State of Florida.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture and the Agreement have happened, exist and have been performed as so required.

The Registered Owner of this Bond, by acceptance hereof, is deemed to have agreed and consented to the terms and provisions of the Indenture and the Agreement and, in the event this Bond bears interest at a Long-Term Interest Rate, the Pledge Agreement and the Mortgage.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Registrar of the Certificate of Authentication endorsed hereon.

IN WITNESS WHEREOF, MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY has caused this Bond to be executed in its name by the manual or facsimile signatures of its Chairman and Secretary Ex-Officio and the official seal of said Board to be affixed hereon, as of the ____ day of _____, 2003.

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

[SEAL]

By: _____
Chairman

Attest:

_____
Secretary, Ex-Officio

CERTIFICATE OF AUTHENTICATION

This is one of the bonds of the series designated therein and issued under the provisions of the within-mentioned Indenture.

Date of authentication: _____

THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., as Registrar

By: _____
Title:

FORM OF ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto _____ _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the said Bond on the Bond Register, with full power of substitution in the premises.

Signature: _____

Social Security Number or other
Tax Identification Number of Transferee:

_____

Dated: _____

Signature Guaranteed: _____

Notice: The assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular without alteration or any change whatever.

EXHIBIT B

NOTICE OF TENDER OF BOOK-ENTRY BONDS
WEEKLY INTEREST RATE PERIOD

Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project), Series 2003

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, or its successor as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent seven days from the date of the Tender Agent's receipt, by telecopy or otherwise, of this notice, or the next Business Day* if such seventh day is not a Business Day (the "Tender Date"); provided, however, that if this notice is received by the Tender Agent by telecopy, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent, unless the Tender Agent receives this notice in original executed form by hand delivery prior to 2:00 p.m. New York time on the Business Day next succeeding its receipt of such notice by telecopy. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount (in multiples of $100,000)	DTC Participant Number	CUSIP Number
$		

* "Business Day" shall have the meaning ascribed thereto by the Trust Indenture under which the Bonds are issued.

THE UNDERSIGNED ACKNOWLEDGES AND AGREES BY THE EXECUTION AND DELIVERY OF THIS NOTICE (1) THAT THE TENDER OF THE TENDERED BOOK-ENTRY BONDS IS IRREVOCABLE; (2) THAT THE UNDERSIGNED IS CONTRACTUALLY BOUND TO TENDER SUCH TENDERED BOOK-ENTRY BONDS TO THE TENDER AGENT ON THE TENDER DATE; AND (3) THAT IN THE EVENT OF A FAILURE TO TENDER THE TENDERED BOOK-ENTRY BONDS TO THE TENDER AGENT ON OR BEFORE 12:00 NOON NEW YORK TIME ON THE TENDER DATE THE UNDERSIGNED SHALL PAY TO THE TENDER AGENT AN AMOUNT (THE "DEFAULT AMOUNT") EQUAL TO THE DIFFERENCE BETWEEN (A) THE COSTS ARISING OUT OF THE FAILURE TO TENDER AND (B) THE PURCHASE PRICE, AS DEFINED ABOVE, WHICH WOULD HAVE BEEN PAID TO THE UNDERSIGNED UPON A TENDER. AS USED HEREIN THE "COSTS ARISING OUT OF THE FAILURE TO TENDER" SHALL MEAN THE SUM OF (X) THE AMOUNT EXPENDED BY THE TENDER AGENT, EITHER DIRECTLY OR THROUGH AN AGENT, IN ACQUIRING BOOK-ENTRY BONDS IN SUBSTITUTION OF THE TENDERED BOOK-ENTRY BONDS (INCLUDING INTEREST THEREON) AND (Y) THE ADMINISTRATIVE AND OTHER CHARGES, EXPENSES OR COMMISSIONS INCURRED IN CONNECTION WITH THE ACQUISITION OF SUCH SUBSTITUTE BOOK-ENTRY BONDS.

THE UNDERSIGNED AGREES THAT THE TENDER AGENT, EITHER DIRECTLY OR THROUGH AN AGENT, MAY ACQUIRE SUCH SUBSTITUTE BONDS IN SUCH MANNER AND MARKET AS IT DEEMS COMMERCIALLY REASONABLE, AND FURTHER AGREES THAT THE DEFAULT AMOUNT IS REASONABLE IN LIGHT OF THE ANTICIPATED HARM CAUSED BY THE FAILURE TO TENDER AND THE INCONVENIENCE OF OBTAINING ANY OTHER REMEDY.

THE UNDERSIGNED HEREBY IRREVOCABLY APPOINTS THE TENDER AGENT AS HIS DULY AUTHORIZED ATTORNEY AND DIRECTS THE TENDER AGENT TO EFFECT THE TRANSFER OF THE TENDERED BOOK-ENTRY BONDS.

Date of Notice:

Signature of DTC Participant Representing the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

NOTICE OF TENDER OF BOOK-ENTRY BONDS
DAILY INTEREST RATE PERIOD

Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project), Series 2003

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, or its successor as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent on the date hereof or the next Business Day* if the date hereof is not a Business Day (the "Tender Date"); provided, however, that if this notice is not received by the Tender Agent by 10:30 a.m. on the date hereof, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount (in multiples of $100,000)	DTC Participant Number	CUSIP Number
$		

* "Business Day" shall have the meaning ascribed thereto by the Trust Indenture under which the Bonds are issued.

THE UNDERSIGNED ACKNOWLEDGES AND AGREES BY THE EXECUTION AND DELIVERY OF THIS NOTICE (1) THAT THE TENDER OF THE TENDERED BOOK-ENTRY BONDS IS IRREVOCABLE; (2) THAT THE UNDERSIGNED IS CONTRACTUALLY BOUND TO TENDER SUCH TENDERED BOOK-ENTRY BONDS TO THE TENDER AGENT ON THE TENDER DATE; AND (3) THAT IN THE EVENT OF A FAILURE TO TENDER THE TENDERED BOOK-ENTRY BONDS TO THE TENDER AGENT ON OR BEFORE 12:00 NOON NEW YORK TIME ON THE TENDER DATE THE UNDERSIGNED SHALL PAY TO THE TENDER AGENT AN AMOUNT (THE "DEFAULT AMOUNT") EQUAL TO THE DIFFERENCE BETWEEN (A) THE COSTS ARISING OUT OF THE FAILURE TO TENDER AND (B) THE PURCHASE PRICE, AS DEFINED ABOVE, WHICH WOULD HAVE BEEN PAID TO THE UNDERSIGNED UPON A TENDER. AS USED HEREIN THE "COSTS ARISING OUT OF THE FAILURE TO TENDER" SHALL MEAN THE SUM OF (X) THE AMOUNT EXPENDED BY THE TENDER AGENT, EITHER DIRECTLY OR THROUGH AN AGENT, IN ACQUIRING BOOK-ENTRY BONDS IN SUBSTITUTION OF THE TENDERED BOOK-ENTRY BONDS (INCLUDING INTEREST THEREON) AND (Y) THE ADMINISTRATIVE AND OTHER CHARGES, EXPENSES OR COMMISSIONS INCURRED IN CONNECTION WITH THE ACQUISITION OF SUCH SUBSTITUTE BOOK-ENTRY BONDS.

THE UNDERSIGNED AGREES THAT THE TENDER AGENT, EITHER DIRECTLY OR THROUGH AN AGENT, MAY ACQUIRE SUCH SUBSTITUTE BONDS IN SUCH MANNER AND MARKET AS IT DEEMS COMMERCIALLY REASONABLE, AND FURTHER AGREES THAT THE DEFAULT AMOUNT IS REASONABLE IN LIGHT OF THE ANTICIPATED HARM CAUSED BY THE FAILURE TO TENDER AND THE INCONVENIENCE OF OBTAINING ANY OTHER REMEDY.

THE UNDERSIGNED HEREBY IRREVOCABLY APPOINTS THE TENDER AGENT AS HIS DULY AUTHORIZED ATTORNEY AND DIRECTS THE TENDER AGENT TO EFFECT THE TRANSFER OF THE TENDERED BOOK-ENTRY BONDS.

Date of Notice:

Signature of DTC Participant Representing the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

Exhibit (a)-3B

This instrument was prepared by:
Paul I. Cutler
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408

EXECUTED IN 60 COUNTERPARTS OF
WHICH THIS IS COUNTERPART NO.

FLORIDA POWER & LIGHT COMPANY

to

DEUTSCHE BANK TRUST COMPANY AMERICAS

(formerly known as Bankers Trust Company)

As Trustee under Florida Power & Light Company's Mortgage and Deed of Trust, Dated as of January 1, 1944.

One Hundred Third Supplemental Indenture

Relating to $500,000,000 Principal Amount of First Mortgage Bonds, 5 5/8% Series due April 1, 2034

Dated as of April 1, 2003

This Supplemental Indenture has been executed in several counterparts, all of which constitute but one and the same instrument. This Supplemental Indenture has been recorded in several counties and documentary stamp taxes as required by law in the amount of $1,750,000, and non-recurring intangible taxes as required by law in the amount of $137,331 were paid on the Supplemental Indenture recorded in the public records of Palm Beach County, Florida.

Note to Examiner: The new bonds ("New Bonds") being issued in connection with this Supplemental Indenture are secured by real property and personal property located both within Florida and outside of Florida. The aggregate fair market value of the collateral exceeds the aggregate principal amount of (y) the New Bonds plus (z) the other outstanding bonds secured by the mortgage supplemented hereby and all previous supplemental indentures thereto. The intangible tax has been computed pursuant to Section 199.133 (2), Florida Statutes, by (i) determining the percentage of the aggregate fair market value of the collateral constituting real property situated in Florida and by multiplying that percentage times the principal amount of the New Bonds (the result hereinafter defined as the "Tax Base") and (ii) multiplying the tax rate times the Tax Base.

ONE HUNDRED THIRD SUPPLEMENTAL INDENTURE

INDENTURE, dated as of the first day of April, 2003, made and entered into by and between FLORIDA POWER & LIGHT COMPANY, a corporation of the State of Florida, whose post office address is 700 Universe Boulevard, Juno Beach, Florida 33408 (hereinafter sometimes called FPL), and DEUTSCHE BANK TRUST COMPANY AMERICAS (formerly known as Bankers Trust Company), a corporation of the State of New York, whose post office address is 280 Park Avenue, New York, New York 10017, Attn: Boris Treyger (hereinafter called the Trustee), as the one hundred third supplemental indenture (hereinafter called the One Hundred Third Supplemental Indenture) to the Mortgage and Deed of Trust, dated as of January 1, 1944 (hereinafter called the Mortgage), made and entered into by FPL, the Trustee and The Florida National Bank of Jacksonville, as Co-Trustee (now resigned), the Trustee now acting as the sole trustee under the Mortgage, which Mortgage was executed and delivered by FPL to secure the payment of bonds issued or to be issued under and in accordance with the provisions thereof, reference to which Mortgage is hereby made, this One Hundred Third Supplemental Indenture being supplemental thereto;

WHEREAS, Section 8 of the Mortgage provides that the form of each series of bonds (other than the first series) issued thereunder shall be established by Resolution of the Board of Directors of FPL and that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof, and may also contain such provisions not inconsistent with the provisions of the Mortgage as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage; and

WHEREAS, Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon FPL by any provision of the Mortgage, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and FPL may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or FPL may cure any ambiguity contained therein, or in any supplemental indenture, or may establish the terms and provisions of any series of bonds other than said first series, by an instrument in writing executed and acknowledged by FPL in such manner as would be necessary to entitle a conveyance of real estate to be recorded in all of the states in which any property at the time subject to the Lien of the Mortgage shall be situated; and

WHEREAS, FPL now desires to create the series of bonds described in Article I hereof and to add to its covenants and agreements contained in the Mortgage certain other covenants and agreements to be observed by it and to alter and amend in certain respects the covenants and provisions contained in the Mortgage; and

WHEREAS, the execution and delivery by FPL of this One Hundred Third Supplemental Indenture, and the terms of the bonds, hereinafter referred to in Article I, have been duly authorized by the Board of Directors of FPL by appropriate resolutions of said Board of Directors;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That FPL, in consideration of the premises and of One Dollar to it duly paid by the Trustee at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further evidence of assurance of the estate, title and rights of the Trustee and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, according to their tenor and effect, and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of said bonds, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms (subject, however, to Excepted Encumbrances as defined in Section 6 of the Mortgage) unto Deutsche Bank Trust Company Americas, as Trustee under the Mortgage, and to its successor or successors in said trust, and to said Trustee and its successors and assigns forever, all property, real, personal and mixed, acquired by FPL after the date of the execution and delivery of the Mortgage (except any herein or in the Mortgage, as heretofore supplemented, expressly excepted), now owned (except any properties heretofore released pursuant to any provisions of the Mortgage and in the process of being sold or disposed of by FPL) or, subject to the provisions of Section 87 of the Mortgage, hereafter acquired by FPL and wheresoever situated, including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing) all lands, power sites, flowage rights, water rights, water locations, water appropriations, ditches, flumes, reservoirs, reservoir sites, canals, raceways, dams, dam sites, aqueducts, and all rights or means for appropriating, conveying, storing and supplying water; all rights of way and roads; all plants for the generation of electricity by steam, water and/or other power; all power houses, gas plants, street lighting systems, standards and other equipment incidental thereto, telephone, radio and television systems, air-conditioning systems and equipment incidental thereto, water works, water systems, steam heat and hot water plants, substations, lines, service and supply systems, bridges, culverts, tracks, ice or refrigeration plants and equipment, offices, buildings and other structures and the equipment thereof; all machinery, engines, boilers, dynamos, electric, gas and other machines, regulators, meters, transformers, generators, motors, electrical, gas and mechanical appliances, conduits, cables, water, steam heat, gas or other pipes, gas mains and pipes, service pipes, fittings, valves and connections, pole and transmission lines, wires, cables, tools, implements, apparatus, furniture, chattels, and choses in action; all municipal and other franchises, consents or permits; all lines for the transmission and distribution of electric current, gas, steam heat or water for any purpose including towers, poles, wires, cables, pipes, conduits, ducts and all apparatus for use in connection therewith; all real estate, lands, easements, servitudes, licenses, permits, franchises, privileges, rights of way and other rights in or relating to real estate or the occupancy of the same and (except as herein or in the Mortgage, as heretofore supplemented, expressly excepted) all the right, title and interest of FPL in and to all other property of any kind or nature appertaining to and/or used and/or occupied and/or enjoyed in connection with any property hereinbefore or in the Mortgage, as heretofore supplemented, described.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, products and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which

FPL now has or may hereinafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by FPL that, subject to the provisions of Section 87 of the Mortgage, all the property, rights, and franchises acquired by FPL after the date hereof (except any herein or in the Mortgage, as heretofore supplemented, expressly excepted) shall be and are as fully granted and conveyed hereby and as fully embraced within the Lien of the Mortgage, as if such property, rights and franchises were now owned by FPL and were specifically described herein and conveyed hereby.

PROVIDED that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the Lien and operation of this One Hundred Third Supplemental Indenture and from the Lien and operation of the Mortgage, as heretofore supplemented, viz: (1) cash, shares of stock, bonds, notes and other obligations and other securities not hereafter specifically pledged, paid, deposited, delivered or held under the Mortgage or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business and fuel (including Nuclear Fuel unless expressly subjected to the Lien and operation of the Mortgage by FPL in a future Supplemental Indenture), oil and similar materials and supplies consumable in the operation of any properties of FPL; rolling stock, buses, motor coaches, automobiles and other vehicles; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage or covenanted so to be; (4) the last day of the term of any lease or leasehold which may hereafter become subject to the Lien of the Mortgage; (5) electric energy, gas, ice, and other materials or products generated, manufactured, produced or purchased by FPL for sale, distribution or use in the ordinary course of its business; all timber, minerals, mineral rights and royalties; (6) FPL's franchise to be a corporation; and (7) the properties already sold or in the process of being sold by FPL and heretofore released from the Mortgage and Deed of Trust, dated as of January 1, 1926, from Florida Power & Light Company to Bankers Trust Company and The Florida National Bank of Jacksonville, trustees, and specifically described in three separate releases executed by Bankers Trust Company and The Florida National Bank of Jacksonville, dated July 28, 1943, October 6, 1943 and December 11, 1943, which releases have heretofore been delivered by the said trustees to FPL and recorded by FPL among the Public Records of all Counties in which such properties are located; provided, however, that the property and rights expressly excepted from the Lien and operation of the Mortgage in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event and as of the date that the Trustee or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XIII of the Mortgage by reason of the occurrence of a Default as defined in Section 65 thereof.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by FPL as aforesaid, or intended so to be, unto Deutsche Bank Trust Company Americas, the Trustee, and its successors and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the

Mortgage, as heretofore supplemented, this One Hundred Third Supplemental Indenture being supplemental thereto.

AND IT IS HEREBY COVENANTED by FPL that all terms, conditions, provisos, covenants and provisions contained in the Mortgage shall affect and apply to the property hereinbefore described and conveyed and to the estate, rights, obligations and duties of FPL and the Trustee and the beneficiaries of the trust with respect to said property, and to the Trustee and its successors as Trustee of said property in the same manner and with the same effect as if said property had been owned by FPL at the time of the execution of the Mortgage, and had been specifically and at length described in and conveyed to said Trustee, by the Mortgage as a part of the property therein stated to be conveyed.

FPL further covenants and agrees to and with the Trustee and its successors in said trust under the Mortgage, as follows:

ARTICLE I
One Hundred First Series of Bonds

Section 1. (I) There shall be a series of bonds designated "5 5/8% Series due April 1, 2034", herein sometimes referred to as the "One Hundred First Series", each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof, which shall be established by Resolution of the Board of Directors of FPL, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the One Hundred First Series shall mature on April 1, 2034 and shall be issued as fully registered bonds in denominations of One Thousand Dollars and, at the option of FPL, in any multiple or multiples of One Thousand Dollars (the exercise of such option to be evidenced by the execution and delivery thereof); they shall bear interest at the rate of 5 5/8% per annum, payable semi-annually on October 1 and April 1 of each year (each an "Interest Payment Date") commencing on October 1, 2003; the principal of and interest on each said bond to be payable at the office or agency of FPL in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Bonds of the One Hundred First Series shall be dated as in Section 10 of the Mortgage provided. The record date for payments of interest on any Interest Payment Date shall be the close of business on (1) the business day immediately preceding such Interest Payment Date so long as the bonds of the One Hundred First Series are in book-entry only form, registered in the name of The Depository Trust Company or any other successor depositary or a nominee thereof or (2) the 15th calendar day immediately preceding each Interest Payment Date if the bonds of the One Hundred First Series are not in book-entry only form, registered in the name of The Depository Trust Company or any other successor depositary or a nominee thereof. Interest on the bonds of the One Hundred First Series will accrue from and including April 4, 2003 to and excluding the first Interest Payment Date and, thereafter, interest on each bond of the One Hundred First Series will accrue from and including the last Interest Payment Date to which interest has paid or duly provided for. No interest will accrue on a bond of the One Hundred First Series for the day on which such bond matures. The amount of interest payable for any period will be computed on the basis of a 360-day year consisting of twelve 30-day months. The amount of interest payable for any period shorter than a full semi-annual period for which interest is computed will be computed on the basis of the number of days in the period using 30-day calendar months.

(II) Bonds of the One Hundred First Series shall be redeemable either at the option of FPL or pursuant to the requirements of the Mortgage (including, among other requirements, the application of cash delivered to or deposited with the Trustee pursuant to the provisions of Section 64 of the Mortgage or with proceeds of Released Property) in whole at any time, or in part from time to time, prior to maturity, upon notice, as provided in Section 52 of the Mortgage, mailed at least thirty (30) days prior to the date fixed for redemption (the "Redemption Date"), at a price (the "Redemption Price") equal to 100% of the principal amount thereof plus accrued and unpaid interest, if any, to the Redemption Date plus a premium, if any (the "Make-Whole Premium"). In no event will the Redemption Price be less than 100% of the principal amount of the bonds of the One Hundred First Series being redeemed plus accrued and unpaid interest to the Redemption Date.

The amount of the Make-Whole Premium with respect to any bond of the One Hundred First Series (or portion thereof) to be redeemed will be equal to the excess, if any, of:

(1) the sum of the present values, calculated as of the Redemption Date, of:

a. each interest payment that, but for such redemption, would have been payable on the bond of the One Hundred First Series (or portion thereof) being redeemed on each Interest Payment Date occurring after the Redemption Date (excluding any accrued interest for the period prior to the Redemption Date); and

b. the principal amount that, but for such redemption, would have been payable at the final maturity of the bond of the One Hundred First Series (or portion thereof) being redeemed; over

(2) the principal amount of the bond of the One Hundred First Series (or portion thereof) being redeemed.

The present values of interest and principal payments referred to in clause (1) above will be determined in accordance with generally accepted principles of financial analysis. Such present values will be calculated by discounting the amount of each payment of interest or principal from the date that each such payment would have been payable, but for the redemption, to the Redemption Date at a discount rate equal to the Treasury Yield (as defined below) plus 20 basis points.

The Make-Whole Premium will be calculated by an independent investment banking institution of national standing appointed by FPL; *provided* that if FPL fails to make such appointment at least 30 days prior to the Redemption Date, or if the institution so appointed is unwilling or unable to make such calculation, such calculation will be made by Banc of America Securities LLC or Wachovia Securites, Inc. or, if such firms are unwilling or unable to make such calculation, by an independent investment banking institution of national standing appointed by the Trustee at the expense of FPL (in any such case, an "Independent Investment Banker").

For purposes of determining the Make-Whole Premium, "Treasury Yield" means a rate of interest per annum equal to the weekly average yield to maturity of United States Treasury

Notes that have a constant maturity that corresponds to the remaining term to maturity of the bonds of the One Hundred First Series to be redeemed, calculated to the nearest 1/12th of a year (the "Remaining Term"). The Treasury Yield will be determined as of the third business day immediately preceding the applicable Redemption Date.

The weekly average yields of United States Treasury Notes will be determined by reference to the most recent statistical release published by the Federal Reserve Bank of New York and designated "H.15(519) Selected Interest Rates" or any successor release (the "H.15 Statistical Release"). If the H.15 Statistical Release sets forth a weekly average yield for the United States Treasury Notes having a constant maturity that is the same as the Remaining Term, then the Treasury Yield will be equal to such weekly average yield. In all other cases, the Treasury Yield will be calculated by interpolation, on a straight-line basis, between the weekly average yields on the United States Treasury Notes that have a constant maturity closest to and greater than the Remaining Term and the United States Treasury Notes that have a constant maturity closest to and less than the Remaining Term (in each case as set forth in the H.15 Statistical Release). Any weekly average yields so calculated by interpolation will be rounded to the nearest 1/100th of 1%, with any figure of 1/200th of 1% or above being rounded upward. If weekly average yields for United States Treasury Notes are not available in the H.15 Statistical Release or otherwise, then the Treasury Yield will be calculated by interpolation of comparable rates selected by the Independent Investment Banker.

(III) At the option of the registered owner, any bonds of the One Hundred First Series, upon surrender thereof for exchange at the office or agency of FPL in the Borough of Manhattan, The City of New York, together with a written instrument of transfer wherever required by FPL, duly executed by the registered owner or by his duly authorized attorney, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations.

Bonds of the One Hundred First Series shall be transferable (subject to the provisions of Section 12 of the Mortgage) at the office or agency of FPL in the Borough of Manhattan, The City of New York.

Upon any exchange or transfer of bonds of the One Hundred First Series, FPL may make a charge therefor sufficient to reimburse it for any tax or taxes or other governmental charge, as provided in Section 12 of the Mortgage, but FPL hereby waives any right to make a charge in addition thereto for any exchange or transfer of bonds of the One Hundred First Series.

ARTICLE II
Dividend Covenant

Section 2. Section 3 of the Third Supplemental Indenture, as heretofore amended, is hereby further amended by inserting the words "or One Hundred First Series" immediately before the words "remain Outstanding".

ARTICLE III
Miscellaneous Provisions

Section 3. Subject to the amendments provided for in this One Hundred Third Supplemental Indenture, the terms defined in the Mortgage, as heretofore supplemented, shall, for all purposes of this One Hundred Third Supplemental Indenture, have the meanings specified in the Mortgage, as heretofore supplemented.

Section 4. The holders of bonds of the One Hundred First Series consent that FPL may, but shall not be obligated to, fix a record date for the purpose of determining the holders of bonds of the One Hundred First Series entitled to consent to any amendment, supplement or waiver. If a record date is fixed, those persons who were holders at such record date (or their duly designated proxies), and only those persons, shall be entitled to consent to such amendment, supplement or waiver or to revoke any consent previously given, whether or not such persons continue to be holders after such record date. No such consent shall be valid or effective for more than 90 days after such record date.

Section 5. The Trustee hereby accepts the trust herein declared, provided, created or supplemented and agrees to perform the same upon the terms and conditions herein and in the Mortgage, as heretofore supplemented, set forth and upon the following terms and conditions:

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this One Hundred Third Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by FPL solely. In general, each and every term and condition contained in Article XVII of the Mortgage, as heretofore amended, shall apply to and form part of this One Hundred Third Supplemental Indenture with the same force and effect as if the same were herein set forth in full with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this One Hundred Third Supplemental Indenture.

Section 6. Whenever in this One Hundred Third Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XVI and XVII of the Mortgage, as heretofore amended, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this One Hundred Third Supplemental Indenture contained by or on behalf of FPL, or by or on behalf of the Trustee, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

Section 7. Nothing in this One Hundred Third Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons Outstanding under the Mortgage, any right, remedy or claim under or by reason of this One Hundred Third Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this One Hundred Third Supplemental Indenture contained by or on behalf of FPL shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and coupons Outstanding under the Mortgage.

Section 8. The Mortgage, as heretofore supplemented and amended and as supplemented hereby, is intended by the parties hereto, as to properties now or hereafter encumbered thereby and located within the State of Georgia, to operate and is to be construed as granting a lien only on such properties and not as a deed passing title thereto.

Section 9. This One Hundred Third Supplemental Indenture shall be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, FPL has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, and DEUTSCHE BANK TRUST COMPANY AMERICAS has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by one of its Vice Presidents or Assistant Vice Presidents, and its corporate seal to be attested by one of its Assistant Vice Presidents, one of its Assistant Secretaries or one of its Associates, all as of the day and year first above written.

FLORIDA POWER & LIGHT COMPANY

By: /s/ K. M. Davis
K. M. Davis
Vice President, Accounting, Controller
and Chief Accounting Officer
9250 West Flagler Street
Miami, FL 33102

Attest:

/s/ Paul I. Cutler
Paul I. Cutler
Treasurer and Assistant Secretary
700 Universe Boulevard
Juno Beach, FL 33408

Executed, sealed and delivered by
FLORIDA POWER & LIGHT COMPANY
in the presence of:

/s/ Amy Black

/s/ Harold J. McCarthy

DEUTSCHE BANK TRUST COMPANY AMERICAS
As Trustee

By: /s/ Richard L. Buckwalter
Richard L. Buckwalter
Vice President
280 Park Avenue
New York, NY 10017

Attest: /s/ Boris Treyger
Boris Treyger
Associate
280 Park Avenue
New York, NY 10017

Executed, sealed and delivered
by DEUTSCHE BANK TRUST COMPANY AMERICAS
in the presence of:

/s/ Alexies Sornoza

/s/ Cory Calabrese

STATE OF FLORIDA }
COUNTY OF PALM BEACH } SS:

On the 2nd day of April, in the year 2003, before me personally came K. M. Davis, to me known, who, being by me duly sworn, did depose and say that he resides at 1101 N.W. 115th Ave., Plantation, FL 33323; that he is the Vice President, Accounting, Controller and Chief Accounting Officer of FLORIDA POWER & LIGHT COMPANY, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

I HEREBY CERTIFY, that on this 2nd day of April, 2003, before me personally appeared K. M. Davis and Paul I. Cutler, respectively, the Vice President, Accounting, Controller and Chief Accounting Officer and the Treasurer and Assistant Secretary of FLORIDA POWER & LIGHT COMPANY, a corporation under the laws of the State of Florida, to me known to be the persons described in and who executed the foregoing instrument and severally acknowledged the execution thereof to be their free act and deed as such officers, for the uses and purposes therein mentioned; and that they affixed thereto the official seal of said corporation, and that said instrument is the act and deed of said corporation.

K. M. Davis and Paul I. Cutler produced Florida Driver's License No. D120-513-46-467-0 and Florida Driver's License No. C346-689-59-470 as identification, respectively.

WITNESS my signature and official seal at Juno Beach, in the County of Palm Beach, and State of Florida, the day and year last aforesaid.

/s/ Lisa Breeze-Fox

LISA BREEZE-FOX
Notary Public, State of Florida
Commission # DD0118785
Expires 5/19/2006
Bonded through
Florida Notary Assn., Inc.

STATE OF NEW YORK }
COUNTY OF NEW YORK } SS:

On the 1st day of April, in the year 2003, before me personally came Richard L. Buckwalter, to me known, who, being by me duly sworn, did depose and say that he resides at 411 12th Street, Brooklyn, NY 11215; that he is a Vice President of DEUTSCHE BANK TRUST COMPANY AMERICAS, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

I HEREBY CERTIFY, that on this 1st day of April, 2003, before me personally appeared Richard L. Buckwalter and Boris Treyger, respectively, a Vice President and an Associate of DEUTSCHE BANK TRUST COMPANY AMERICAS, a corporation under the laws of the state of New York, to me known to be the persons described in and who executed the foregoing instrument and severally acknowledged the execution thereof to be their free act and deed as such officers, for the uses and purposes therein mentioned; and that they affixed thereto the official seal of said corporation, and that said instrument is the act and deed of said corporation.

Richard L. Buckwalter and Boris Treyger produced New York Driver's License No. 981 496 172 and New York Driver's License No. 566 157 657 as identification, respectively

WITNESS my signature and official seal at New York, in the County of New York, and State of New York, the day and year last aforesaid.

/s/ Annie Jaghatspanyan
Annie Jaghatspanyan
Notary Public, State of New York
No. 01JA6062022
Qualified in New York County
Commission Expires July 30, 2005

Exhibit (a)-3C

This instrument was prepared by:
Paul I. Cutler
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408

EXECUTED IN 60 COUNTERPARTS OF
WHICH THIS IS COUNTERPART NO. 3

FLORIDA POWER & LIGHT COMPANY

to

DEUTSCHE BANK TRUST COMPANY AMERICAS

(formerly known as Bankers Trust Company)

As Trustee under Florida Power & Light Company's Mortgage and Deed of Trust, Dated as of January 1, 1944.

One Hundred Fourth Supplemental Indenture

Relating to $300,000,000 Principal Amount of First Mortgage Bonds, 5.95% Series due October 1, 2033

Dated as of October 1, 2003

This Supplemental Indenture has been executed in several counterparts, all of which constitute but one and the same instrument. This Supplemental Indenture has been recorded in several counties and documentary stamp taxes as required by law in the amount of $1,050,000.00, and non-recurring intangible taxes as required by law in the amount of $76,161.00 were paid on the Supplemental Indenture recorded in the public records of Palm Beach County, Florida.

Note to Examiner: The new bonds ("New Bonds") being issued in connection with this Supplemental Indenture are secured by real property and personal property located both within Florida and outside of Florida. The aggregate fair market value of the collateral exceeds the aggregate principal amount of (y) the New Bonds plus (z) the other outstanding bonds secured by the mortgage supplemented hereby and all previous supplemental indentures thereto. The intangible tax has been computed pursuant to Section 199.133 (2), Florida Statutes, by (i) determining the percentage of the aggregate fair market value of the collateral constituting real property situated in Florida and by multiplying that percentage times the principal amount of the New Bonds (the result hereinafter defined as the "Tax Base") and (ii) multiplying the tax rate times the Tax Base.

ONE HUNDRED FOURTH SUPPLEMENTAL INDENTURE

INDENTURE, dated as of the first day of October, 2003, made and entered into by and between FLORIDA POWER & LIGHT COMPANY, a corporation of the State of Florida, whose post office address is 700 Universe Boulevard, Juno Beach, Florida 33408 (hereinafter sometimes called FPL), and DEUTSCHE BANK TRUST COMPANY AMERICAS (formerly known as Bankers Trust Company), a corporation of the State of New York, whose post office address is 60 Wall Street, 27th Floor, New York, New York 10005 (hereinafter called the Trustee), as the one hundred fourth supplemental indenture (hereinafter called the One Hundred Fourth Supplemental Indenture) to the Mortgage and Deed of Trust, dated as of January 1, 1944 (hereinafter called the Mortgage), made and entered into by FPL, the Trustee and The Florida National Bank of Jacksonville, as Co-Trustee (now resigned), the Trustee now acting as the sole trustee under the Mortgage, which Mortgage was executed and delivered by FPL to secure the payment of bonds issued or to be issued under and in accordance with the provisions thereof, reference to which Mortgage is hereby made, this One Hundred Fourth Supplemental Indenture being supplemental thereto;

WHEREAS, by an instrument, dated as of April 15, 2002, filed with the Banking Department of the State of New York, Bankers Trust Company effected a corporate name change pursuant to which, effective such date, it is known as Deutsche Bank Trust Company Americas;

WHEREAS, Section 8 of the Mortgage provides that the form of each series of bonds (other than the first series) issued thereunder shall be established by Resolution of the Board of Directors of FPL and that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof, and may also contain such provisions not inconsistent with the provisions of the Mortgage as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage; and

WHEREAS, Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon FPL by any provision of the Mortgage, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and FPL may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or FPL may cure any ambiguity contained therein, or in any supplemental indenture, or may establish the terms and provisions of any series of bonds other than said first series, by an instrument in writing executed and acknowledged by FPL in such manner as would be necessary to entitle a conveyance of real estate to be recorded in all of the states in which any property at the time subject to the Lien of the Mortgage shall be situated; and

WHEREAS, FPL now desires to create the series of bonds described in Article I hereof and to add to its covenants and agreements contained in the Mortgage certain other covenants and agreements to be observed by it and to alter and amend in certain respects the covenants and provisions contained in the Mortgage; and

WHEREAS, the execution and delivery by FPL of this One Hundred Fourth Supplemental Indenture, and the terms of the bonds, hereinafter referred to in Article I, have been duly authorized by the Board of Directors of FPL by appropriate resolutions of said Board of Directors;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That FPL, in consideration of the premises and of One Dollar to it duly paid by the Trustee at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further evidence of assurance of the estate, title and rights of the Trustee and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, according to their tenor and effect, and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of said bonds, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms (subject, however, to Excepted Encumbrances as defined in Section 6 of the Mortgage) unto Deutsche Bank Trust Company Americas, as Trustee under the Mortgage, and to its successor or successors in said trust, and to said Trustee and its successors and assigns forever, all property, real, personal and mixed, acquired by FPL after the date of the execution and delivery of the Mortgage (except any herein or in the Mortgage, as heretofore supplemented, expressly excepted), now owned (except any properties heretofore released pursuant to any provisions of the Mortgage and in the process of being sold or disposed of by FPL) or, subject to the provisions of Section 87 of the Mortgage, hereafter acquired by FPL and wheresoever situated, including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing) all lands, power sites, flowage rights, water rights, water locations, water appropriations, ditches, flumes, reservoirs, reservoir sites, canals, raceways, dams, dam sites, aqueducts, and all rights or means for appropriating, conveying, storing and supplying water; all rights of way and roads; all plants for the generation of electricity by steam, water and/or other power; all power houses, gas plants, street lighting systems, standards and other equipment incidental thereto, telephone, radio and television systems, air-conditioning systems and equipment incidental thereto, water works, water systems, steam heat and hot water plants, substations, lines, service and supply systems, bridges, culverts, tracks, ice or refrigeration plants and equipment, offices, buildings and other structures and the equipment thereof; all machinery, engines, boilers, dynamos, electric, gas and other machines, regulators, meters, transformers, generators, motors, electrical, gas and mechanical appliances, conduits, cables, water, steam heat, gas or other pipes, gas mains and pipes, service pipes, fittings, valves and connections, pole and transmission lines, wires, cables, tools, implements, apparatus, furniture, chattels, and choses in action; all municipal and other franchises, consents or permits; all lines for the transmission and distribution of electric current, gas, steam heat or water for any purpose including towers, poles, wires, cables, pipes, conduits, ducts and all apparatus for use in connection therewith; all real estate, lands, easements, servitudes, licenses, permits, franchises, privileges, rights of way and other rights in or relating to real estate or the occupancy of the same and (except as herein or in the Mortgage, as heretofore supplemented, expressly excepted) all the right, title and interest of FPL in and to all other property of any kind or nature appertaining to and/or used and/or occupied and/or enjoyed in connection with any property hereinbefore or in the Mortgage, as heretofore supplemented, described.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, products and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which FPL now has or may hereinafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by FPL that, subject to the provisions of Section 87 of the Mortgage, all the property, rights, and franchises acquired by FPL after the date hereof (except any herein or in the Mortgage, as heretofore supplemented, expressly excepted) shall be and are as fully granted and conveyed hereby and as fully embraced within the Lien of the Mortgage, as if such property, rights and franchises were now owned by FPL and were specifically described herein and conveyed hereby.

PROVIDED that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the Lien and operation of this One Hundred Fourth Supplemental Indenture and from the Lien and operation of the Mortgage, as heretofore supplemented, viz: (1) cash, shares of stock, bonds, notes and other obligations and other securities not hereafter specifically pledged, paid, deposited, delivered or held under the Mortgage or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business and fuel (including Nuclear Fuel unless expressly subjected to the Lien and operation of the Mortgage by FPL in a future Supplemental Indenture), oil and similar materials and supplies consumable in the operation of any properties of FPL; rolling stock, buses, motor coaches, automobiles and other vehicles; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage or covenanted so to be; (4) the last day of the term of any lease or leasehold which may hereafter become subject to the Lien of the Mortgage; (5) electric energy, gas, ice, and other materials or products generated, manufactured, produced or purchased by FPL for sale, distribution or use in the ordinary course of its business; all timber, minerals, mineral rights and royalties; (6) FPL's franchise to be a corporation; and (7) the properties already sold or in the process of being sold by FPL and heretofore released from the Mortgage and Deed of Trust, dated as of January 1, 1926, from Florida Power & Light Company to Bankers Trust Company and The Florida National Bank of Jacksonville, trustees, and specifically described in three separate releases executed by Bankers Trust Company and The Florida National Bank of Jacksonville, dated July 28, 1943, October 6, 1943 and December 11, 1943, which releases have heretofore been delivered by the said trustees to FPL and recorded by FPL among the Public Records of all Counties in which such properties are located; provided, however, that the property and rights expressly excepted from the Lien and operation of the Mortgage in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event and as of the date that the Trustee or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XIII of the Mortgage by reason of the occurrence of a Default as defined in Section 65 thereof.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by

FPL as aforesaid, or intended so to be, unto Deutsche Bank Trust Company Americas, the Trustee, and its successors and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, as heretofore supplemented, this One Hundred Fourth Supplemental Indenture being supplemental thereto.

AND IT IS HEREBY COVENANTED by FPL that all terms, conditions, provisos, covenants and provisions contained in the Mortgage shall affect and apply to the property hereinbefore described and conveyed and to the estate, rights, obligations and duties of FPL and the Trustee and the beneficiaries of the trust with respect to said property, and to the Trustee and its successors as Trustee of said property in the same manner and with the same effect as if said property had been owned by FPL at the time of the execution of the Mortgage, and had been specifically and at length described in and conveyed to said Trustee, by the Mortgage as a part of the property therein stated to be conveyed.

FPL further covenants and agrees to and with the Trustee and its successors in said trust under the Mortgage, as follows:

ARTICLE I
One Hundred Second Series of Bonds

Section 1. (I) There shall be a series of bonds designated "5.95% Series due October 1, 2033", herein sometimes referred to as the "One Hundred Second Series", each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof, which shall be established by Resolution of the Board of Directors of FPL, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the One Hundred Second Series shall mature on October 1, 2033 and shall be issued as fully registered bonds in denominations of One Thousand Dollars and, at the option of FPL, in any multiple or multiples of One Thousand Dollars (the exercise of such option to be evidenced by the execution and delivery thereof); they shall bear interest at the rate of 5.95% per annum, payable semi-annually on April 1 and October 1 of each year (each an "Interest Payment Date") commencing on April 1, 2004; the principal of and interest on each said bond to be payable at the office or agency of FPL in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Bonds of the One Hundred Second Series shall be dated as in Section 10 of the Mortgage provided. The record date for payments of interest on any Interest Payment Date shall be the close of business on (1) the business day immediately preceding such Interest Payment Date so long as the bonds of the One Hundred Second Series are in book-entry only form, registered in the name of The Depository Trust Company or any other successor depositary or a nominee thereof or (2) the 15th calendar day immediately preceding each Interest Payment Date if the bonds of the One Hundred Second Series are not in book-entry only form, registered in the name of The Depository Trust Company or any other successor depositary or a nominee thereof. Interest on the bonds of the One Hundred Second Series will accrue from and including October 15, 2003 to but excluding the first Interest Payment Date and, thereafter, from and including the last Interest Payment Date to which interest has been paid or duly provided for (and

if no interest has been paid on the bonds of the One Hundred Second Series, from October 15, 2003) to, but excluding, the next succeeding Interest Payment Date. No interest will accrue on a bond of the One Hundred Second Series for the day on which such bond matures. The amount of interest payable for any period will be computed on the basis of a 360-day year consisting of twelve 30-day months. The amount of interest payable for any period shorter than a full semi-annual period for which interest is computed will be computed on the basis of the number of days in the period using 30-day calendar months.

(II) Bonds of the One Hundred Second Series shall be redeemable either at the option of FPL or pursuant to the requirements of the Mortgage (including, among other requirements, the application of cash delivered to or deposited with the Trustee pursuant to the provisions of Section 64 of the Mortgage or with proceeds of Released Property) in whole at any time, or in part from time to time, prior to maturity, upon notice, as provided in Section 52 of the Mortgage, mailed at least thirty (30) days prior to the date fixed for redemption (the "Redemption Date"), at a price (the "Redemption Price") equal to 100% of the principal amount thereof plus accrued and unpaid interest, if any, to the Redemption Date plus a premium, if any (the "Make-Whole Premium"). In no event will the Redemption Price be less than 100% of the principal amount of the bonds of the One Hundred Second Series being redeemed plus accrued and unpaid interest to the Redemption Date.

The amount of the Make-Whole Premium with respect to any bond of the One Hundred Second Series (or portion thereof) to be redeemed will be equal to the excess, if any, of:

(1) the sum of the present values, calculated as of the Redemption Date, of:

a. each interest payment that, but for such redemption, would have been payable on the bond of the One Hundred Second Series (or portion thereof) being redeemed on each Interest Payment Date occurring after the Redemption Date (excluding any accrued interest for the period prior to the Redemption Date); and

b. the principal amount that, but for such redemption, would have been payable at the final maturity of the bond of the One Hundred Second Series (or portion thereof) being redeemed; over

(2) the principal amount of the bond of the One Hundred Second Series (or portion thereof) being redeemed.

The present values of interest and principal payments referred to in clause (1) above will be determined in accordance with generally accepted principles of financial analysis. Such present values will be calculated by discounting the amount of each payment of interest or principal from the date that each such payment would have been payable, but for the redemption, to the Redemption Date at a discount rate equal to the Treasury Yield (as defined below) plus 15 basis points.

The Make-Whole Premium will be calculated by an independent investment banking institution of national standing appointed by FPL; *provided* that if FPL fails to make such appointment at least 30 days prior to the Redemption Date, or if the institution so appointed is

unwilling or unable to make such calculation, such calculation will be made by Barclays Capital Inc. or Lehman Brothers Inc. or, if such firms are unwilling or unable to make such calculation, by an independent investment banking institution of national standing appointed by the Trustee at the expense of FPL (in any such case, an "Independent Investment Banker").

For purposes of determining the Make-Whole Premium, "Treasury Yield" means a rate of interest per annum equal to the weekly average yield to maturity of United States Treasury Notes that have a constant maturity that corresponds to the remaining term to maturity of the bonds of the One Hundred Second Series to be redeemed, calculated to the nearest 1/12th of a year (the "Remaining Term"). The Treasury Yield will be determined as of the third business day immediately preceding the applicable Redemption Date.

The weekly average yields of United States Treasury Notes will be determined by reference to the most recent statistical release published by the Federal Reserve Bank of New York and designated "H.15(519) Selected Interest Rates" or any successor release (the "H.15 Statistical Release"). If the H.15 Statistical Release sets forth a weekly average yield for the United States Treasury Notes having a constant maturity that is the same as the Remaining Term, then the Treasury Yield will be equal to such weekly average yield. In all other cases, the Treasury Yield will be calculated by interpolation, on a straight-line basis, between the weekly average yields on the United States Treasury Notes that have a constant maturity closest to and greater than the Remaining Term and the United States Treasury Notes that have a constant maturity closest to and less than the Remaining Term (in each case as set forth in the H.15 Statistical Release). Any weekly average yields so calculated by interpolation will be rounded to the nearest 1/100th of 1%, with any figure of 1/200th of 1% or above being rounded upward. If weekly average yields for United States Treasury Notes are not available in the H.15 Statistical Release or otherwise, then the Treasury Yield will be calculated by interpolation of comparable rates selected by the Independent Investment Banker.

(III) At the option of the registered owner, any bonds of the One Hundred Second Series, upon surrender thereof for exchange at the office or agency of FPL in the Borough of Manhattan, The City of New York, together with a written instrument of transfer wherever required by FPL, duly executed by the registered owner or by his duly authorized attorney, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations.

Bonds of the One Hundred Second Series shall be transferable (subject to the provisions of Section 12 of the Mortgage) at the office or agency of FPL in the Borough of Manhattan, The City of New York.

Upon any exchange or transfer of bonds of the One Hundred Second Series, FPL may make a charge therefor sufficient to reimburse it for any tax or taxes or other governmental charge, as provided in Section 12 of the Mortgage, but FPL hereby waives any right to make a charge in addition thereto for any exchange or transfer of bonds of the One Hundred Second Series.

ARTICLE II
Dividend Covenant

Section 2. Section 3 of the Third Supplemental Indenture, as heretofore amended, is hereby further amended by inserting the words "or One Hundred Second Series" immediately before the words "remain Outstanding".

ARTICLE III
Miscellaneous Provisions

Section 3. Subject to the amendments provided for in this One Hundred Fourth Supplemental Indenture, the terms defined in the Mortgage, as heretofore supplemented, shall, for all purposes of this One Hundred Fourth Supplemental Indenture, have the meanings specified in the Mortgage, as heretofore supplemented.

Section 4. The holders of bonds of the One Hundred Second Series consent that FPL may, but shall not be obligated to, fix a record date for the purpose of determining the holders of bonds of the One Hundred Second Series entitled to consent to any amendment, supplement or waiver. If a record date is fixed, those persons who were holders at such record date (or their duly designated proxies), and only those persons, shall be entitled to consent to such amendment, supplement or waiver or to revoke any consent previously given, whether or not such persons continue to be holders after such record date. No such consent shall be valid or effective for more than 90 days after such record date.

Section 5. The Trustee hereby accepts the trust herein declared, provided, created or supplemented and agrees to perform the same upon the terms and conditions herein and in the Mortgage, as heretofore supplemented, set forth and upon the following terms and conditions:

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this One Hundred Fourth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by FPL solely. In general, each and every term and condition contained in Article XVII of the Mortgage, as heretofore amended, shall apply to and form part of this One Hundred Fourth Supplemental Indenture with the same force and effect as if the same were herein set forth in full with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this One Hundred Fourth Supplemental Indenture.

Section 6. Whenever in this One Hundred Fourth Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XVI and XVII of the Mortgage, as heretofore amended, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this One Hundred Fourth Supplemental Indenture contained by or on behalf of FPL, or by or on behalf of the Trustee, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

Section 7. Nothing in this One Hundred Fourth Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons Outstanding

under the Mortgage, any right, remedy or claim under or by reason of this One Hundred Fourth Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this One Hundred Fourth Supplemental Indenture contained by or on behalf of FPL shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and coupons Outstanding under the Mortgage.

Section 8. The Mortgage, as heretofore supplemented and amended and as supplemented hereby, is intended by the parties hereto, as to properties now or hereafter encumbered thereby and located within the State of Georgia, to operate and is to be construed as granting a lien only on such properties and not as a deed passing title thereto.

Section 9. This One Hundred Fourth Supplemental Indenture shall be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, FPL has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, and DEUTSCHE BANK TRUST COMPANY AMERICAS has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by one of its Vice Presidents or Assistant Vice Presidents, and its corporate seal to be attested by one of its Assistant Vice Presidents, one of its Assistant Secretaries or one of its Associates, all as of the day and year first above written.

FLORIDA POWER & LIGHT COMPANY

By: /s/ K. Michael Davis
K. Michael Davis
Vice President, Accounting, Controller
and Chief Accounting Officer
9250 West Flagler Street
Miami, FL 33102

Attest:

/s/ Paul I. Cutler
Paul I. Cutler
Treasurer and Assistant Secretary
700 Universe Boulevard
Juno Beach, FL 33408

Executed, sealed and delivered by
FLORIDA POWER & LIGHT COMPANY
in the presence of:

/s/ Harold J. McCarthy

/s/ Lisa M. Schanen

DEUTSCHE BANK TRUST COMPANY AMERICAS
As Trustee

By: /s/ Wanda Camacho
Wanda Camacho
Vice President
60 Wall Street, 27th Floor
New York, NY 10005

Attest:

/s/ Irina Golovashchuk
Irina Golovashchuk
Associate
60 Wall Street, 27th Floor
New York, NY 10005

Executed, sealed and delivered by
DEUTSCHE BANK TRUST COMPANY AMERICAS
in the presence of:

/s/ Jennifer Davis

/s/ Maria Tokarz

STATE OF FLORIDA
COUNTY OF PALM BEACH } SS:

On the 10th day of October, in the year 2003, before me personally came K. Michael Davis, to me known, who, being by me duly sworn, did depose and say that he resides at 1101 N.W. 115th Ave., Plantation, FL 33323; that he is the Vice President, Accounting, Controller and Chief Accounting Officer of FLORIDA POWER & LIGHT COMPANY, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

I HEREBY CERTIFY, that on this 10th day of October, 2003, before me personally appeared K. Michael Davis and Paul I. Cutler, respectively, the Vice President, Accounting, Controller and Chief Accounting Officer and the Treasurer and Assistant Secretary of FLORIDA POWER & LIGHT COMPANY, a corporation under the laws of the State of Florida, to me known to be the persons described in and who executed the foregoing instrument and severally acknowledged the execution thereof to be their free act and deed as such officers, for the uses and purposes therein mentioned; and that they affixed thereto the official seal of said corporation, and that said instrument is the act and deed of said corporation.

K. Michael Davis and Paul I. Cutler produced Florida Driver's License No. D120-513-46-467-0 and Florida Driver's License No. C346-689-59-470 as identification, respectively.

WITNESS my signature and official seal at Juno Beach, in the County of Palm Beach, and State of Florida, the day and year last aforesaid.

/s/ Lisa Breeze-Fox

LISA BREEZE-FOX
Notary Public, State of Florida
Commission # DD0118785
Expires 5/19/2006
Bonded through
Florida Notary Assn., Inc.

STATE OF NEW YORK
COUNTY OF NEW YORK } SS:

On the 9th day of October, in the year 2003, before me personally came Wanda Camacho, to me known, who, being by me duly sworn, did depose and say that she resides at 86 Sheldon Avenue, Tarrytown, NY 10591; that she is a Vice President of DEUTSCHE BANK TRUST COMPANY AMERICAS, one of the corporations described in and which executed the above instrument; that she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that she signed her name thereto by like order.

I HEREBY CERTIFY, that on this 9th day of October, 2003, before me personally appeared Wanda Camacho and Irina Golovashchuk, respectively, a Vice President and an Associate of DEUTSCHE BANK TRUST COMPANY AMERICAS, a corporation under the laws of the state of New York, to me known to be the persons described in and who executed the foregoing instrument and severally acknowledged the execution thereof to be their free act and deed as such officers, for the uses and purposes therein mentioned; and that they affixed thereto the official seal of said corporation, and that said instrument is the act and deed of said corporation.

Wanda Camacho and Irina Golovashchuk produced New York Driver's License No. 645 045 185 and New Jersey Driver's License No. G6294 36600 54724 as identification, respectively

WITNESS my signature and official seal at New York, in the County of New York, and State of New York, the day and year last aforesaid.

/s/ Annie Jaghatspanyan

Annie Jaghatspanyan
Notary Public, State of New York
No. 01JA6062022
Qualified in New York County
Commission Expires July 30, 2005

Exhibit (a)-3C

NEW ISSUE **BOOK-ENTRY ONLY**

In the opinion of Squire, Sanders & Dempsey L.L.P., Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2003 Bonds is excluded from gross income for federal income tax purposes, except interest on any Series 2003 Bond for any period during which it is held by a "substantial user" or a "related person", as those terms are used in Section 147(a) of the Internal Revenue Code of 1986, as amended, (ii) interest on the Series 2003 Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (iii) the Series 2003 Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. For a more complete discussion of tax aspects, see "Tax Matters" herein.

$78,785,000
St. Lucie County, Florida
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

Interest Accrual Date: Date of Delivery Due: May 1, 2024

The Series 2003 Bonds may bear interest at a Daily, Weekly, Commercial Paper, Long-Term or Alternate Interest Rate, as described herein. The initial Interest Rate Period for the Series 2003 Bonds will be a Daily Interest Rate Period.

The bonds will be subject to repurchase and redemption upon the terms and in the manner described herein.

The Series 2003 Bonds are limited obligations of the Issuer and neither the faith and credit nor the taxing power of St. Lucie County, Florida, Broward County, Florida, Martin County, Florida, the State of Florida or any political subdivision thereof is pledged to the payment thereof. The Series 2003 Bonds are payable, except to the extent payable from the proceeds thereof and other moneys pledged therefor, solely from, and are secured by, a pledge of loan repayments to be received by the Issuer under a Loan Agreement with,



Florida Power & Light Company

The Series 2003 Bonds will be issuable as fully registered bonds and will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2003 Bonds. Purchases of Series 2003 Bonds may only be made (1) in the principal amount of $25,000 or any integral multiple of $25,000 while the Series 2003 Bonds bear interest at a Daily or Weekly Interest Rate, (2) in the principal amount of $25,000 or any integral multiple of $5,000 in excess of $25,000 while the Series 2003 Bonds bear interest at a Commercial Paper Interest Rate, (3) in the principal amount of $5,000 or any integral multiple of $5,000 while the Series 2003 Bonds bear interest at a Long-Term Interest Rate, and (4) in principal amounts that will be set forth in a supplement to this Official Statement if the Interest Rate Period is adjusted to be an Alternate Interest Rate Period. Except under the limited circumstances described herein, beneficial owners of interests in the Series 2003 Bonds will not receive certificates representing their interests in the Series 2003 Bonds. Payments of principal and premium, if any, and interest on Series 2003 Bonds will be made through DTC and its Participants and disbursements of such payments to purchasers will be the responsibility of such Participants (see "The Series 2003 Bonds—Book-Entry System" herein). The Series 2003 Bonds are subject to redemption prior to maturity as described herein. The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, is the Trustee for the Series 2003 Bonds. The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, is the Tender Agent/Paying Agent/Registrar for the Series 2003 Bonds.

Price: 100%

The Series 2003 Bonds will be offered by the Underwriter when, as and if issued by the Issuer and accepted by the Underwriter, subject to the approving opinion of Squire, Sanders & Dempsey L.L.P., Bond Counsel, and to certain other conditions. Steel Hector & Davis LLP, West Palm Beach, Florida, and Thelen Reid & Priest LLP, New York, New York, counsel for Florida Power & Light Company ("FPL"), will pass upon certain legal matters pertaining to FPL. Certain legal matters will be passed upon for the Underwriter by Hunton & Williams LLP, New York, New York, counsel to the Underwriter. It is expected that delivery of the Series 2003 Bonds will be made on or about May 1, 2003 in New York, New York.

Wachovia Bank, National Association

April 30, 2003

In connection with this offering, the underwriter may overallot or effect transactions that stabilize or maintain the market price of the Series 2003 Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

ADDRESSES OF CERTAIN PARTIES

FPL	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Treasurer
Initial Remarketing Agent	Wachovia Bank, National Association 301 South College Street, DC-8 Charlotte, NC 28288-0600 Attention: Municipal Trading Desk
Trustee	The Bank of New York Trust Company of Florida, N.A. 10161 Centurion Parkway Jacksonville, Florida 32256 Attention: Corporate Trust Division
Tender Agent/Paying Agent/Registrar	The Bank of New York Trust Company of Florida, N.A. 10161 Centurion Parkway Jacksonville, Florida 32256 Attention: Corporate Trust Division

SELECTED INFORMATION RELATING TO THE SERIES 2003 BONDS

The following information is furnished solely to provide limited introductory information regarding the terms of the Series 2003 Bonds and does not purport to be comprehensive. A summary of such terms in chart form appears as Appendix B of this Official Statement. All such information is qualified in its entirety by reference to the more detailed descriptions appearing in this Official Statement and should be read together therewith. Certain terms used in the following selected information are defined under "Certain Definitions." The offering of the Series 2003 Bonds is made only by means of this entire Official Statement. No person is authorized to make offers to sell, or solicit offers to buy, Series 2003 Bonds unless this entire Official Statement is delivered in connection therewith.

General

The Series 2003 Bonds will mature on May 1, 2024. The term of the Series 2003 Bonds will be divided into consecutive Interest Rate Periods at the direction of FPL, during which the Series 2003 Bonds may bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Interest Rates applicable to each Series 2003 Bond, a Long-Term Interest Rate or an Alternate Interest Rate.

The initial Interest Rate Period for the Series 2003 Bonds will be a Daily Interest Rate Period. Wachovia Bank, National Association has been appointed initial Remarketing Agent with respect to the Series 2003 Bonds. The initial Interest Payment Date shall be June 6, 2003.

Daily Interest Rate Period

Interest Rate	The interest rate for each Business Day will be established by the Remarketing Agent on that Business Day. The interest rate for a day that is not a Business Day will be the same as the interest rate for the preceding Business Day. The interest rate will be the minimum rate that the Remarketing Agent determines would permit the sale of the Series 2003 Bonds at 100% of their principal amount. Interest will be calculated on a 365/366-day year and the actual number of days elapsed.
Interest Payment	Interest will accrue on a calendar month basis and will be payable on the fifth Business Day of the next month and on the day after the last day of the Daily Interest Rate Period.
Purchase of Series 2003 Bonds Upon Demand	Owners may demand purchase of Series 2003 Bonds on any Business Day by giving an irrevocable notice by 10:30 a.m., New York City time.
Optional Redemption	Series 2003 Bonds will be redeemable, upon 30 days' notice, at the option of FPL, at a price equal to 100% of their principal amount plus accrued interest on any Business Day.
Change of Interest Rate Period	At any time, the Interest Rate Period for the Series 2003 Bonds may be adjusted from a Daily Interest Rate Period to a Weekly Interest Rate Period, a Commercial Paper

	Interest Rate Period, a Long-Term Interest Rate Period or an Alternate Interest Rate Period. Notice to the Owners of the Series 2003 Bonds will be given at least 15 days prior to the effective date of the new Interest Rate Period.
Mandatory Tender for Purchase	The Series 2003 Bonds are subject to mandatory tender for purchase on the effective date of any change in the Interest Rate Period.
Weekly Interest Rate Period	
Interest Rate	The interest rate for each seven-day period, Wednesday through Tuesday, will be established by the Remarketing Agent no later than the Business Day preceding each Wednesday. The interest rate will be the minimum rate that the Remarketing Agent determines would permit the sale of the Series 2003 Bonds at a price equal to 100% of their principal amount. Interest will be calculated on a 365/366-day year and the actual number of days elapsed.
Interest Payment	Interest will accrue from, and be payable monthly on, the first Wednesday of each month and will also be payable on the day after the last day of the Weekly Interest Rate Period.
Purchase of Series 2003 Bonds Upon Demand	Owners may demand purchase of Series 2003 Bonds on any Business Day by giving at least seven days' irrevocable notice to the Tender Agent of the day of purchase.
Optional Redemption	Series 2003 Bonds will be redeemable, upon 30 days' notice, at the option of FPL, at a price equal to 100% of their principal amount plus accrued interest on any Business Day.
Change of Interest Rate Period	At any time, the Interest Rate Period for the Series 2003 Bonds may be adjusted from a Weekly Interest Rate Period to a Daily Interest Rate Period, a Commercial Paper Interest Rate Period, a Long-Term Interest Rate Period or an Alternate Interest Rate Period. Notice to the Owners of the Series 2003 Bonds will be given at least 15 days prior to the effective date of the new Interest Rate Period.
Mandatory Tender for Purchase	The Series 2003 Bonds are subject to mandatory tender for purchase on the effective date of any change in the Interest Rate Period.

Commercial Paper Interest Rate Period

Interest Periods and Rates for Each Series 2003 Bond	A Commercial Paper Interest Rate Period will be comprised, for each Series 2003 Bond, of a series of consecutive and individual Commercial Paper Periods. Each Commercial Paper Period will be not less than one nor more than 364 days. Each Commercial Paper Period will commence on a Business Day (the "Commercial Paper Date") and end on a day preceding a Business Day. During each Commercial Paper Period for each Series 2003 Bond, such Series 2003 Bond will bear interest at a fixed rate (the "Commercial Paper Interest Rate"). Each Series 2003 Bond may have a different Commercial Paper Period and Commercial Paper Interest Rate.
Interest Rate (Commercial Paper Interest Rate)	The Commercial Paper Interest Rate for each Commercial Paper Period for each Series 2003 Bond will be established by the Remarketing Agent not later than the Commercial Paper Date for such Commercial Paper Period. The Commercial Paper Interest Rate for each Commercial Paper Period for each Series 2003 Bond will be the minimum rate that the Remarketing Agent determines would permit the sale of such Series 2003 Bond at a price equal to 100% of its principal amount on the Commercial Paper Date. Interest will be calculated on 365/366-day year and the actual number of days elapsed.
Interest Payment	Interest will accrue from each Commercial Paper Date for each Series 2003 Bond through and including the last day of the related Commercial Paper Period and will be payable on the day after the last day of such Commercial Paper Period, upon presentation of such Series 2003 Bond to the Tender Agent.
Optional Redemption	Each Series 2003 Bond will be redeemable, upon 30 days' notice, at the option of FPL, at a price equal to 100% of its principal amount on the day after the last day of each Commercial Paper Period for such Series 2003 Bond.
Change of Interest Rate Period	On the day after the last day of any Commercial Paper Period for a Series 2003 Bond, the Interest Rate Period for such Series 2003 Bond may be adjusted from a Commercial Paper Interest Rate Period to a Daily Interest Rate Period, a Weekly Interest Rate Period, a Long-Term Interest Rate Period or an Alternate Interest Rate Period. Notice to the Owner of such Series 2003 Bond will be given at least 15 days prior to the effective date of the new Interest Rate Period.

Mandatory Tender for Purchase	Each Series 2003 Bond will be purchased on the day after the last day of each Commercial Paper Period with respect to such Series 2003 Bond.
Long-Term Interest Rate Period	
Interest Rate	The interest rate for each Long-Term Interest Rate Period will be established by the Remarketing Agent not later than the first day of that period. The interest rate will be the minimum rate that the Remarketing Agent determines would permit the sale of the Series 2003 Bonds at a price equal to 100% of their principal amount. Interest will be calculated on a 360-day year consisting of twelve 30-day months.
Interest Payment	Interest will be payable on each May 1 and November 1, and on the day after the end of the Long-Term Interest Rate Period.
Optional Redemption	Series 2003 Bonds will be redeemable, upon 30 days' notice, at the option of FPL, after various no-call periods, at declining premiums as described herein. Series 2003 Bonds will also be redeemable upon 30 days' notice, at the option of FPL, upon the occurrence of certain extraordinary events as described herein, at the principal amount thereof, plus accrued interest and any applicable premium, as described herein.
Change of Interest Rate Period	The Interest Rate Period may be adjusted from a Long-Term Interest Rate Period to a Daily Interest Rate Period, a Weekly Interest Rate Period, a Commercial Paper Interest Rate Period, an Alternate Interest Rate Period or another Long-Term Interest Rate Period. The effective date for such change must be the day after the end of the Long-Term Interest Rate Period or a day on which the Series 2003 Bonds could be redeemed at the option of FPL. Notice to the Owners of the Series 2003 Bonds will be given at least 15 days prior to the effective date (30 days if the effective date is not the day after the originally scheduled last day of the Long-Term Interest Rate Period).
Mandatory Tender for Purchase	The Series 2003 Bonds are subject to mandatory tender for purchase on the first day of each Interest Rate Period.
Alternate Interest Rate Period	
General	If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Length of Interest Rate Periods

Each Commercial Paper Interest Rate Period, Daily Interest Rate Period and Weekly Interest Rate Period will continue until the date on which FPL determines that a different Interest Rate Period will begin. Each Long-Term Interest Rate Period shall be for a term selected by FPL, which shall be one year or more. FPL may also specify a succession of Long-Term Interest Rate Periods. Each Commercial Paper Period within a Commercial Paper Interest Rate Period will be for a term of 364 days or less. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

CERTAIN DEFINITIONS

As used in this Official Statement:

"Alternate Interest Rate" means an interest rate established periodically in accordance with Section 201(j) of the Indenture.

"Alternate Interest Rate Period" means each period during which an Alternate Interest Rate is in effect.

"Business Day" means a day on which banks located in the cities in which the Principal Offices of the Trustee and the Tender Agent are located are neither required nor authorized to remain closed and on which the New York Stock Exchange is not closed.

"Commercial Paper Interest Rate" means, with respect to each Series 2003 Bond, a fixed, non-variable interest rate on such Series 2003 Bond established periodically in accordance with the Indenture.

"Commercial Paper Interest Rate Period" means each period, comprised of Commercial Paper Periods, during which Commercial Paper Interest Rates are in effect.

"Commercial Paper Period" means, with respect to any Series 2003 Bond, each period established in accordance with the Indenture during which such Series 2003 Bond shall bear interest at a Commercial Paper Interest Rate.

"Daily Interest Rate" means a variable interest rate on the Series 2003 Bonds established in accordance with the Indenture.

"Daily Interest Rate Period" means each period during which a Daily Interest Rate is in effect.

"Favorable Opinion" means an opinion of counsel nationally recognized on the subject of, and qualified to render approving legal opinions on the issuance of, municipal bonds, acceptable to FPL and the Trustee, to the effect that a specific action proposed to be taken is authorized or permitted by the laws of the State of Florida and the Indenture and will not adversely affect any exclusion from gross income for federal income tax purposes of the interest on the Series 2003 Bonds.

"Interest Accrual Date" means (i) with respect to any Daily Interest Rate Period, the first day thereof and, thereafter, the first day of each calendar month during that Daily Interest Rate Period, (ii) with respect to any Weekly Interest Rate Period, the first day thereof and, thereafter, the first Wednesday of each calendar month during that Weekly Interest Rate Period, (iii) with respect to any Long-Term Interest Rate Period, the first day thereof and, thereafter, each Interest Payment Date in respect thereof, other than the last such Interest Payment Date, (iv) with respect to each Commercial Paper Period, the first day thereof, and (v) with respect to each Alternate Interest Rate Period, each date specified as such in a supplement to this Official Statement.

"Interest Payment Date" means (i) with respect to any Daily Interest Rate Period, the fifth Business Day of each calendar month, (ii) with respect to any Weekly Interest Rate Period, the first Wednesday of each calendar month, or, if such first Wednesday shall not be a Business Day, the next Business Day, (iii) with respect to any Long-Term Interest Rate Period, each May 1 and November 1, (iv) with respect to any Commercial Paper Period, the day after the last day thereof, (v) with respect to any Alternate Interest Rate Period, each date specified as such in a supplement to this Official Statement and (vi) with respect to each Interest Rate Period, the day after the last day thereof.

"Interest Rate Period" means any Daily Interest Rate Period, any Weekly Interest Rate Period, any Commercial Paper Interest Rate Period, any Long-Term Interest Rate Period, or any Alternate Interest Rate Period.

"Long-Term Interest Rate" means, with respect to each Series 2003 Bond, a fixed, non-variable interest rate on the Series 2003 Bonds established in accordance with the Indenture.

"Long-Term Interest Rate Period" means each period during which a Long-Term Interest Rate is in effect.

"Owner" means the person or entity in whose name any Series 2003 Bond is registered upon the registration books for the Series 2003 Bonds.

"Principal Office" of the Trustee, Tender Agent or Registrar means the address of such party listed under "Addresses of Certain Parties" in this Official Statement, or such other address as is established or designated as such pursuant to the Indenture.

"Record Date" means, (i) with respect to any Interest Payment Date in respect of a Daily Interest Rate Period, the last Business Day of each calendar month during such Daily Interest Rate Period or, in the case of the last Interest Payment Date in respect of a Daily Interest Rate Period, the Business Day preceding such Interest Payment Date, (ii) with respect to any Interest Payment Date in respect of a Weekly Interest Rate Period or a Commercial Paper Period, the Business Day preceding such Interest Payment Date, (iii) with respect to any Interest Payment Date in respect of an Alternate Interest Rate Period, each date specified as such in a supplement to this Official Statement, and (iv) with respect to any Interest Payment Date in respect of a Long-Term Interest Rate Period, the fifteenth day preceding such Interest Payment Date or, in the case of an Interest Payment Date which is not at least 15 days after the first day of a Long-Term Interest Rate Period, such first day.

"Weekly Interest Rate" means a variable interest rate on the Series 2003 Bonds established in accordance with the Indenture.

"Weekly Interest Rate Period" means each period during which a Weekly Interest Rate is in effect.

$78,785,000
St. Lucie County, Florida
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

INTRODUCTORY STATEMENT

This Official Statement sets forth certain information with respect to the issuance by St. Lucie County, Florida (the "Issuer") of $78,785,000 aggregate principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Series 2003 Bonds"). The Issuer is a political subdivision of the State of Florida. The Series 2003 Bonds will bear interest and will be subject to prior redemption as set forth herein, will mature on the date set forth on the cover page hereof, shall be purchased, at the option of their Owners or upon mandatory tender, and shall have such other terms as are described herein under the heading "The Series 2003 Bonds".

The proceeds of the Series 2003 Bonds will be used, together with funds provided by Florida Power & Light Company ("FPL"), to refund and redeem on May 2, 2003 $5,315,000 principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1992 (the "St. Lucie Series 1992 Bonds"), to refund and redeem on July 29, 2003 $65,420,000 original principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2000B (the "St. Lucie Series 2000B Bonds"), to refund and redeem on May 2, 2003 $4,000,000 original principal amount of Broward County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "Broward Bonds"), and to refund and redeem on July 29, 2003 $4,050,000 original principal amount of Martin County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1993 (the "Martin Bonds").

The proceeds of the St. Lucie Series 2000B Bonds were used, together with funds provided by FPL, to refund and redeem $48,900,000 principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2000A (the "St. Lucie Series 2000A Bonds"), and $16,520,000 principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "St. Lucie Series 1991 Bonds"). The proceeds of the St. Lucie Series 2000A Bonds were used to refinance, and the proceeds of the St. Lucie Series 1991 Bonds and the St. Lucie Series 1992 Bonds were used to finance, a portion of the cost of acquisition, installation and construction of certain solid waste disposal facilities (the "St. Lucie Project") at Units 1 and 2 (the "St. Lucie Units") of the St. Lucie Electrical Generating Plant, an undivided interest in which is owned by FPL. The proceeds of the Broward Bonds were used to finance a portion of the cost of acquisition, installation and construction of certain solid waste disposal and sewage facilities (the "Broward Project") at Units 4 and 5 (the "Broward Units") of the Lauderdale Electrical Generating Plant, owned by FPL. The proceeds of the Martin Bonds were used to finance a portion of the cost of acquisition, installation and construction of certain solid waste disposal and sewage facilities (the "Martin Project", and together with the St. Lucie Project and the Broward Project, the "Project") at Units 3 and 4 (the "Martin Units," and together with the St. Lucie Units and the Broward Units, the "Units") of the Martin County Electrical Generating Plant, owned by FPL. Pursuant to a Loan Agreement, dated as of May 1 2003 (the "Agreement") by and between the Issuer and FPL, the Issuer will lend the proceeds from the sale of the Series 2003 Bonds to FPL.

The Series 2003 Bonds will be issued under a Trust Indenture, dated as of May 1, 2003 (the "Indenture"), by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as trustee (the "Trustee"), and under a resolution of the governing body of the Issuer.

The Issuer, Broward County, Florida and Martin County, Florida have entered into Interlocal Agreements which authorize the Issuer to act on behalf of Broward County, Florida, Martin County, Florida and itself for the purposes of issuing the Series 2003 Bonds to refinance the Project.

The Series 2003 Bonds will be limited obligations of the Issuer entitled, ratably and equally, to the benefits of the Indenture, and will be payable, except to the extent payable from the Series 2003 Bond proceeds and other moneys pledged therefor, solely from, and will be secured by an assignment and pledge of, the rights of the Issuer in the Agreement (except certain rights to indemnification and reimbursement of expenses) and all loan repayments by FPL thereunder, which payments will be sufficient, together with other funds available for such purpose, to pay, when due, the principal of and premium, if any, and interest on the Series 2003 Bonds so secured.

Except as otherwise provided by the Indenture and the Agreement, any Series 2003 Bonds which bear interest at a Long-Term Interest Rate will also be secured by a series of FPL's first mortgage bonds (the "Pledged Bonds") in like aggregate principal amount, issued under FPL's Mortgage and Deed of Trust, dated as of January 1, 1944, as supplemented, under which Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company) is the trustee (the "Mortgage"), and issued to the Trustee; provided, that in lieu of Pledged Bonds, FPL may deliver to the Trustee other credit enhancement sufficient to maintain the long-term ratings on the Series 2003 Bonds, as provided in the Indenture and the Agreement. If Pledged Bonds are issued to the Trustee, the Trustee will, ratably with the holders of all other bonds outstanding from time to time under the Mortgage, enjoy the benefit of a first mortgage lien on substantially all the properties and franchises of FPL. If and when any Series 2003 Bonds bear interest at a Long-Term Interest Rate, such Pledged Bonds or other credit enhancement will be described in a supplement to this Official Statement. No Pledged Bonds or other credit enhancement will be issued or delivered in connection with the initial delivery of the Series 2003 Bonds.

At any time other than when the Series 2003 Bonds bear interest at a Long-Term Interest Rate, FPL may (i) so long as no default or event of default has occurred and is continuing under the Indenture, at its sole option, or (ii) if a default or event of default has occurred and is continuing under the Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, deliver Pledged Bonds in an aggregate principal amount equal to the then outstanding aggregate principal amount of the Series 2003 Bonds. Such Pledged Bonds will bear interest at the interest rate applicable to the Series 2003 Bonds, will mature on the Maturity Date, and will be subject to surrender for cancellation at any time upon request by FPL as provided by the Indenture (i) so long as no default or event of default has occurred and is continuing under the Indenture, at the sole option of FPL, or (ii) if a default or event of default has occurred and is continuing under the Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding. Any such surrender and cancellation of Pledged Bonds could result in a downgrading in the ratings accorded to the Series 2003 Bonds and/or adversely affect either the ability of Owners to sell their Series 2003 Bonds and/or the price at which Owners would be able to sell their Series 2003 Bonds. See also "The Indenture – Remedies – Acceleration and Limitations Thereon" below.

The Series 2003 Bonds and the premium, if any, and interest thereon, or purchase price thereof, shall not be deemed to constitute a debt, liability or obligation of the Issuer, Broward County, Florida, Martin County, Florida, the State of Florida or of any political subdivision thereof, or a pledge of the faith and credit of the Issuer, Broward County, Florida, Martin County, Florida, the State of Florida or of any political subdivision thereof, but the Series 2003 Bonds shall be payable solely from the revenues and proceeds pledged and provided therefor, and the Issuer is not obligated to pay the Series 2003 Bonds or the premium, if any, or interest thereon, or purchase price thereof, except from the revenues and proceeds pledged and provided therefor, and the taxing power of the Issuer, Broward County, Florida, Martin County, Florida, the State of Florida or of any political subdivision thereof, is not pledged to the payment of the principal of or the premium, if any, or interest on, or purchase price of, the Series 2003 Bonds.

This Official Statement contains brief descriptions of the Series 2003 Bonds and summaries of certain provisions of the Agreement and the Indenture. Appendix A to this Official Statement has been furnished by FPL and contains and incorporates by reference information concerning the business of FPL and certain of its financial statements. Appendix B to this Official Statement contains a summary of the terms of the Series 2003 Bonds. The descriptions and summaries of documents herein do not purport to be comprehensive or definitive, and reference is made to each such document for the complete terms and conditions. All statements herein are qualified in their entirety by reference to each such document and, with respect to the enforceability of certain rights and remedies, to laws and principles of equity relating to or affecting generally the enforcement of creditors' rights. Terms not defined herein shall have the meanings set forth in the respective documents. Copies of the Agreement and the

Indenture are available for inspection at the offices of Thelen Reid & Priest LLP, 875 Third Avenue, New York, N.Y. 10022.

THE SERIES 2003 BONDS

General

Interest on the Series 2003 Bonds will accrue from their date of delivery, and the Series 2003 Bonds will mature on the date specified on the cover page hereof, subject to redemption prior to maturity as hereinafter described.

Series 2003 Bonds may be transferred or exchanged for other Series 2003 Bonds in authorized denominations at the Principal Office of The Bank of New York Trust Company of Florida, N.A., as Registrar, in Jacksonville, Florida. During a Long-Term Interest Rate Period, the authorized denominations will be $5,000 and any integral multiple of $5,000. During a Daily Interest Rate Period or a Weekly Interest Rate Period, the authorized denominations will be $25,000 and any integral multiple of $25,000 and, as necessary in order to total the outstanding principal amount, a single bond in the denomination of $25,000 and any integral multiple of $5,000 in excess of $25,000. During a Commercial Paper Interest Rate Period, the authorized denominations will be $25,000 and any integral multiple of $5,000 in excess of $25,000. During an Alternate Interest Rate Period, the authorized denominations will be as set forth in a supplement to this Official Statement. Exchanges and transfers shall be made without charge to the Owners, except for any applicable tax, fee or governmental charge required. Except in connection with the remarketing of Series 2003 Bonds, the Registrar shall not be obligated to make any such exchange or transfer of Series 2003 Bonds during the 15 days preceding the date of the first mailing of notice of any proposed redemption of Series 2003 Bonds, nor shall the Registrar be required to make any registration or transfer of Series 2003 Bonds called for redemption.

Trustee. The Bank of New York Trust Company of Florida, N.A. is the Trustee.

Tender Agent, Paying Agent and Registrar. The Bank of New York Trust Company of Florida, N.A. is the Tender Agent/Paying Agent/Registrar. The Tender Agent/Paying Agent/Registrar may be removed or replaced by FPL.

Remarketing Agent. Wachovia Bank, National Association has been appointed initial Remarketing Agent with respect to the Series 2003 Bonds under the Indenture. The term of appointment of any Remarketing Agent shall expire, and FPL shall appoint a successor Remarketing Agent, upon the adjustment of the interest rate determination method for the Series 2003 Bonds; provided, however, that FPL may appoint the then current Remarketing Agent as the successor Remarketing Agent. In addition, FPL may from time to time remove and replace the Remarketing Agent.

Book-Entry System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2003 Bonds. The Series 2003 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Series 2003 Bonds, in the aggregate principal amount of such Bonds, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry

transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by The New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2003 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2003 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2003 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2003 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2003 Bonds, except in the event that use of the book-entry system for the Series 2003 Bonds is discontinued, as discussed below.

To facilitate subsequent transfers, all Series 2003 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2003 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2003 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2003 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyances of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2003 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2003 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2003 Bonds may wish to ascertain that the nominee holding the Series 2003 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2003 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will itself consent or vote with respect to Series 2003 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2003 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Series 2003 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon

DTC's receipt of funds and corresponding detail information from the Issuer, the Trustee or the Paying Agent, on the relevant payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, is the responsibility of the Issuer, the Trustee or the Paying Agent, disbursement of payments to Direct Participants shall be the responsibility of DTC, and further disbursement of payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Series 2003 Bonds purchased or tendered, through its Participant, to the Tender Agent, and shall effect delivery of such Series 2003 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2003 Bonds, on DTC's records, to the Tender Agent. The requirement for physical delivery of Series 2003 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2003 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2003 Bonds to the Tender Agent's DTC account.

DTC may discontinue providing its services as securities depository with respect to the Series 2003 Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificates for the Series 2003 Bonds are required to be printed and delivered.

FPL may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates for the Series 2003 Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources (including DTC) that the Issuer and FPL believe to be reliable, but the Issuer and FPL take no responsibility for the accuracy thereof.

None of the Issuer, FPL, the Underwriter or the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests in any Series 2003 Bond or for maintaining, supervising or reviewing any records relating to such beneficial interests.

Security for the Series 2003 Bonds

The Series 2003 Bonds will be limited obligations of the Issuer, and the principal of and premium, if any, and interest on, and purchase price of, the Series 2003 Bonds will be payable, except to the extent payable from Series 2003 Bond proceeds and other moneys pledged therefor, solely from, and will be secured by a pledge of, the payments required to be made by FPL pursuant to the Agreement. All rights of the Issuer under the Agreement have been pledged and assigned by the Issuer to the Trustee, except certain rights to indemnification and reimbursement of expenses.

Any Series 2003 Bonds that bear interest at a Long-Term Interest Rate will also be secured by Pledged Bonds or other credit enhancement as provided in the Agreement and the Indenture.

Interest Rate Periods

The term of the Series 2003 Bonds will be divided into consecutive Interest Rate Periods at the direction of FPL. Each Interest Rate Period will be either a Daily Interest Rate Period, Weekly Interest Rate Period, Commercial Paper Interest Rate Period, Long-Term Interest Rate Period or Alternate Interest Rate Period.

If FPL elects at any time to change to an Alternate Interest Rate Period, a supplement to this Official Statement will set forth the details thereof, including, without limitation, the manner of determining interest rates,

the effective date of adjustment, the term of the interest rate period, the interest payment dates and the provisions for tender for purchase and redemption, if any.

The initial Interest Rate Period for the Series 2003 Bonds will be a Daily Interest Rate Period. The interest rate or rates applicable during each subsequent Interest Rate Period will be determined as described below.

Determination of Interest Rates

General. During or with respect to each Interest Rate Period, other than any Alternate Interest Rate Period, the Remarketing Agent will determine the interest rate or rates applicable to the Series 2003 Bonds, which will be the minimum interest rate or rates which, if borne by the Series 2003 Bonds, would enable the Remarketing Agent to sell the Series 2003 Bonds on the applicable date at a price (without regard to accrued interest) equal to the principal amount thereof. The Remarketing Agent will base that determination on its examination of tax-exempt obligations comparable to the Series 2003 Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions. The Indenture sets forth certain fall-back rates if, for any reason, an interest rate or rates for the Series 2003 Bonds during any Interest Rate Period is not so determined by the Remarketing Agent. Except during a Long-Term Interest Rate Period ending on the day immediately preceding the Maturity Date, the Daily, Weekly, Commercial Paper or Long-Term Interest Rate shall not exceed 15% per annum. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to Alternate Interest Rates and the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Commencing on the first day of each Interest Rate Period and ending on the day preceding the effective date of the next Interest Rate Period, the Series 2003 Bonds will bear interest at either a Daily Interest Rate, a Weekly Interest Rate, a Commercial Paper Interest Rate, a Long-Term Interest Rate or an Alternate Interest Rate, all determined as set forth below:

Daily Interest Rate. The Daily Interest Rate will be determined by the Remarketing Agent on each Business Day for that Business Day. The Daily Interest Rate for any day that is not a Business Day will be the same as the Daily Interest Rate in effect for the preceding Business Day.

Weekly Interest Rate. The Weekly Interest Rate will be determined by the Remarketing Agent no later than the Business Day preceding the first day of each Weekly Interest Rate Period and thereafter no later than the Business Day preceding Wednesday of each week during the Weekly Interest Rate Period. The first Weekly Interest Rate determined for each Weekly Interest Rate Period will apply to the period commencing on the first day of that Interest Rate Period and ending on the next Tuesday. Thereafter, each Weekly Interest Rate will apply to the period commencing on Wednesday and ending on the earlier of the next Tuesday or the day preceding the effective date of the next Interest Rate Period.

Commercial Paper Periods and Commercial Paper Interest Rate. During a Commercial Paper Interest Rate Period, each Series 2003 Bond will bear interest at the Commercial Paper Interest Rate for that Series 2003 Bond through the day preceding the effective date of the next Commercial Paper Period for that Series 2003 Bond or the day preceding the next Interest Rate Period. Each Series 2003 Bond may have a different Commercial Paper Period and Commercial Paper Interest Rate. Each Commercial Paper Period and Commercial Paper Interest Rate for each Series 2003 Bond will be determined by the Remarketing Agent no later than the first day of the Commercial Paper Period.

Each Commercial Paper Period will be a period of not more than 364 days determined by the Remarketing Agent (taking into account certain factors set forth in the Indenture) to be the period which, together with all other Commercial Paper Periods for Series 2003 Bonds then outstanding, will result in the lowest overall interest expense on the Series 2003 Bonds over the next 364 days. However, the Commercial Paper Period must end on either a day which precedes a Business Day or the day preceding the Maturity Date of the Series 2003 Bonds. If for any reason a Commercial Paper Period for any Series 2003 Bond cannot be so determined by the Remarketing Agent, that Commercial Paper Period will have either the same number of days as the preceding Commercial Paper Period for that Series 2003 Bond, or, if there is no such preceding Commercial Paper Period, then 30 days, subject, in either event, to adjustment in

accordance with the Indenture to ensure that the Commercial Paper Period ends on a day preceding a Business Day or, if sooner, on the day preceding the Maturity Date of the Series 2003 Bonds.

Long-Term Interest Rate. *During each Long-Term Interest Rate Period, commencing and ending* on the date or dates specified or determined as described below, and during each successive Long-Term Interest Rate Period, if any, so determined, the Long-Term Interest Rate will be determined by the Remarketing Agent on the effective date of the Long-Term Interest Rate Period or on a Business Day selected by the Remarketing Agent not more than 30 days prior to such effective date. In the event of an adjustment from a Commercial Paper Interest Rate Period which results in the commencement of the Long-Term Interest Rate Period on two or more dates, a separate Long-Term Interest Rate will be determined by the Remarketing Agent effective as of each such date with respect to the particular Series 2003 Bonds adjusting to the Long-Term Interest Rate Period on such date.

Alternate Interest Rate. *If the Interest Rate Period is adjusted to be an Alternate Interest Rate* Period, information relating to the Alternate Interest Rate Period and Alternate Interest Rates will be set forth in a supplement to this Official Statement.

Payment of Principal and Interest. The principal of and premium, if any, on the Series 2003 Bonds shall be payable to the Owners of the Series 2003 Bonds upon presentation and surrender thereof at the Principal Office of the Trustee. Interest shall be payable by the Paying Agent by checks mailed to the Owners as of the Record Date in respect thereof or (except for interest in respect of a Long-Term Interest Rate Period) in immediately available funds by deposit to an account with the Paying Agent or by wire transfer to the accounts with commercial banks located within the United States of the Owners which shall have provided deposit or wire transfer instructions to the Paying Agent at least two Business Days prior to such Record Date, but, in the case of interest payable in respect of a Commercial Paper Period, only upon delivery of the Series 2003 Bond to the Tender Agent. So long as the Series 2003 Bonds are registered in the name of Cede & Co., payments of principal, premium, if any, and interest will be made as described above under "The Series 2003 Bonds - Book-Entry System".

Interest will be computed, in the case of a Long-Term Interest Rate Period, on the basis of a 360-day year consisting of twelve 30-day months and, in the case of any other Interest Rate Period, on the basis of a 365-or 366-day year, as appropriate, and the actual number of days elapsed.

Each Series 2003 Bond will bear interest from and including the Interest Accrual Date preceding the date of authentication thereof or, if that date of authentication is an Interest Accrual Date to which interest on the Series 2003 Bonds has been paid in full or duly provided for or the date of initial authentication of the Series 2003 Bonds, from that date of authentication. During each Interest Rate Period, interest on the Series 2003 Bonds will accrue and be payable as follows:

Daily Interest Rate Period. Interest on the Series 2003 Bonds will accrue on a calendar month basis and will be payable on the fifth Business Day of the next month and on the day after the last day of the Daily Interest Rate Period.

Weekly Interest Rate Period. Interest on the Series 2003 Bonds will accrue on a monthly basis from the first Wednesday of the month through the Tuesday preceding the Interest Payment Date and will be payable on the first Wednesday (or, if not a Business Day, the next Business Day) of the next month and on the day after the last day of the Weekly Interest Rate Period.

Commercial Paper Interest Rate Period. Interest on each Series 2003 Bond will accrue from the first day of each Commercial Paper Period for such Series 2003 Bond through and including the last day of the Commercial Paper Period for such Series 2003 Bond and will be payable on the day after the last day of such Commercial Paper Period.

Long-Term Interest Rate Period. Interest on the Series 2003 Bonds will accrue from the Interest Payment Date through and including the day preceding the next Interest Payment Date and will be payable

semiannually on each May 1 and November 1 and on the day after the last day of the Long-Term Interest Rate Period.

Alternate Interest Rate Period. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Adjustment of Interest Rate Period

General. At any time, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent, the Remarketing Agent and, with respect to an adjustment to an Alternate Interest Rate Period, any additional parties specified in a supplement to this Official Statement, FPL may elect to adjust the method of determining the interest rate with respect to the Series 2003 Bonds by adjusting to a different Interest Rate Period. That direction must specify the effective date of the new Interest Rate Period, which effective date must be a Business Day and may not be less than 15 days (unless the then-current Interest Rate Period is a Long-Term Interest Rate Period and such Long-Term Interest Rate Period ends on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) following the second Business Day after the receipt by the Trustee of the direction. Except in connection with adjustments from a Daily Interest Rate Period to a Weekly Interest Rate Period or Commercial Paper Interest Rate Period, from a Weekly Interest Rate Period to a Daily Interest Rate Period or Commercial Paper Interest Rate Period or from a Commercial Paper Interest Rate Period to a Daily Interest Rate Period or Weekly Interest Rate Period, that direction must be accompanied by a Favorable Opinion. Commencing on the effective date of an adjustment to another Interest Rate Period, the Series 2003 Bonds will bear interest at the applicable interest rate as described above.

Adjustment to Long-Term Interest Rate Period. In connection with its election to adjust to a Long-Term Interest Rate Period, FPL must specify, among other things:

(1) the effective date of the Long-Term Interest Rate Period;

(2) the duration of the Long-Term Interest Rate Period, which must be at least one year in duration and must end on a day preceding an Interest Payment Date (which must be a Business Day); and

(3) a date or dates on or prior to which Owners are required to deliver Series 2003 Bonds to be purchased (if other than the effective date).

The direction by FPL to adjust to a Long-Term Interest Rate Period also may specify:

(1) that the initial Long-Term Interest Rate Period will be followed by one or more successive Long-Term Interest Rate Periods and the durations thereof; and

(2) redemption prices greater or lesser, and after periods longer or shorter, than those set forth in the Indenture.

Except as otherwise permitted by the Indenture, any adjustment to a Long-Term Interest Rate Period is conditioned upon the Trustee receiving Pledged Bonds or other credit enhancement in compliance with the Indenture and the Agreement.

If FPL designates successive Long-Term Interest Rate Periods, but does not, with respect to the second or any subsequent Long-Term Interest Rate Period, specify a date or dates on or prior to which Owners are required to deliver Series 2003 Bonds or any modified redemption provisions, all as contemplated above, FPL may later specify any of such information not previously specified with respect to such Long-Term Interest Rate Period.

Adjustment From Long-Term Interest Rate Period. At any time during a Long-Term Interest Rate Period, FPL may elect that the Series 2003 Bonds no longer will bear interest at the Long-Term Interest Rate and instead will bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Interest Rates, an Alternate

Interest Rate or a new Long-Term Interest Rate, as specified in such election. The effective date of an adjustment from a Long-Term Interest Rate Period must be the day after the last day of the Long-Term Interest Rate Period or a day on which the Series 2003 Bonds may be redeemed at the option of the Issuer, at the direction of FPL. The notice of such election must be given to the Trustee not later than two Business Days prior to the fifteenth day before the effective date of the new Interest Rate Period (the thirtieth day if such effective date is not the day after the originally scheduled last day of the Long-Term Interest Rate Period). Series 2003 Bonds will be subject to mandatory tender for purchase on such effective date at a purchase price equal to the optional redemption price which would have been applicable on that date.

If, by the Business Day preceding the fifteenth day prior to the last day of any Long-Term Interest Rate Period, other than one of a succession of Long-Term Interest Rate Periods, FPL has not elected that the Series 2003 Bonds are to bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Long-Term Interest Rate, Commercial Paper Interest Rates or an Alternate Interest Rate, the next Interest Rate Period will be (i) if the Long-Term Interest Rate Period to expire is longer than one year in duration, a Long-Term Interest Rate Period ending on the day immediately preceding the next Interest Payment Date (which must be a Business Day) which is at least one year and one day after the first day of the new Long-Term Interest Rate Period, in which case a Favorable Opinion will not be required and FPL shall not be required to deliver Pledged Bonds or other credit enhancement to the Trustee in connection with the commencement of the new Long-Term Interest Rate Period or (ii) if the Long-Term Interest Rate Period to expire is one year in duration, a Daily Interest Rate Period and a Favorable Opinion will not be required.

Adjustment From Commercial Paper Interest Rate Period. At any time during a Commercial Paper Interest Rate Period, FPL may elect that Series 2003 Bonds no longer will bear interest at Commercial Paper Interest Rates and will instead bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Long-Term Interest Rate or an Alternate Interest Rate, as specified in the election. That election also must specify whether the effective date of the new Interest Rate Period will be (1) a single day for all Series 2003 Bonds, in which case the effective date will be the day after the earliest date on which all Commercial Paper Periods shall end as determined by the Remarketing Agent, or (2) different for each Series 2003 Bond, in which case the effective date will be the day after the last day of the Commercial Paper Period then in effect (or to be in effect) with respect to such Series 2003 Bond.

Adjustment From Alternate Interest Rate Period. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to adjustments from an Alternate Interest Rate Period to any other Interest Rate Period will be set forth in a supplement to this Official Statement.

Notice to Owners of Adjustment of Interest Rate Period. The Registrar will be required to give notice by first-class mail of an adjustment of the Interest Rate Period to the Owners of the Series 2003 Bonds not less than 15 days (unless the then-current Interest Rate Period is a Long-Term Interest Rate Period and such Long-Term Interest Rate Period ends on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of the adjustment of the Interest Rate Period. That notice must state the following:

(1) the effective date of the new Interest Rate Period and, with respect to the Long-Term Interest Rate Period, the last day of such Interest Rate Period;

(2) the method by which the interest rate is to be determined during the new Interest Rate Period;

(3) how, with respect to a Commercial Paper Interest Rate Period or a Long-Term Interest Rate Period, the Commercial Paper Periods and Commercial Paper Interest Rates or Long-Term Interest Rate or Rates may be obtained from the Remarketing Agent;

(4) the Interest Payment Dates during the new Interest Rate Period or, with respect to the Commercial Paper Interest Rate Period, that interest on each Series 2003 Bond will be paid on the day after the last day of each Commercial Paper Period for that Series 2003 Bond but only upon presentation of that Series 2003 Bond to the Tender Agent;

(5) that the Series 2003 Bonds are subject to mandatory tender for purchase on the effective date, setting forth the applicable purchase price;

(6) whether, subsequent to such effective date, the Owners of Series 2003 Bonds will have the right to require the purchase of their Series 2003 Bonds upon specified notice to the Tender Agent and, if so, the procedures of that purchase; or, with respect to the Commercial Paper Interest Rate Period, that, subsequent to such effective date, each Series 2003 Bond will be subject to mandatory tender for purchase only on the day after the last day of the Commercial Paper Period with respect thereto;

(7) the optional redemption provisions that will pertain to the Series 2003 Bonds during the new Interest Rate Period;

(8) the name and Principal Office of the Remarketing Agent while the Series 2003 Bonds bear interest at the interest rate or rates applicable to the new Interest Rate Period; and

(9) with respect to a Long-Term Interest Rate Period, that the adjustment is conditioned upon the Trustee receiving Pledged Bonds or other credit enhancement (and a description of such credit enhancement) in compliance with the Indenture and the Agreement.

Determinations Binding

The determination of the various interest rates and the bases therefor and the Commercial Paper Periods shall be conclusive and binding upon the Remarketing Agent, the Indexing Agent, the Trustee, the Tender Agent, the Issuer, FPL and the Owners of the Series 2003 Bonds.

Purchase of Series 2003 Bonds

The Series 2003 Bonds will be purchased on the demand of the Owners thereof, and will be subject to mandatory tender for purchase, at the times and subject to the conditions described below. Payment for Series 2003 Bonds purchased will be made by the close of business on the date specified for purchase, if the conditions for that purchase described below have been strictly complied with by the Owners thereof.

During any Daily or Weekly Interest Rate Period when the Series 2003 Bonds are registered in the name of Cede & Co., tenders of the Series 2003 Bonds will be effected by means of DTC's Delivery Order Procedures. See "The Series 2003 Bonds — Book-Entry System". Notice of any such tender must be given to the Tender Agent in the form set forth in Appendix D to this Official Statement. If a beneficial owner of a Series 2003 Bond fails to cause its beneficial ownership of such Series 2003 Bond to be transferred to the DTC account of the Tender Agent by the deadlines specified below, such Series 2003 Bond shall not be purchased and the beneficial owner may be subject to damages as specified in such notice.

If the book entry system is discontinued, tendered Series 2003 Bonds must be accompanied by an instrument of transfer satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly authorized attorney, with such signature guaranteed by an "eligible guarantor institution" as defined by Rule 17Ad-15 promulgated under the Securities Exchange Act of 1934. The Tender Agent may refuse to accept delivery of any Series 2003 Bond for which a proper instrument of transfer has not been provided. Notice of tender for purchase of Series 2003 Bonds by the Owners thereof will be irrevocable, once given to the Tender Agent as described below. In the event that any Owner of a Series 2003 Bond giving notice of tender for purchase fails to deliver its Series 2003 Bond to the Tender Agent at the place and on the applicable date and the time specified below, or fails to deliver the Series 2003 Bond properly endorsed and provided that funds in the amount of the purchase price thereof are available for payment to such Owner at the date and the time specified below, from and after the date and time of that required delivery, (i) such Series 2003 Bond shall no longer be deemed to be outstanding under the Indenture, (ii) interest will no longer accrue thereon to such former Owner and (iii) funds in the amount of the purchase price of Series 2003 Bond, without interest, will be held by the Tender Agent for the benefit of such former Owner, to be paid on delivery (or proper endorsement) thereof to the Tender Agent.

During Daily Interest Rate Period. During any Daily Interest Rate Period, any Series 2003 Bond or portion thereof in an authorized denomination will be purchased at the option of its Owner on any Business Day at a purchase price equal to the principal amount thereof, plus accrued interest from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, or, if the date of purchase is an Interest Accrual Date, at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its Principal Office, not later than 10:30 a.m., New York City time, on that Business Day, of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by telecopy or other writing, which states the principal amount of the Series 2003 Bond or such portion thereof and the date of purchase. For payment of such purchase price on the date specified in such notice, the Series 2003 Bond must be delivered, not later than 12:00 Noon, New York City time, on such Business Day (together with necessary endorsements) to the Tender Agent at its Principal Office.

During Weekly Interest Rate Period. During any Weekly Interest Rate Period, any Series 2003 Bond or portion thereof in an authorized denomination will be purchased at the option of its Owner on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest, if any, from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, or, if the date of purchase is an Interest Accrual Date, at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon the delivery to the Tender Agent at its Principal Office of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by telecopy or other writing, which states the principal amount of the Series 2003 Bond or such portion thereof and the date on which the Series 2003 Bond is to be purchased, which date must be a Business Day not prior to the seventh day after the date of the delivery of the notice to the Tender Agent. For payment of such purchase price on the date specified in such notice, the Series 2003 Bond must be delivered, not later than 12:00 Noon, New York City time, on the date specified in the notice (together with necessary endorsements) to the Tender Agent as its Principal Office.

During Commercial Paper Interest Rate Period—Mandatory Tender for Purchase on Day After the Last Day of Each Commercial Paper Period. On the Business Day after the last day of the Commercial Paper Period for a Series 2003 Bond, unless such day is the first day of a new Interest Rate Period (in which event such Series 2003 Bond will be subject to mandatory tender for purchase as described under "Mandatory Tender for Purchase on First Day of each Interest Rate Period"), such Series 2003 Bond will be purchased, at a purchase price equal to the principal amount thereof, payable in immediately available funds. For payment of such purchase price on such day, such Series 2003 Bond must be delivered (together with necessary endorsements) at or prior to 12:30 P.M., New York City time on such day, to the Tender Agent at its Principal Office. During any Commercial Paper Period, with respect to a Series 2003 Bond, the Owner of that Series 2003 Bond will not have the right to demand the purchase thereof.

Mandatory Tender for Purchase on First Day of Each Interest Rate Period. The Series 2003 Bonds will be subject to mandatory tender for purchase, at a purchase price equal to 100% of the principal amount thereof (or, if applicable, upon adjustment from a Long-Term Interest Rate Period prior to the expiration of such Long-Term Interest Rate Period, at a purchase price equal to the applicable optional redemption price), payable in immediately available funds, on the first day of the succeeding Interest Rate Period.

Purchase During Alternate Interest Rate Period. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the purchase of Series 2003 Bonds during an Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Purchase and Remarketing of Series 2003 Bonds

On the date on which Series 2003 Bonds are required to be purchased, the Tender Agent shall purchase such Series 2003 Bonds with funds provided from the remarketing of such Series 2003 Bonds or by FPL pursuant to the Agreement. The Issuer has no obligation to provide any moneys whatsoever for the payment of the purchase price for the Series 2003 Bonds.

On the day of purchase of Series 2003 Bonds by the Tender Agent, the Remarketing Agent shall use its best efforts to sell such Series 2003 Bonds in accordance with the Indenture.

FPL currently maintains lines of credit in amounts sufficient to meet its current needs and expects to continue to maintain such lines of credit. The Trustee, Paying Agent/Tender Agent/Registrar and the Owners of the Series 2003 Bonds will have no right to draw under any line of credit maintained by FPL. There is no requirement in the Indenture or the Agreement that FPL maintain such lines of credit, and FPL may cease maintaining such lines of credit at any time and without notice.

Redemption

Optional Redemption During Daily or Weekly Interest Rate Period. On any Business Day during a Daily Interest Rate Period or a Weekly Interest Rate Period, the Series 2003 Bonds shall be subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at a redemption price equal to their principal amount, plus accrued interest, if any, to the redemption date.

Optional Redemption During Commercial Paper Interest Rate Period. During any Commercial Paper Interest Rate Period, each Series 2003 Bond will be subject to optional redemption by the Issuer, at the direction of FPL, on the day after the last day of each Commercial Paper Period for that Series 2003 Bond, in whole or in part, at a redemption price equal to the principal amount thereof.

Optional Redemption During Long-Term Interest Rate Period. During any Long-Term Interest Rate Period, the Series 2003 Bonds are subject to optional redemption by the Issuer, at the direction of FPL, on the first day thereof, in whole or in part, at a redemption price equal to their principal amount, and, thereafter, during the periods specified below or specified in the notice of FPL to the Trustee, the Tender Agent and the Remarketing Agent in connection with the adjustment to such Long-Term Interest Rate Period, in whole at any time or in part from time to time, at the redemption prices set forth below or specified in such notice plus accrued interest, if any, to the redemption date:

Length of Long-Term Interest Rate Period (expressed in years)	Redemption Prices As a Percentage of Principal Amount
Greater than 14	After 10 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 14 and greater than 10	After 5 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 10 and greater than 8	After 5 years at 101%, declining by 1/2 of 1% semi-annually to 100%
Less than or equal to 8 and greater than 6	After 3 years at 101%, declining by 1/2 of 1% semi-annually to 100%
Less than or equal to 6 and greater than 4	After 2 years at 101%, declining by 1/2 of 1% semi-annually to 100%
Less than or equal to 4 and greater than 3	After 2 years at 100-1/2%, declining by 1/2 of 1% after six months to 100%
Less than or equal to 3 and greater than 2	After 1 year at 100-1/2%, declining by 1/2 of 1% after six months to 100%
Less than or equal to 2 and greater than 1	After 1 year at 100%
1 year	not redeemable

Extraordinary Optional Redemption

During any Long-Term Interest Rate Period, the Series 2003 Bonds will be subject to redemption in whole, upon the optional prepayment by FPL of all the Loan Repayments (as defined below), at a redemption price of 100% of the principal amount thereof plus accrued interest to the date fixed for redemption, if:

(a) FPL shall have determined that the continued operation of any of the Units or any portion of the Project is impracticable, uneconomical or undesirable; or

(b) all or substantially all of any of the Units or any portion of the Project shall have been condemned or taken by eminent domain; or

(c) the operation by FPL of any of the Units or any portion of the Project shall have been enjoined for a period of at least six consecutive months; or

(d) as a result of any change in the Constitution of the State of Florida or the Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after any contest thereof by FPL in good faith, the Indenture, the Agreement or the Series 2003 Bonds shall become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement.

In addition, during any period during a Long-Term Interest Rate Period during which the Series 2003 Bonds are not subject to optional redemption by the Issuer at the direction of FPL as described under "Redemption—Optional Redemption During Long-Term Interest Rate Period" above, the Series 2003 Bonds will be nonetheless subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at any time, if FPL delivers to the Trustee a written certificate (i) to the effect that by reason of a change in use of the Project or any portion thereof, FPL has been unable, after reasonable effort, to obtain an opinion of nationally recognized bond counsel to the effect that a court, in a properly presented case, should decide that (a) Section 150 of the Internal Revenue Code of 1986, as amended (the "Code") (or successor provision of similar import) does not prevent that portion of the Loan Repayments payable under the Agreement and attributable to interest on the Series 2003 Bonds from being deductible by FPL for federal income tax purposes and (b) Treasury Regulations Section 1.142-2 (or a successor provision of similar import) does not prevent interest on the Series 2003 Bonds from being excluded for federal income tax purposes from the gross income of the owners thereof (other than in the hands of an owner of a Series 2003 Bond who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code), (ii) specifying that as a result of its inability to obtain such opinion of nationally recognized bond counsel, FPL has elected to prepay amounts due under the Agreement equal to the redemption price of the Series 2003 Bonds to be so redeemed and (iii) specifying the principal amount of the Series 2003 Bonds which FPL has determined to be the minimum necessary to be so redeemed in order for FPL to retain its rights to such interest deductions and for interest on the Series 2003 Bonds to retain such exclusion from gross income for federal income tax purposes (which principal amount of the Series 2003 Bonds will be so redeemed). The redemption price for the Series 2003 Bonds shall be equal to the highest redemption price that would be payable on the first day such Series 2003 Bonds could be called for optional redemption as described under "Redemption—Optional Redemption During Long-Term Interest Rate Period" above, on the basis of the length of the then current Long-Term Interest Rate Period.

Extraordinary Mandatory Redemption

The Series 2003 Bonds are subject to mandatory redemption by the Issuer, at the principal amount thereof plus accrued interest to the redemption date, on the 180th day (or such earlier date as may be designated by FPL) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Issuer and FPL of an opinion of a nationally recognized bond counsel obtained by FPL and rendered at the request of FPL, to the effect that, as a result of a failure by FPL to perform or observe any covenant, agreement or representation contained in the Agreement, the interest payable on the Series 2003 Bonds is included for federal income tax purposes in the gross income of the owners thereof. No determination by any court or administrative agency will be considered final for such purpose unless FPL has had an opportunity to participate in the proceeding which resulted

in such determination, either directly or through an owner of a Series 2003 Bond, to a degree it deems sufficient and until the conclusion of any court proceeding initiated after a final agency determination, and of any appellate review sought by any party to such agency or court proceeding or the expiration of the time for seeking such review. The Series 2003 Bonds will be redeemed either in whole or in part in such principal amount that the interest payable on the Series 2003 Bonds remaining outstanding after such redemption would not be included in the gross income of any owner thereof, other than an owner of a Series 2003 Bond who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code.

Selection of Series 2003 Bonds to be Redeemed

In the case of the redemption of less than all of the outstanding Series 2003 Bonds, the Series 2003 Bonds to be redeemed shall be selected by the Trustee, by lot or in such other manner as the Trustee in its discretion may determine to be fair and appropriate, in the principal amounts designated by FPL or otherwise as required by the Indenture; provided, however, that in connection with any redemption of Series 2003 Bonds, the Trustee shall first select for redemption any Series 2003 Bond held by the Tender Agent for the account of FPL, and that if FPL shall have offered to purchase all Series 2003 Bonds then outstanding and less than all of such Series 2003 Bonds have been tendered to FPL for such purchase, the Trustee, at the direction of FPL, shall select for redemption all such Series 2003 Bonds which have not been so tendered; and provided further that the portion of any Series 2003 Bond to be redeemed shall be the principal amount constituting the authorized denomination of such Series 2003 Bond and that, in selecting Series 2003 Bonds for redemption, the Trustee shall treat each Series 2003 Bond as representing that number of Series 2003 Bonds which is obtained by dividing the principal amount of such Series 2003 Bond by the minimum authorized denomination of such Series 2003 Bond. See "The Series 2003 Bonds - Book-Entry System".

Notice and Effect of Redemption

A notice of redemption will be mailed, at least 30 days before the redemption date of any Series 2003 Bonds, to all owners of Series 2003 Bonds to be redeemed in whole or in part and to at least two bond information services selected by FPL, but failure to mail any such notice to the owner of a Series 2003 Bond shall not affect the validity of the proceedings for the redemption of any other Series 2003 Bonds.

Any notice of redemption, except a notice of extraordinary mandatory redemption, shall, unless at the time such notice is given the Series 2003 Bonds to be redeemed shall be deemed to have been paid under the terms of the Indenture (see "The Indenture — Defeasance"), state that the redemption to be effected is, and such redemption shall be, conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the Series 2003 Bonds to be redeemed and if such moneys are not so received such notice shall be of no force or effect and such Series 2003 Bonds shall not be redeemed.

Any Series 2003 Bonds selected for redemption which are deemed to have been paid under the terms of the Indenture will cease to bear interest on the date fixed for redemption.

Redemption During Alternate Interest Rate Period

If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to redemption during an Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

THE AGREEMENT

Loan Repayments

FPL has agreed to pay to the Trustee for the account of the Issuer an amount equal to the principal amount of the Series 2003 Bonds and an amount equal to the aggregate of the premium, if any, and interest on the Series 2003 Bonds (the "Loan Repayments") at such times and in such amounts and in the manner provided in the Indenture for the Issuer to cause payments to be made to the Owners of the Series 2003 Bonds of the principal of and premium, if any, and interest on the Series 2003 Bonds.

FPL Obligations Unconditional

Until such time as the principal of and premium, if any, and interest on the Series 2003 Bonds shall have been fully paid or deemed paid in accordance with the Indenture, FPL's obligations under the Agreement are absolute and unconditional and FPL has agreed that it (a) will not suspend or discontinue payment of any amounts required to be paid by it under the Agreement, (b) will perform and observe all of its other agreements contained in the Agreement, and (c) except as permitted by the Agreement, will not terminate the Agreement for any cause.

Payments for Series 2003 Bonds Delivered for Purchase

FPL will agree to deposit, on or prior to the purchase date of the Series 2003 Bonds to be purchased from the Owners thereof as described under the heading "The Series 2003 Bonds — Purchase of Series 2003 Bonds," an amount of money which, together with other moneys available for such purpose, will be sufficient to effect the purchase of such Series 2003 Bonds.

Merger, Sale or Consolidation

FPL has agreed that, so long as any Series 2003 Bonds are outstanding, it will maintain its corporate existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into one or more other entities or permit one or more other entities to consolidate with or merge into it; provided, that FPL may consolidate with or merge into one or more other entities, or permit one or more other entities to consolidate with or merge into it, or sell or otherwise transfer to one or more other entities all or substantially all of its assets as an entirety and thereafter dissolve, provided the surviving, resulting or transferee entity or entities, as the case may be (if other than FPL), assumes or assume in writing all of the obligations of FPL in the Agreement, and, if not organized under the laws of the State of Florida, is or are qualified to do business in the State of Florida.

Events of Default

The occurrence of any one or more of the following is an event of default under the Agreement: (a) failure by FPL to pay or cause to be paid when due the Loan Repayments in the amounts and at the times specified in the Agreement, which failure shall have resulted in an event of default described in clause (a), (b) or (c) under "The Indenture — Events of Default"; (b) when the Trustee holds Pledged Bonds, a "Default" as defined in the Mortgage; (c) failure by FPL to observe or to perform any other covenant, condition, representation or agreement in the Agreement on its part to be observed or performed for a period of 90 days after written notice thereof to FPL by the Issuer or the Trustee, which may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Series 2003 Bonds shall, give such notice, unless such period is extended by the Issuer and the Trustee or the Issuer, the Trustee and the Owners of Series 2003 Bonds, as provided in the Agreement (provided, however, that the Issuer and the Trustee or the Issuer, the Trustee and the Owners of the Series 2003 Bonds, as provided in the Agreement, as the case may be, will be deemed to have agreed to an extension of such period if corrective action is initiated by FPL within such period and is being diligently pursued), or unless such obligations are suspended by reason of force majeure, as defined in the Agreement; or (d) certain events of bankruptcy, dissolution, liquidation or reorganization by FPL.

Remedies

Acceleration and Limitations Thereon

Upon the occurrence and continuance of an event of default described in clause (a), (b) or (d) in "Events of Default", and further upon the condition that all Series 2003 Bonds outstanding under the Indenture shall have become immediately due and payable, the Loan Repayments shall, without further action, become immediately due and payable.

Any waiver of (i) an event of default under the Indenture or (ii) with respect to Series 2003 Bonds which are secured by Pledged Bonds, a "Default" under the Mortgage (if an event of default has occurred under clause (b)

above in "Events of Default") and a rescission and annulment of its consequences shall constitute a waiver of the corresponding event of default under the Agreement and a rescission and annulment of the consequences thereof.

Other Remedies

Upon the occurrence and continuance of any event of default, the Trustee as the Issuer's assignee may take whatever action at law or in equity may appear necessary or desirable to collect the Loan Repayments then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of FPL under the Agreement.

Amendment

As provided in the Indenture, the Issuer and FPL may enter into, and the Trustee may consent to, without the consent of the Owners of the Series 2003 Bonds, such agreements supplemental to the Agreement as shall not be inconsistent with the terms and provisions of the Agreement or detrimental to the interests of the Owners of the Series 2003 Bonds (a) to cure any ambiguity or defect or omission in the Agreement or in any supplemental agreement, (b) to grant to or confer upon the Issuer or the Trustee for the benefit of the Owners of the Series 2003 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Issuer or the Owners of the Series 2003 Bonds or the Trustee, (c) to correct any description of, or to reflect changes in, any properties comprising the Project, or (d) in connection with any other changes which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of FPL to make the Loan Repayments or otherwise materially impair the security of the Owners of the Series 2003 Bonds under the Indenture. Any other amendment of the Agreement requires the consent of the Owners of a majority in aggregate principal amount of all Series 2003 Bonds then outstanding.

THE INDENTURE

Assignment of Issuer's Interest

Under the Indenture, the Issuer has pledged and assigned to the Trustee the Issuer's rights under the Agreement, including the Loan Repayments, except for certain rights to indemnification and reimbursement of expenses.

Creation of Bond Fund

The Indenture creates a Bond Fund. Moneys deposited in the Bond Fund are to be held in trust by the Trustee and, pending application in accordance with the Indenture, are subject to a lien and charge in favor of the Owners of the Series 2003 Bonds outstanding under the Indenture and to the prior lien of the Trustee for payment of its fees and expenses.

There shall be deposited to the credit of the Bond Fund (a) the accrued interest, if any, received on the sale of the Series 2003 Bonds, (b) all Loan Repayments, (c) any payments made on the Pledged Bonds, and (d) all other moneys received by the Trustee under and pursuant to any of the provisions of the Agreement or otherwise which are required, or are accompanied by directions from FPL or the Issuer that such moneys are, to be paid into the Bond Fund.

Moneys in the Bond Fund shall be used for the payment of the principal of and premium, if any, and interest on the Series 2003 Bonds or for the redemption or purchase of Series 2003 Bonds in accordance with the terms of the Indenture.

Creation of a Purchase Fund

The Indenture creates a Purchase Fund. Moneys deposited in the Purchase Fund are to be held by the Tender Agent for the purchase of Series 2003 Bonds pursuant to the Indenture and are not pledged to pay principal of or interest or any premium on the Series 2003 Bonds.

Investment of Funds

The Trustee shall, at the request of FPL, invest moneys held in the Bond Fund in the investments or securities specified in the Indenture. Gains or losses resulting from the investment of moneys in the Bond Fund will be credited or charged to such Fund.

Defeasance

If there is paid to the Owners of all of the Series 2003 Bonds the principal of and premium, if any, and interest on the Series 2003 Bonds due and thereafter to become due, together with all other sums payable under the Indenture, then the rights, title and interest of the Trustee in the estate pledged and assigned to it under the Indenture shall cease, and the Series 2003 Bonds shall cease to be entitled to the lien of the Indenture. The Trustee shall thereupon turn over to FPL any surplus in the Bond Fund. If the principal of and premium, if any, and interest due and thereafter to become due is paid on less than all the Series 2003 Bonds then outstanding, such Series 2003 Bonds shall cease to be entitled to the lien of the Indenture.

Any or all Series 2003 Bonds then bearing interest at a Long-Term Interest Rate during a Long-Term Interest Rate Period ending on or after the redemption date or on the day immediately preceding the maturity date, as the case may be, or at Commercial Paper Interest Rates for Commercial Paper Periods which end on the redemption date or the day immediately preceding the maturity date, as the case may be, shall be deemed to have been paid when (a) in the case of Series 2003 Bonds to be redeemed, FPL shall have given to the Trustee irrevocable instructions to mail the notice of redemption therefor, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or obligations issued or unconditionally guaranteed by the United States of America, or certain securities which represent interests in such obligations, the principal of and interest on which, when due, will provide moneys which, together with any moneys also deposited with or held by the Trustee, shall be sufficient to pay when due the principal of and premium, if any, and interest due or to become due on such Series 2003 Bonds, and (c) in the event such Series 2003 Bonds do not mature and are not to be redeemed within the next succeeding 60 days, FPL shall have given the Trustee irrevocable instructions to mail, as soon as permitted by the Indenture, a notice to the owners of such Series 2003 Bonds stating that the above deposit has been made with the Trustee and that such Series 2003 Bonds are deemed to have been paid and stating the maturity or redemption date upon which moneys are to be available to pay the principal of and premium, if any, and interest on such Series 2003 Bonds. The provisions of the Indenture relating to the rights of the Owners of the Series 2003 Bonds to payment, registration, transfer and exchange shall remain in full force and effect with respect to all Series 2003 Bonds until the maturity date of the Series 2003 Bonds or the last date fixed for redemption of all Series 2003 Bonds prior to maturity notwithstanding that the Series 2003 Bonds are deemed to be paid as described above. If less than all Series 2003 Bonds are to be defeased, the Trustee shall select such Series 2003 Bonds in the manner described under "The Series 2003 Bonds — Selection of Series 2003 Bonds to be Redeemed".

Events of Default

The occurrence of any one or more of the following shall be an event of default under the Indenture: (a) failure to pay the principal of or premium, if any, on the Series 2003 Bonds when the same shall become due and payable, whether at maturity, through unconditional proceedings for redemption or otherwise; (b) (i) during any period when the Trustee holds Pledged Bonds, failure to pay interest on any of the Series 2003 Bonds when the same shall become due and payable and the continuation of such failure for a period of 60 days or (ii) when the Trustee does not hold Pledged Bonds, failure to pay interest on any of the Series 2003 Bonds when the same shall become due and payable and the continuation of such failure for a period of five Business Days; (c) failure to pay amounts due to Owners of the Series 2003 Bonds for purchase thereof after such payment has become due and payable and the continuation of such failure for a period of five Business Days; (d) during any period when the Trustee holds Pledged Bonds, a "Default" as defined in the Mortgage; (e) failure to perform any other covenant, condition, agreement or provision contained in the Series 2003 Bonds or in the Indenture on the part of the Issuer to be performed for a period of 90 days after written notice thereof to the Issuer which may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Series 2003 Bonds then outstanding shall, be given by the Trustee, unless such period is extended by the Trustee, or the Trustee and the Owners of the Series 2003 Bonds, as provided in the Indenture; provided, however, that the Trustee, or the Trustee and the Owners of the Series 2003 Bonds, as provided in the Indenture, as the case may be, will be deemed to have agreed to an

extension of such period if corrective action is instituted by the Issuer or FPL within such period and is being diligently pursued; or (f) an event of default as defined in the Agreement.

Remedies

Acceleration and Limitations Thereon

If the Trustee is holding Pledged Bonds, then upon the occurrence and continuance of an event of default described in clause (a), (b)(i), (c) or (d) above in "Events of Default," and, further upon the condition that, in accordance with the terms of the Mortgage, all first mortgage bonds outstanding thereunder shall have become immediately due and payable, then the Series 2003 Bonds shall, without further action, become immediately due and payable. If the Trustee is holding Pledged Bonds and all first mortgage bonds outstanding under the Mortgage have not become immediately due and payable, neither the Trustee nor the Owners of Series 2003 Bonds shall have any right to declare the Series 2003 Bonds immediately due and payable, notwithstanding the existence of any event of default described above. FPL may, at its option (and upon receipt of a favorable opinion of bond counsel) so long as no default or event of default has occurred and is continuing under the Indenture, and with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, if a default or event of default has occurred and is continuing under the Indenture, deliver Pledged Bonds to the Trustee, and the Trustee will be required to hold those Pledged Bonds, and cannot accelerate the Series 2003 Bonds (absent an acceleration of all first mortgage bonds), until FPL determines to require the surrender and cancellation of the Pledged Bonds. At any time other than when the Series 2003 Bonds bear interest at a Long-Term Interest Rate, Pledged Bonds may, at FPL's option (and upon receipt of a favorable opinion of bond counsel), so long as no default or event of default has occurred and is continuing under the Indenture, and with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, if a default or event of default has occurred and is continuing under the Indenture, be removed as security for the Series 2003 Bonds.

If the Trustee is not holding Pledged Bonds, then upon the occurrence and continuance of an event of default described in clause (a), (b)(ii), or (c) above in "Events of Default," or an event of default described in clause (d) above under "The Agreement - Events of Default," the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Series 2003 Bonds then outstanding shall, by notice in writing to the Issuer and FPL, declare the principal of the Series 2003 Bonds then outstanding (if not then due and payable) to be immediately due and payable.

If the Trustee is not holding Pledged Bonds, the provisions of the preceding paragraph, however, are subject to the condition that, if, after the principal of the Series 2003 Bonds has been declared to be due and payable, and before any judgment or decree for the payment of the moneys due has been obtained or entered, FPL, pursuant to the Agreement, shall deposit with the Trustee an amount sufficient to pay all matured installments of interest upon the Series 2003 Bonds and the principal of the Series 2003 Bonds which have become due otherwise than by reason of such declaration (with interest upon such principal and, to the extent permissible by law, on overdue installments of interest, at the rate per annum borne by the Series 2003 Bonds on the date of such declaration) and such amounts as are sufficient to cover reasonable compensation and reimbursement of expenses payable to the Trustee, and all events of default under the Indenture other than nonpayment of the principal of Series 2003 Bonds which shall have become due by such declaration have been remedied, then, such event of default will be deemed waived and such declaration and its consequences rescinded and annulled. The Trustee will promptly give written notice of such waiver, rescission and annulment to the Issuer, FPL, the Tender Agent, the Remarketing Agent, and, if notice of the acceleration of the Series 2003 Bonds has been given to the Owners, notice shall be given to the Owners. No such waiver, rescission and annulment shall extend to or affect any subsequent event of default or impair any right or remedy consequent thereon.

If the Trustee is holding Pledged Bonds, any waiver of a "Default" under the Mortgage and a rescission and annulment of its consequences shall constitute a waiver of the corresponding event of default under the Indenture and a rescission and annulment of the consequences thereof, and the Trustee shall promptly give written notice of such waiver, rescission and annulment to the Issuer, FPL, the Tender Agent and the Remarketing Agent, and notice to the Owners of the Series 2003 Bonds in the same manner as a notice of redemption; but no such waiver, rescission and annulment shall extend to or affect any subsequent event of default or impair any right or remedy consequent thereon.

Notwithstanding anything contained in the Indenture to the contrary, the Trustee, upon the written request of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, shall waive any event of default under the Indenture and its consequences; provided, however, that, except under certain circumstances described in the Indenture, an event of default under clauses (a), (b) or (c) above in "Events of Default" with respect to any Bonds may not be waived without the written consent of the holders of all such Bonds.

Other Remedies

Upon the occurrence and continuance of any event of default, the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Series 2003 Bonds then outstanding shall, upon receipt of indemnity to its satisfaction, proceed to protect and enforce its rights and the rights of the Owners of the Series 2003 Bonds under the laws of the State of Florida, the Indenture and the Agreement by the exercise of any proper legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

Owners' Right to Direct Proceedings

The Owners of a majority in principal amount of the Series 2003 Bonds then outstanding shall have the right, upon receipt by the Trustee of indemnity to its satisfaction, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee. No Owner of any of the Series 2003 Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Series 2003 Bond or for the execution of any trust under the Indenture or for any other remedy thereunder except as provided in the Indenture, but nothing in the Indenture shall affect or impair the right of any Owner of a Series 2003 Bond to enforce the payment of the principal of and premium, if any, and interest on such Series 2003 Bond to the Owner thereof at the time and place stated in such Series 2003 Bond.

Amendment

The Issuer and the Trustee may, with the consent of FPL but without the consent of the Owners of the Series 2003 Bonds, enter into such supplemental indentures as shall not be inconsistent with the terms and provisions of the Indenture and shall not be, in the opinion of bond counsel selected by FPL, detrimental to the interests of the Owners of the Series 2003 Bonds (a) to cure any ambiguity or defect or omission in the Indenture or in any supplemental indenture, (b) to grant to or confer upon the Trustee for the benefit of the Owners of the Series 2003 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners of the Series 2003 Bonds or the Trustee, (c) to confirm the lien of the Indenture or to subject to the Indenture additional revenues, properties or collateral, (d) to correct any description of, or to reflect changes in, any properties comprising the Project, (e) to authorize a different denomination or denominations of the Series 2003 Bonds and to make correlative amendments to the Indenture, (f) to increase or decrease the number of days prior to an adjustment of the interest rate that notice need be given by FPL to the Trustee and by the Trustee to the Owners of the Series 2003 Bonds, provided that no decrease in any such number of days shall become effective except during a Daily or a Weekly Interest Rate Period and until 30 days after the Trustee shall have given notice thereof to the Owners of the Series 2003 Bonds affected thereby; (g) in connection with any other change which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of the Issuer to pay the principal of and premium, if any, and interest on the Series 2003 Bonds or otherwise impair the security of the Owners of the Series 2003 Bonds under the Indenture, (h) to modify, amend or supplement the Indenture or any supplemental indenture in such manner as to permit the qualification thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute or to permit the qualification of the Series 2003 Bonds for sale under the securities laws of any of the states of the United States of America, (i) to make amendments to the provisions of the Indenture relating to matters under Section 148(f) of the Code, provided that an opinion of Bond Counsel, to the effect that such amendments will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2003 Bonds, is delivered to the Trustee; or (j) to make any amendments necessary or appropriate to provide for the delivery of Pledged Bonds or any insurance policy, irrevocable transferable letter of credit or other security device delivered to the Trustee.

FPL and the Owners of not less than a majority in aggregate principal amount of the Series 2003 Bonds then outstanding shall have the right to consent to the execution by the Issuer and the Trustee of such other

supplemental indentures as shall be deemed necessary or desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any supplemental indenture; provided, however, that, unless approved by all of the Owners of the Series 2003 Bonds then outstanding, nothing contained in the Indenture shall permit, or be construed as permitting, (a) an extension of the maturity of the principal of or the interest on the Series 2003 Bonds, or (b) a reduction in the principal amount of the Series 2003 Bonds or the redemption premium or the rate of interest thereon, or (c) the creation of a lien upon or a pledge of the Loan Repayments other than the lien and pledge created by the Indenture, or (d) a preference or priority of any Series 2003 Bond over any other Series 2003 Bond, or (e) a reduction in the aggregate principal amount of the Series 2003 Bonds required for consent to such supplemental indenture.

Any supplemental indenture that affects any right, power, obligation or authority of FPL under the Agreement or requires a revision of the Agreement shall not become effective without the consent of FPL.

Payment of Fees

FPL has agreed to pay the reasonable fees and charges of the Trustee, the Paying Agent/Registrar/Tender Agent, the Remarketing Agent and the Indexing Agent and the reasonable costs and expenses of the Issuer incurred in connection with the Agreement, the Indenture and the Series 2003 Bonds.

THE TRUSTEE

FPL maintains normal banking relations with The Bank of New York, an affiliate of the Trustee, and from time to time obtains short-term funds from The Bank of New York.

TAX MATTERS

In the opinion of Squire, Sanders & Dempsey L.L.P., Bond Counsel, under existing law, (i) interest on the Series 2003 Bonds is excluded from gross income for federal income tax purposes under Section 103(a) of the Code, except interest on any Series 2003 Bond for any period during which it is held by a "substantial user" or a "related person" as those terms are used in Section 147(a) of the Code, (ii) interest on the Series 2003 Bonds is an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals and corporations, and (iii) the Series 2003 Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. Bond Counsel will express no opinion as to any other tax consequences regarding the Series 2003 Bonds.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications, and compliance with certain covenants of FPL and the Issuer to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2003 Bonds are and will remain obligations, the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of those certifications and representations.

The Code prescribes a number of qualifications and conditions for the interest on state and local obligations to be and to remain excluded from gross income for federal income purposes, some of which require future or continued compliance after issuance of the obligations in order for the interest to be and to continue to be so excluded from the date of issuance. Noncompliance with these requirements by FPL or the Issuer may cause the interest on the Series 2003 Bonds to be included in gross income for federal income tax purposes and thus, to be subject to federal income tax retroactively to the date of their issuance. FPL and the Issuer have each convenanted to take the actions required of them for the interest on the Series 2003 Bonds to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion.

Under the Code, interest on the Series 2003 Bonds may be subject to a branch profits tax imposed on certain foreign corporations doing business in the United States and to a tax imposed on excess net passive income of certain S corporations.

Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these or other tax consequences will depend upon the particular tax status or other tax items of the Owner of the Series 2003 Bonds. Bond Counsel will express no opinion regarding such consequences.

Purchasers of the Series 2003 Bonds at other than their original issuance at the price indicated on the cover should consult their own tax advisers regarding other tax considerations such as the consequences of market discount.

UNDERWRITING

Wachovia Bank, National Association (the "Underwriter") has agreed to purchase the Series 2003 Bonds from the Issuer at the price of 100% of the aggregate principal amount thereof. FPL has agreed to pay the Underwriter a commission in the amount of $26,730.

With respect to the Series 2003 Bonds, the Underwriter's obligation to purchase the Series 2003 Bonds is subject to certain conditions precedent. The Underwriter does not have the right to purchase less than all of the Series 2003 Bonds if any Series 2003 Bonds are purchased. The offering price of the Series 2003 Bonds may be changed from that set forth on the cover page hereof from time to time by the Underwriter. The Underwriter may offer and sell the Series 2003 Bonds to certain dealers (including dealers depositing Series 2003 Bonds into investment trusts, accounts or funds) and others at prices lower than the public offering prices set forth on the cover page hereof.

FPL has agreed to indemnify the Underwriter against certain liabilities, including certain liabilities under the federal securities laws.

LEGALITY

Legal matters incident to the issuance of the Series 2003 Bonds and with regard to the tax status of the interest thereon (see "Tax Matters") are subject to the legal opinion of Squire, Sanders & Dempsey L.L.P., as Bond Counsel. The signed legal opinion for the Series 2003 Bonds, dated and premised on law in effect as of the date of original delivery of the Series 2003 Bonds, will be delivered to the Underwriter at the time of original delivery of the Series 2003 Bonds. The proposed text of such legal opinion is set forth in Appendix C hereto.

Squire, Sanders & Dempsey L.L.P., in its capacity as Bond Counsel, has participated in the preparation of, and has reviewed those portions of, this Official Statement pertaining to the Series 2003 Bonds, the Agreement, the Indenture and the tax status of the Series 2003 Bonds. Bond Counsel will render an opinion that the statements pertaining to the Series 2003 Bonds under the caption "Tax Matters" fairly and accurately present the information purported to be shown and that the statements under the captions "The Series 2003 Bonds" (except for the information and statements under "The Series 2003 Bonds — Book-Entry System"), "The Agreement" and "The Indenture" insofar as they describe the Series 2003 Bonds, the Agreement and the Indenture, fairly and accurately summarize the material provisions of those documents. Said firm has not been retained to pass upon any other information in this Official Statement, including Appendices A, B and D hereto, or in any other reports, financial information, offering or disclosure documents or other information pertaining to the Issuer, DTC, FPL, the Project or the Series 2003 Bonds that may be prepared or made available by the Issuer, FPL, or others for the prospective purchasers of the Series 2003 Bonds.

Steel Hector & Davis LLP, West Palm Beach, Florida, and Thelen Reid & Priest LLP, New York, New York, counsel for FPL, will render opinions relating to certain matters pertaining to FPL and its obligations under the Agreement. Certain legal matters will be passed upon for the Underwriter by Hunton & Williams LLP, New York, New York, counsel to the Underwriter.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Florida law requires the Issuer to make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served as a conduit issuer). The Issuer is not and has not been in default as to the payment of the principal of and interest on bonds or other debt obligations to which the Issuer has pledged its revenues or for which it is obliged to make payments. The Issuer serves as conduit issuer from time to time, however, the obligations of the Issuer under such conduit bond issues is limited solely to funds received from the party borrowing the proceeds of such bonds. Therefore, whether any such conduit bonds or other debt obligations are in default as to the payment of principal and interest, would not be material to purchasers of the Series 2003 Bonds unless the conduit borrower under such bonds was FPL. The Issuer is not aware of any payment default by FPL on any conduit bonds issued by the Issuer for the benefit of FPL.

APPENDIX A

FLORIDA POWER & LIGHT COMPANY

The information contained and incorporated by reference in this Appendix A to the Official Statement has been obtained from FPL. The Issuer and the Underwriter make no representations as to the accuracy or completeness of such information. Capitalized terms used in this Appendix A to the Official Statement but not defined herein have the meanings ascribed to them in the Official Statement.

FLORIDA POWER & LIGHT COMPANY

Florida Power & Light Company ("FPL") was incorporated under the laws of Florida in 1925 and is engaged in the generation, transmission, distribution and sale of electric energy. FPL supplies electric service to a population of nearly eight million throughout most of the east and lower west coasts of Florida. During 2002, FPL served approximately 4.0 million customer accounts. FPL Group, Inc. owns all of FPL's common stock. The principal executive office of FPL is located at 700 Universe Boulevard, Juno Beach, Florida 33408, telephone (561) 694-4000, and the mailing address is P.O. Box 14000, Juno Beach, Florida 33408-0420.

AVAILABLE INFORMATION

FPL is subject to the informational requirements of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and in accordance therewith files reports and other information with the Securities and Exchange Commission ("SEC"). Such reports and other information can be inspected and copied at the Public Reference Section of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549. Additional information about the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site (http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including FPL.

FPL has agreed to provide, at least annually, to the repositories specified in Rule 15c2-12 under the Exchange Act, annual financial information in the form required by the SEC for companies required to file reports under Section 13 or 15(d) of the Exchange Act, as well as, in a timely manner, other notices required by Rule 15c2-12. Any holder of the Series 2003 Bonds may, directly or through the Trustee, specifically enforce FPL's disclosure obligations; but any breach by FPL of this agreement will not constitute an event of default under the Agreement or the Indenture.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following FPL documents filed with the SEC are incorporated herein by reference:

1. Annual Report on Form 10-K for the year ended December 31, 2002 (Form 10-K); and

2. Current Report on Form 8-K filed April 24, 2003.

All documents filed by FPL with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Official Statement and prior to the termination of the offering of all of the Series 2003 Bonds covered by the Official Statement shall be deemed to be incorporated by reference in this Appendix A and to be a part hereof from the date of filing such documents.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of the Official Statement to the extent that a statement contained herein or in any other subsequently filed document which is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Official Statement.

FPL will provide without charge to each person to whom the Official Statement is delivered, upon request of any such person, a copy of any or all of the documents referred to above that have been or may be incorporated by reference in this Appendix A, excluding the exhibits thereto. Requests for such copies should be directed to: FPL Group, Inc., Investor Relations Department, 700 Universe Boulevard, Juno Beach, Florida 33408 (800) 222-4511.

The financial and other data contained in this Appendix A are furnished solely to provide limited introductory information regarding FPL and do not purport to be comprehensive. Such data are qualified in their entirety by reference to the detailed information and financial statements appearing in the documents incorporated herein by reference and, therefore, should be read together therewith.

FLORIDA POWER & LIGHT COMPANY
SELECTED FINANCIAL INFORMATION

Millions of Dollars

	Years Ended December 31,		
	2002	2001	2000
Operating revenues	$ 7,378	$ 7,477	$ 6,361
Net income	$ 732	$ 694	$ 622
Net income available to FPL Group	$ 717	$ 679	$ 607

	As of December 31, 2002	
First mortgage bonds and other long-term debt (including unamortized premium and discount on debt)	$ 2,364	29.7%
Preferred stock without sinking fund requirements	$ 226	2.8%
Common shareholder's equity	$ 5,382	67.5%
Total Capitalization (excluding current maturities)	$ 7,972	100.0%
Commercial paper	$ 722	
Current maturities of long-term debt	$ 70	

Ratio of Earnings to Fixed Charges

Years Ended December 31,				
2002	2001	2000	1999	1998
7.47	6.44	6.02	6.26	5.69

SUMMARY OF TERMS

Glossary:	
BD	= Business Day
IPD	= Interest Payment Date
RA	= Remarketing Agent
TA	= Tender Agent

NOTE: If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

	Daily Interest Rate Period	Weekly Interest Rate Period	Commercial Paper Interest Rate Period	Long-Term Interest Rate Period
Authorized Denomination	$25,000 or higher integral multiples of $25,000	$25,000 or higher integral multiples of $25,000	$25,000 or higher integral multiples of $5,000	Integral multiples of $5,000
Interest Rate Setting	Par rate determined by RA	Par rate determined by RA	Par rate and Commercial Paper Periods determined by RA	Par rate determined by RA
Purchase from Owner at Owner's Option	On any BD with irrevocable notice to TA by 10:30 a.m.	On any BD with at least 7 days irrevocable notice to TA	Not applicable	Not applicable
Interest Rate Effective	Daily (Sat., Sun. and holidays will be same as preceding BD)	Wednesday through Tuesday	Commercial Paper Date through last day of Commercial Paper Period (not greater than 364 days)	First day of Period through last day of Period (one year or more)
Interest Rate Announced	Daily	No later than BD prior to the Wednesday	No later than the Commercial Paper Date	No later than first day of Period
Interest Accrual Period	First day through last day of month (calendar month)	First Wednesday of month through Tuesday preceding next IPD	Commercial Paper Date through last day of Commercial Paper Period	IPD through day preceding next IPD (which must be a Business Day)
Calculation of Accrued Interest	365/366-day year and actual days elapsed	365/366-day year and actual days elapsed	365/366-day year and actual days elapsed	360-day year; twelve 30-day months
Interest Payment Date	Fifth BD of the month and day following end of Period	First Wednesday of the month or next succeeding BD, and day following end of Period	Day after end of Commercial Paper Period (next Commercial Paper Date or first day of next Period)	Semiannually on May 1 and November 1 and day following end of Period
Interest Payment	By check to registered owner as of Record Date on IPD; in immediately available funds by deposit to account or wire transfers to owners who request same	By check to registered owner as of Record Date on IPD; in immediately available funds by deposit to account or wire transfers to owners who request same	By check to registered owner as of Record Date on IPD; in immediately available funds by deposit to account or wire transfers to owners who request same, but only when Bond is presented	By check to registered owner as of Record Date on IPD
Mandatory Tender for Purchase	Effective date of any change in the Period	Effective date of any change in the Period	First day of Period and the Commercial Paper Date	Effective date of any change in the Period

	Daily Interest Rate Period	Weekly Interest Rate Period	Commercial Paper Interest Rate Period	Long-Term Interest Rate Period
Optional Redemption	100% of par plus accrued interest on any BD	100% of par plus accrued interest on any BD	100% of par plus accrued interest on day immediately succeeding last day of the Commercial Paper Period	Initial redemption date and price determined by formula based on length of Period; 100% of par, plus accrued interest on any BD, if extraordinary optional redemption
Mandatory Redemption	100% of par plus accrued interest upon final determination of taxability	100% of par plus accrued interest upon final determination of taxability	100% of par plus accrued interest upon final determination of taxability	100% of par plus accrued interest upon final determination of taxability
Principal and any Premium Paid	Upon presentation and surrender of Series 2003 Bonds	Upon presentation and surrender of Series 2003 Bonds	Upon presentation and surrender of Series 2003 Bonds	Upon presentation and surrender of Series 2003 Bonds
Eligible Adjustment Date out of Period	Any BD	Any BD	BD following a Commercial Paper Period	BD following Period; any BD on which Series 2003 Bonds permitted to be redeemed
Adjustment to Period	By FPL	By FPL	By FPL	By FPL
Notice to Owners of Adjustment to Period	At least 15 days	At least 15 days	At least 15 days	At least 15 days (30 days if effective date is not day after originally scheduled last day of Long-Term Interest Rate Period)
Favorable Opinion of Counsel Required on Adjustment to Period	Yes, unless adjustment from Weekly Interest Rate Period or Commercial Paper Interest Rate Period or automatic adjustment from Long-Term Interest Rate Period	Yes, unless adjustment from Daily Interest Rate Period or Commercial Paper Interest Rate Period	Yes, unless adjustment from Daily Interest Rate Period or Weekly Interest Rate Period	Yes (subject to certain exceptions)

(Form of approving opinion of Bond Counsel for Series 2003 Bonds)

To: St. Lucie County, Florida
Fort Pierce, Florida

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600

We have acted as Bond Counsel in connection with the issuance by St. Lucie County, Florida (the "Issuer") of its $78,785,000 St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Series 2003 Bonds"). The Series 2003 Bonds are being issued pursuant to Part II of Chapter 159, Florida Statutes, as amended, for the purpose of making a loan to Florida Power & Light Company (the "Company") to refund and redeem on May 2, 2003 $5,315,000 principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1992 (the "St. Lucie Series 1992 Bonds"), to refund and redeem on July 29, 2003 $65,420,000 original principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company), Series 2000B (the "St. Lucie Series 2000B Bonds"), to refund and redeem on May 2, 2003 $4,000,000 original principal amount of Broward County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "Broward Bonds"), and to refund and redeem on July 29, 2003 $4,050,000 original principal amount of Martin County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1993 (the "Martin Bonds").

The proceeds of the St. Lucie Series 2000B Bonds were used, together with funds provided by the Company, to refund and redeem $48,900,000 principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2000A (the "St. Lucie Series 2000A Bonds"), and $16,520,000 principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "St. Lucie Series 1991 Bonds"). The proceeds of the St. Lucie Series 2000A Bonds were used to refinance, and the proceeds of the St. Lucie Series 1991 Bonds and the St. Lucie Series 1992 Bonds were used to finance, a portion of the cost of acquisition, installation and construction of certain solid waste disposal facilities at Units 1 and 2 of the St. Lucie Electrical Generating Plant, an undivided interest in which is owned by the Company. The proceeds of Broward Bonds were used to finance a portion of the cost of acquisition, installation and construction of certain solid waste disposal and sewage facilities at Units 4 and 5 of the Lauderdale Electrical Generating Plant, owned by the Company. The proceeds of the Martin Bonds were used to finance a portion of the cost of acquisition, installation and construction of certain solid waste disposal and sewage facilities at Units 3 and 4 of the Martin County Electrical Generating Plant, owned by the Company.

The Series 2003 Bonds are being issued under the provisions of a Trust Indenture, dated as of May 1, 2003 (the "Indenture"), between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee (the "Trustee").

In rendering this opinion, we have examined the transcript of proceedings (the "Transcript") relating to the issuance of the Series 2003 Bonds. The Transcript documents include executed counterparts of an Interlocal Agreement, dated March 25, 2003, between the Issuer and Broward County, Florida, an Interlocal Agreement, dated as of April 1, 2003, between the Issuer and Martin County, Florida, a Loan Agreement, dated as of May 1, 2003 (the "Loan Agreement"), between the Issuer and the Company, and the Indenture. We also have examined an executed Series 2003 Bond.

Based on this examination, we are of the opinion that, under existing law:

1. The Series 2003 Bonds, the Indenture and the Loan Agreement are valid, legal, binding and enforceable in accordance with their respective terms, subject to bankruptcy laws and other laws affecting creditors' rights and to the exercise of judicial discretion.

2. The Series 2003 Bonds constitute limited obligations of the Issuer, the principal of and interest and any premium on which (collectively, "debt service") are payable solely from the revenues and other moneys pledged and assigned by the Indenture to secure that payment. Those revenues and other moneys include the Loan Repayments required to be made by the Company under the Loan Agreement. The Series 2003 Bonds and the payment of debt service thereon are not secured by an obligation or pledge of any moneys raised by taxation, and the Series 2003 Bonds do not represent or constitute a debt or pledge of the faith and credit of the Issuer, Broward County, Florida, Martin County, Florida, the State of Florida or any political subdivision thereof.

3. The interest on the Series 2003 Bonds is excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), except interest on any Series 2003 Bond for any period during which it is held by a "substantial user" or a "related person" as those terms are used in Section 147(a) of the Code, and is an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals and corporations. The Series 2003 Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. We express no opinion as to any other tax consequences regarding the Series 2003 Bonds.

Under the Code, interest on the Series 2003 Bonds may be subject to a branch profits tax imposed on certain foreign corporations doing business in the United States and to a tax imposed on excess net passive income of certain S corporations.

In giving the foregoing opinions we have assumed and relied upon compliance with the covenants of the Issuer and the Company and the accuracy, which we have not independently verified, of the representations and certifications of the Issuer and the Company contained in the Transcript. The accuracy of those representations and certifications, and compliance by the Issuer and the Company with those covenants, may be necessary for the interest on the Series 2003 Bonds to be and to remain excluded from gross income for federal income tax purposes and for certain of the other tax effects stated above. Failure to comply with certain of those covenants subsequent to the issuance of the Series 2003 Bonds could cause the interest thereon to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2003 Bonds. We also have relied upon the opinion of Steel Hector & Davis LLP, as counsel for the Company, as to all matters concerning the due authorization, execution and delivery by, and the binding effect upon and enforceability against, the Company of the Loan Agreement. We have further assumed the due authorization, execution and delivery by, and the binding effect upon and enforceability against, the Trustee of the Indenture.

Respectfully submitted,

NOTICE OF TENDER OF BOOK-ENTRY BONDS--WEEKLY INTEREST RATE PERIOD

$78,785,000
St. Lucie County, Florida
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, or its successor, as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent seven days from the date of the Tender Agent's receipt, by telecopy or otherwise, of this notice, or the next Business Day* if such seventh day is not a Business Day (the "Tender Date"); provided, however, that if this notice is received by the Tender Agent by telecopy, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent, unless the Tender Agent receives this notice in original executed form by hand delivery prior to 2:00 p.m. New York time on the Business Day next succeeding its receipt of such notice by telecopy. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount (in multiples of $25,000)	DTC Participant Number	CUSIP Number(s)
$		

The undersigned acknowledges and agrees by the execution and delivery of this notice (1) that the tender of the Tendered Book-Entry Bonds is irrevocable; (2) that the undersigned is contractually bound to tender such Tendered Book-Entry Bonds to the Tender Agent on the Tender Date; and (3) that in the event of a failure to tender the Tendered Book-Entry Bonds to the Tender Agent on or before 12:00 Noon, New York City time on the Tender Date the undersigned shall pay to the Tender Agent an amount (the "default amount") equal to the difference between (a) the costs arising out of the failure to tender and (b) the purchase price, as defined above, which would have been paid to the undersigned upon a tender. As used herein the "costs arising out of the failure to tender" shall mean the sum of (x) the amount expended by the Tender Agent, either directly or through an agent, in acquiring book-entry bonds in substitution of the Tendered Book-Entry Bonds (including interest thereon) and (y) the administrative and other charges, expenses or commissions incurred in connection with the acquisition of such substitute book-entry bonds.

The undersigned agrees that the Tender Agent, either directly or through an agent, may acquire such substitute bonds in such manner and market as it deems commercially reasonable, and further agrees that the default amount is reasonable in light of the anticipated harm caused by the failure to tender and the inconvenience of obtaining any other remedy.

* "Business Day" shall have the meaning ascribed thereto by the Indenture under which the Tendered Book-Entry Bonds are issued.

The undersigned hereby irrevocably appoints the Tender Agent as his duly authorized attorney and directs the Tender Agent to effect the transfer of the Tendered Book-Entry Bonds.

Date of Notice:

Signature of DTC Participant Representing the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

NOTICE OF TENDER OF BOOK-ENTRY BONDS--DAILY INTEREST RATE PERIOD

$78,785,000
St. Lucie County, Florida
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, or its successor, as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent on the date hereof or the next Business Day* if the date hereof is not a Business Day (the "Tender Date"); provided, however, that if this notice is not received by the Tender Agent by 10:30 a.m. on the date hereof, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount (in multiples of $25,000)	DTC Participant Number	CUSIP Number(s)
$		

The undersigned acknowledges and agrees by the execution and delivery of this notice (1) that the tender of the Tendered Book-Entry Bonds is irrevocable; (2) that the undersigned is contractually bound to tender such Tendered Book-Entry Bonds to the Tender Agent on the Tender Date; and (3) that in the event of a failure to tender the Tendered Book-Entry Bonds to the Tender Agent on or before 12:00 Noon, New York City time on the Tender Date the undersigned shall pay to the Tender Agent an amount (the "default amount") equal to the difference between (a) the costs arising out of the failure to tender and (b) the purchase price, as defined above, which would have been paid to the undersigned upon a tender. As used herein the "costs arising out of the failure to tender" shall mean the sum of (x) the amount expended by the Tender Agent, either directly or through an agent, in acquiring book-entry bonds in substitution of the Tendered Book-Entry Bonds (including interest thereon) and (y) the administrative and other charges, expenses or commissions incurred in connection with the acquisition of such substitute book-entry bonds.

The undersigned agrees that the Tender Agent, either directly or through an agent, may acquire such substitute bonds in such manner and market as it deems commercially reasonable, and further agrees that the default amount is reasonable in light of the anticipated harm caused by the failure to tender and the inconvenience of obtaining any other remedy.

* "Business Day" shall have the meaning ascribed thereto by the Indenture under which the Tendered Book-Entry Bonds are issued.

The undersigned hereby irrevocably appoints the Tender Agent as his duly authorized attorney and directs the Tender Agent to effect the transfer of the Tendered Book-Entry Bonds.

Date of Notice:

Signature of DTC Participant Representing the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

No dealer, salesman or any other person has been authorized by the Issuer, by FPL or by the Underwriter to give any information or to make any representation other than as contained in this Official Statement or in the Appendices hereto in connection with the offering described herein, and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer of any securities other than those described on the cover page or an offer to sell or a solicitation of an offer to buy in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No representation or warranty is made as to the accuracy or completeness of the information contained in this Official Statement, and nothing contained in this Official Statement is, or shall be relied on as, a promise or representation by the Issuer or the Underwriter. This Official Statement is submitted in connection with the sale of securities as referred to herein, and may not be reproduced or be used, in whole or in part, for any other purpose. The delivery of this Official Statement at any time does not imply that information herein or in the Appendices hereto is correct as of any time subsequent to its date.

TABLES OF CONTENTS

	Page
Addresses Of Certain Parties	2
Selected Information Relating To The Series 2003 Bonds	3
Certain Definitions	8
Introductory Statement	10
The Series 2003 Bonds	12
The Agreement	23
The Indenture	25
The Trustee	29
Tax Matters	29
Underwriting	30
Legality	30
Disclosure Required By Florida Blue Sky Regulations	31
Appendix A—Florida Power & Light Company	
Appendix B—Summary of Terms	
Appendix C—Form of Opinion of Bond Counsel	
Appendix D—Form of Notice of Tender of Book-Entry Bonds	

FPL

$78,785,000

St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project) Series 2003

Official Statement

Price: 100%

Wachovia Bank, National Association

April 30, 2003

Exhibit (a)-4

NEW ISSUE **BOOK-ENTRY ONLY**

In the opinion of Co-Bond Counsel, assuming continuing compliance by the Issuer and Florida Power & Light Company ("FPL") with certain federal tax covenants, under existing statutes, regulations, rulings and judicial decisions, interest on the Series 2003 Bonds is excluded from gross income for federal income tax purposes, except for interest on any Series 2003 Bond for any period during which such Series 2003 Bond is held by a person who is a "substantial user" of the facilities refinanced by the Bonds or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"). However, interest on the Series 2003 Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a description of certain other federal tax consequences of ownership of the Series 2003 Bonds. Co-Bond Counsel are further of the opinion that the Series 2003 Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

$15,000,000

Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

Interest Accrual Date: Date of Delivery Due: February 1, 2023

The Series 2003 Bonds may bear interest at a Daily, Weekly, Commercial Paper, Long-Term or Alternate Interest Rate, as described herein. The initial Interest Rate Period for the Series 2003 Bonds will be a Daily Interest Rate Period.

The Series 2003 Bonds will be subject to repurchase and redemption upon the terms and in the manner described herein.

The Series 2003 Bonds are limited obligations of the Issuer and neither the faith and credit nor the taxing power of Miami-Dade County Industrial Development Authority, Miami-Dade County, Florida, the State of Florida or any political subdivision thereof is pledged to the payment thereof. The Series 2003 Bonds are payable, except to the extent payable from the proceeds thereof and other moneys pledged therefor, solely from, and are secured by, a pledge of loan repayments to be received by the Issuer under a Loan Agreement with,



Florida Power & Light Company

The Series 2003 Bonds will be issuable as fully registered bonds and will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2003 Bonds. Purchases of Series 2003 Bonds may only be made (1) in the principal amount of $100,000 and any integral multiple of $100,000 while the Series 2003 Bonds bear interest at a Daily or Weekly Interest Rate, (2) in the principal amount of $25,000 or any integral multiple of $5,000 in excess of $25,000 while the Series 2003 Bonds bear interest at a Commercial Paper Interest Rate, (3) in the principal amount of $5,000 or any integral multiple of $5,000 while the Series 2003 Bonds bear interest at a Long-Term Interest Rate, and (4) in principal amounts that will be set forth in a supplement to this Official Statement if the Interest Rate Period is adjusted to be an Alternate Interest Rate Period. Except under the limited circumstances described herein, beneficial owners of interests in the Series 2003 Bonds will not receive certificates representing their interests in the Series 2003 Bonds. Payments of principal and premium, if any, and interest on Series 2003 Bonds will be made through DTC and its Participants and disbursements of such payments to purchasers will be the responsibility of such Participants (see "The Series 2003 Bonds—Book-Entry System" herein). The Series 2003 Bonds are subject to redemption prior to maturity as described herein. The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, is the Trustee for the Series 2003 Bonds. The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, is the Tender Agent/Paying Agent/Registrar for the Series 2003 Bonds.

Price: 100%

The Series 2003 Bonds will be offered by the Underwriter when, as and if issued by the Issuer and accepted by the Underwriter, subject to the approving opinion of Adorno & Yoss, P.A., Miami, Florida, and Clyne & Self, P.A., Coral Gables, Florida, Co-Bond Counsel, and to certain other conditions. Steel Hector & Davis LLP, West Palm Beach, Florida, and Thelen Reid & Priest LLP, New York, New York, counsel for Florida Power & Light Company ("FPL"), will pass upon certain legal matters pertaining to FPL. Certain legal matters will be passed upon for the Underwriter by Hunton & Williams LLP, New York, New York, counsel to the Underwriter. The County Attorney for Miami-Dade County, Florida, will pass upon certain legal matters for the Issuer. It is expected that delivery of the Series 2003 Bonds will be made on or about June 25, 2003 in New York, New York.

Wachovia Bank, National Association

June 24, 2003

In connection with this offering, the underwriter may overallot or effect transactions that stabilize or maintain the market price of the Series 2003 Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

ADDRESSES OF CERTAIN PARTIES	
FPL	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Treasurer
Initial Remarketing Agent	Wachovia Bank, National Association 301 South College Street, DC-8 Charlotte, NC 28288-0600 Attention: Municipal Trading Desk
Trustee	The Bank of New York Trust Company of Florida, N.A. 10161 Centurion Parkway Jacksonville, Florida 32256 Attention: Corporate Trust Division
Tender Agent/Paying Agent/Registrar	The Bank of New York Trust Company of Florida, N.A. 10161 Centurion Parkway Jacksonville, Florida 32256 Attention: Corporate Trust Division

SELECTED INFORMATION RELATING TO THE SERIES 2003 BONDS

The following information is furnished solely to provide limited introductory information regarding the terms of the Series 2003 Bonds and does not purport to be comprehensive. A summary of such terms in chart form appears as Appendix B of this Official Statement. All such information is qualified in its entirety by reference to the more detailed descriptions appearing in this Official Statement and should be read together therewith. Certain terms used in the following selected information are defined under "Certain Definitions." The offering of the Series 2003 Bonds is made only by means of this entire Official Statement. No person is authorized to make offers to sell, or solicit offers to buy, Series 2003 Bonds unless this entire Official Statement is delivered in connection therewith.

General

The Series 2003 Bonds will mature on February 1, 2023. The term of the Series 2003 Bonds will be divided into consecutive Interest Rate Periods at the direction of FPL, during which the Series 2003 Bonds may bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Interest Rates applicable to each Series 2003 Bond, a Long-Term Interest Rate or an Alternate Interest Rate.

The initial Interest Rate Period for the Series 2003 Bonds will be a Daily Interest Rate Period. Wachovia Bank, National Association has been appointed initial Remarketing Agent with respect to the Series 2003 Bonds. The initial Interest Payment Date shall be July 8, 2003.

Daily Interest Rate Period

Interest Rate	The interest rate for each Business Day will be established by the Remarketing Agent on that Business Day. The interest rate for a day that is not a Business Day will be the same as the interest rate for the preceding Business Day. The interest rate will be the minimum rate that the Remarketing Agent determines would permit the sale of the Series 2003 Bonds at 100% of their principal amount. Interest will be calculated on a 365/366-day year and the actual number of days elapsed.
Interest Payment	Interest will accrue on a calendar month basis and will be payable on the fifth Business Day of the next month and on the day after the last day of the Daily Interest Rate Period.
Purchase of Series 2003 Bonds Upon Demand	Owners may demand purchase of Series 2003 Bonds on any Business Day by giving an irrevocable notice by 10:30 a.m., New York City time.
Optional Redemption	Series 2003 Bonds will be redeemable, upon 30 days' notice, at the option of FPL, at a price equal to 100% of their principal amount plus accrued interest on any Business Day.
Change of Interest Rate Period	At any time, the Interest Rate Period for the Series 2003 Bonds may be adjusted from a Daily Interest Rate Period to a Weekly Interest Rate Period, a Commercial Paper

	Interest Rate Period, a Long-Term Interest Rate Period or an Alternate Interest Rate Period. Notice to the Owners of the Series 2003 Bonds will be given at least 15 days prior to the effective date of the new Interest Rate Period.
Mandatory Tender for Purchase	The Series 2003 Bonds are subject to mandatory tender for purchase on the effective date of any change in the Interest Rate Period.
Weekly Interest Rate Period	
Interest Rate	The interest rate for each seven-day period, Wednesday through Tuesday, will be established by the Remarketing Agent no later than the Business Day preceding each Wednesday. The interest rate will be the minimum rate that the Remarketing Agent determines would permit the sale of the Series 2003 Bonds at a price equal to 100% of their principal amount. Interest will be calculated on a 365/366-day year and the actual number of days elapsed.
Interest Payment	Interest will accrue from, and be payable monthly on, the first Wednesday of each month and will also be payable on the day after the last day of the Weekly Interest Rate Period.
Purchase of Series 2003 Bonds Upon Demand	Owners may demand purchase of Series 2003 Bonds on any Business Day by giving at least seven days' irrevocable notice to the Tender Agent of the day of purchase.
Optional Redemption	Series 2003 Bonds will be redeemable, upon 30 days' notice, at the option of FPL, at a price equal to 100% of their principal amount plus accrued interest on any Business Day.
Change of Interest Rate Period	At any time, the Interest Rate Period for the Series 2003 Bonds may be adjusted from a Weekly Interest Rate Period to a Daily Interest Rate Period, a Commercial Paper Interest Rate Period, a Long-Term Interest Rate Period or an Alternate Interest Rate Period. Notice to the Owners of the Series 2003 Bonds will be given at least 15 days prior to the effective date of the new Interest Rate Period.
Mandatory Tender for Purchase	The Series 2003 Bonds are subject to mandatory tender for purchase on the effective date of any change in the Interest Rate Period.

Commercial Paper Interest Rate Period

Interest Periods and Rates for Each Series 2003 Bond	A Commercial Paper Interest Rate Period will be comprised, for each Series 2003 Bond, of a series of consecutive and individual Commercial Paper Periods. Each Commercial Paper Period will be not less than one nor more than 364 days. Each Commercial Paper Period will commence on a Business Day (the "Commercial Paper Date") and end on a day preceding a Business Day. During each Commercial Paper Period for each Series 2003 Bond, such Series 2003 Bond will bear interest at a fixed rate (the "Commercial Paper Interest Rate"). Each Series 2003 Bond may have a different Commercial Paper Period and Commercial Paper Interest Rate.
Interest Rate (Commercial Paper Interest Rate)	The Commercial Paper Interest Rate for each Commercial Paper Period for each Series 2003 Bond will be established by the Remarketing Agent not later than the Commercial Paper Date for such Commercial Paper Period. The Commercial Paper Interest Rate for each Commercial Paper Period for each Series 2003 Bond will be the minimum rate that the Remarketing Agent determines would permit the sale of such Series 2003 Bond at a price equal to 100% of its principal amount on the Commercial Paper Date. Interest will be calculated on 365/366-day year and the actual number of days elapsed.
Interest Payment	Interest will accrue from each Commercial Paper Date for each Series 2003 Bond through and including the last day of the related Commercial Paper Period and will be payable on the day after the last day of such Commercial Paper Period, upon presentation of such Series 2003 Bond to the Tender Agent.
Optional Redemption	Each Series 2003 Bond will be redeemable, upon 30 days' notice, at the option of FPL, at a price equal to 100% of its principal amount on the day after the last day of each Commercial Paper Period for such Series 2003 Bond.
Change of Interest Rate Period	On the day after the last day of any Commercial Paper Period for a Series 2003 Bond, the Interest Rate Period for such Series 2003 Bond may be adjusted from a Commercial Paper Interest Rate Period to a Daily Interest Rate Period, a Weekly Interest Rate Period, a Long-Term Interest Rate Period or an Alternate Interest Rate Period. Notice to the Owner of such Series 2003 Bond will be given at least 15 days prior to the effective date of the new Interest Rate Period.

Mandatory Tender for Purchase	Each Series 2003 Bond will be purchased on the day after the last day of each Commercial Paper Period with respect to such Series 2003 Bond.
Long-Term Interest Rate Period	
Interest Rate	The interest rate for each Long-Term Interest Rate Period will be established by the Remarketing Agent not later than the first day of that period. The interest rate will be the minimum rate that the Remarketing Agent determines would permit the sale of the Series 2003 Bonds at a price equal to 100% of their principal amount. Interest will be calculated on a 360-day year consisting of twelve 30-day months.
Interest Payment	Interest will be payable on each February 1 and August 1, and on the day after the end of the Long-Term Interest Rate Period.
Optional Redemption	Series 2003 Bonds will be redeemable, upon 30 days' notice, at the option of FPL, after various no-call periods, at declining premiums as described herein. Series 2003 Bonds will also be redeemable upon 30 days' notice, at the option of FPL, upon the occurrence of certain extraordinary events as described herein, at the principal amount thereof, plus accrued interest and any applicable premium, as described herein.
Change of Interest Rate Period	The Interest Rate Period may be adjusted from a Long-Term Interest Rate Period to a Daily Interest Rate Period, a Weekly Interest Rate Period, a Commercial Paper Interest Rate Period, an Alternate Interest Rate Period or another Long-Term Interest Rate Period. The effective date for such change must be the day after the end of the Long-Term Interest Rate Period or a day on which the Series 2003 Bonds could be redeemed at the option of FPL. Notice to the Owners of the Series 2003 Bonds will be given at least 15 days prior to the effective date (30 days if the effective date is not the day after the originally scheduled last day of the Long-Term Interest Rate Period).
Mandatory Tender for Purchase	The Series 2003 Bonds are subject to mandatory tender for purchase on the first day of each Interest Rate Period.
Alternate Interest Rate Period	
General	If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Length of Interest Rate Periods

Each Commercial Paper Interest Rate Period, Daily Interest Rate Period and Weekly Interest Rate Period will continue until the date on which FPL determines that a different Interest Rate Period will begin. Each Long-Term Interest Rate Period shall be for a term selected by FPL, which shall be one year or more. FPL may also specify a succession of Long-Term Interest Rate Periods. Each Commercial Paper Period within a Commercial Paper Interest Rate Period will be for a term of 364 days or less. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

CERTAIN DEFINITIONS

As used in this Official Statement:

"Alternate Interest Rate" means an interest rate established periodically in accordance with Section 201(j) of the Indenture.

"Alternate Interest Rate Period" means each period during which an Alternate Interest Rate is in effect.

"Business Day" means a day on which banks located in the cities in which the Principal Offices of the Trustee and the Tender Agent are located, are not required or authorized to remain closed and on which the New York Stock Exchange is not closed.

"Commercial Paper Interest Rate" means, with respect to each Series 2003 Bond, a fixed, non-variable interest rate on such Series 2003 Bond established periodically in accordance with the Indenture.

"Commercial Paper Interest Rate Period" means each period, comprised of Commercial Paper Periods, during which Commercial Paper Interest Rates are in effect.

"Commercial Paper Period" means, with respect to any Series 2003 Bond, each period established in accordance with the Indenture during which such Series 2003 Bond shall bear interest at a Commercial Paper Interest Rate.

"Daily Interest Rate" means a variable interest rate on the Series 2003 Bonds established in accordance with the Indenture.

"Daily Interest Rate Period" means each period during which a Daily Interest Rate is in effect.

"Favorable Opinion" means an opinion of counsel nationally recognized on the subject of, and qualified to render approving legal opinions on the issuance of, municipal bonds, acceptable to FPL, the Trustee and the Issuer, to the effect that the action proposed to be taken is authorized or permitted by the laws of the State of Florida and the Indenture and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Series 2003 Bonds.

"Interest Accrual Date" means (i) with respect to any Daily Interest Rate Period, the first day thereof and, thereafter, the first day of each calendar month during that Daily Interest Rate Period, (ii) with respect to any Weekly Interest Rate Period, the first day thereof and, thereafter, the first Wednesday of each calendar month during that Weekly Interest Rate Period, (iii) with respect to any Long-Term Interest Rate Period, the first day thereof and, thereafter, each Interest Payment Date in respect thereof, other than the last such Interest Payment Date, (iv) with respect to each Commercial Paper Period, the first day thereof, and (v) with respect to each Alternate Interest Rate Period, each date specified as such in a supplement to this Official Statement.

"Interest Payment Date" means (i) with respect to any Daily Interest Rate Period, the fifth Business Day of each calendar month, (ii) with respect to any Weekly Interest Rate Period, the first Wednesday of each calendar month, or, if such first Wednesday shall not be a Business Day, the next Business Day, (iii) with respect to any Long-Term Interest Rate Period, each February 1 and August 1, (iv) with respect to any Commercial Paper Period, the day after the last day thereof, (v) with respect to any Alternate Interest Rate Period, each date specified as such in a supplement to this Official Statement and (vi) with respect to each Interest Rate Period, the day after the last day thereof.

"Interest Rate Period" means any Daily Interest Rate Period, any Weekly Interest Rate Period, any Commercial Paper Interest Rate Period, any Long-Term Interest Rate Period, or any Alternate Interest Rate Period.

"Long-Term Interest Rate" means, with respect to each Series 2003 Bond, a fixed, non-variable interest rate on such Series 2003 Bond established in accordance with the Indenture.

"Long-Term Interest Rate Period" means each period during which a Long-Term Interest Rate is in effect.

"Owner" means the person or entity in whose name any Series 2003 Bond is registered upon the registration books for the Series 2003 Bonds.

"Principal Office" of the Trustee, Tender Agent or Registrar, means the address of such party listed under "Addresses of Certain Parties" in this Official Statement, or such other address as is established or designated as such pursuant to the Indenture.

"Record Date" means, (i) with respect to any Interest Payment Date in respect of a Daily Interest Rate Period, the last Business Day of each calendar month during such Daily Interest Rate Period or, in the case of the last Interest Payment Date in respect of a Daily Interest Rate Period, the Business Day preceding such Interest Payment Date, (ii) with respect to any Interest Payment Date in respect of a Weekly Interest Rate Period or a Commercial Paper Period, the Business Day preceding such Interest Payment Date, (iii) with respect to any Interest Payment Date in respect of an Alternate Interest Rate Period, each date specified as such in a supplement to this Official Statement and (iv) with respect to any Interest Payment Date in respect of a Long-Term Interest Rate Period, the fifteenth day preceding such Interest Payment Date or, in the case of an Interest Payment Date which is not at least 15 days after the first day of a Long-Term Interest Rate Period, such first day.

"Weekly Interest Rate" means a variable interest rate on the Series 2003 Bonds established in accordance with the Indenture.

"Weekly Interest Rate Period" means each period during which a Weekly Interest Rate is in effect.

$15,000,000
Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

INTRODUCTORY STATEMENT

This Official Statement sets forth certain information with respect to the issuance by Miami-Dade County Industrial Development Authority (the "Issuer") of $15,000,000 aggregate principal amount of Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Series 2003 Bonds"). The Issuer is a public body corporate and politic and a public instrumentality created and validly existing under the Constitution and the laws of the State of Florida. The Series 2003 Bonds will bear interest and will be subject to prior redemption as set forth herein, will mature on the date set forth on the cover page hereof, shall be purchased at the option of their Owners or upon mandatory tender, and shall have such other terms as are described herein under the heading "The Series 2003 Bonds".

The proceeds of the Series 2003 Bonds will be used, together with funds provided by Florida Power & Light Company ("FPL"), to refund and redeem on June 26, 2003 $15,000,000 principal amount of Dade County Industrial Development Authority Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "Prior Bonds").

The proceeds of the Prior Bonds were used, together with funds provided by FPL, to finance the acquisition, installation and construction of certain sewage and solid waste disposal facilities (the "Project") at Units 3 and 4 of the Turkey Point Electrical Generating Plant in Miami-Dade County, Florida (the "Turkey Point Units") and Units 5 and 6 of the Cutler Electrical Generating Plant in Miami-Dade County, Florida (the "Cutler Units" and, together with the Turkey Point Units, the "Units"), all owned by FPL. Pursuant to a Loan Agreement, dated as of June 1, 2003 (the "Agreement") by and between the Issuer and FPL, the Issuer will lend the proceeds from the sale of the Series 2003 Bonds to FPL.

The Series 2003 Bonds will be issued under a Trust Indenture, dated as of June 1, 2003 (the "Indenture"), by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as trustee (the "Trustee"), and under a resolution of the governing body of the Issuer.

The Series 2003 Bonds will be limited obligations of the Issuer entitled, ratably and equally, to the benefits of the Indenture, and will be payable, except to the extent payable from the Series 2003 Bond proceeds and other moneys pledged therefor, solely from, and will be secured by an assignment and pledge of, the rights of the Issuer in the Agreement (except certain rights to indemnification and reimbursement of expenses) and all loan repayments by FPL thereunder, which payments will be sufficient, together with other funds available for such purpose, to pay, when due, the principal of and premium, if any, and interest on the Series 2003 Bonds so secured.

Except as otherwise provided by the Indenture and the Agreement, any Series 2003 Bonds which bear interest at a Long-Term Interest Rate will also be secured by a series of FPL's first mortgage bonds (the "Pledged Bonds") in like aggregate principal amount, issued under FPL's Mortgage and Deed of Trust, dated as of January 1, 1944, as supplemented, under which Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company) is the trustee (the "Mortgage"), and issued to the Trustee; provided, that in lieu of Pledged Bonds, FPL may deliver to the Trustee other credit enhancement sufficient to maintain the long-term ratings on the Series 2003 Bonds, as provided in the Indenture and the Agreement. If Pledged Bonds are issued to the Trustee, the Trustee will, ratably with the holders of all other bonds outstanding from time to time under the Mortgage, enjoy the benefit of a first mortgage lien on substantially all the properties and franchises of FPL. If and when any Series 2003 Bonds bear interest at a Long-Term Interest Rate, such Pledged Bonds or other credit enhancement will be described in a supplement to this Official Statement. No Pledged Bonds or other credit enhancement will be issued or delivered in connection with the initial delivery of the Series 2003 Bonds.

At any time other than when the Series 2003 Bonds bear interest at a Long-Term Interest Rate, FPL may, (i) so long as no default or event of default has occurred and is continuing under the Indenture, at its sole option, or (ii) if a default or event of default has occurred and is continuing under the Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, deliver Pledged Bonds in an aggregate principal amount equal to the then outstanding aggregate principal amount of the Series 2003 Bonds. Such Pledged Bonds will bear interest at the interest rate applicable to the Series 2003 Bonds, will mature on the Maturity Date, and will be subject to surrender for cancellation at any time upon request by FPL as provided by the Indenture (i) so long as no default or event of default has occurred and is continuing under the Indenture, at the sole option of FPL, or (ii) if a default or event of default has occurred and is continuing under the Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding. Any such surrender and cancellation of Pledged Bonds could result in a downgrading in the ratings accorded to the Series 2003 Bonds and/or adversely affect either the ability of Owners to sell their Series 2003 Bonds and/or the price at which Owners would be able to sell their Series 2003 Bonds. See also "The Indenture – Remedies – Acceleration and Limitations Thereon" below.

The Series 2003 Bonds and the premium, if any, and interest thereon, or purchase price thereof, shall not be deemed to constitute a debt, liability or obligation of the Issuer, the State of Florida or of any political subdivision thereof, or a pledge of the faith and credit of the Issuer, the State of Florida or of any political subdivision thereof, but the Series 2003 Bonds shall be payable solely from the revenues and proceeds pledged and provided therefor, and the Issuer is not obligated to pay the Series 2003 Bonds or the premium, if any, or interest thereon, or purchase price thereof, except from the revenues and proceeds pledged and provided therefor, and the taxing power of the Issuer, the State of Florida or of any political subdivision thereof, is not pledged to the payment of the principal of or the premium, if any, or interest on, or purchase price of, the Series 2003 Bonds.

This Official Statement contains a brief description of the Series 2003 Bonds and summaries of certain provisions of the Agreement and the Indenture. Appendix A to this Official Statement has been furnished by FPL and contains and incorporates by reference information concerning the business of FPL and certain of its financial statements. Appendix B to this Official Statement contains a summary of the terms of the Series 2003 Bonds. The descriptions and summaries of documents herein do not purport to be comprehensive or definitive, and reference is made to each such document for the complete terms and conditions. All statements herein are qualified in their entirety by reference to each such document and, with respect to the enforceability of certain rights and remedies, to laws and principles of equity relating to or affecting generally the enforcement of creditors' rights. Terms not defined herein shall have the meanings set forth in the respective documents. Copies of the Agreement and the Indenture are available for inspection at the offices of Thelen Reid & Priest LLP, 875 Third Avenue, New York, N.Y. 10022.

THE SERIES 2003 BONDS

General

Interest on the Series 2003 Bonds will accrue from their date of delivery, and the Series 2003 Bonds will mature on the date specified on the cover page hereof, subject to redemption prior to maturity as hereinafter described.

Series 2003 Bonds may be transferred or exchanged for other Series 2003 Bonds in authorized denominations at the Principal Office of The Bank of New York Trust Company of Florida, N.A., as Registrar, in Jacksonville, Florida. During a Long-Term Interest Rate Period, the authorized denominations will be $5,000 and any integral multiple of $5,000. During a Daily Interest Rate Period or a Weekly Interest Rate Period, the authorized denominations will be $100,000 and any integral multiple of $100,000. During a Commercial Paper Interest Rate Period, the authorized denominations will be $25,000 and any integral multiple of $5,000 in excess of $25,000. During an Alternate Interest Rate Period, the authorized denominations will be as set forth in a supplement to this Official Statement. Exchanges and transfers shall be made without charge to the Owners, except for any applicable tax, fee or governmental charge required. Except in connection with the remarketing of Series 2003 Bonds, the Registrar shall not be obligated to make any such exchange or transfer of Series 2003 Bonds during the

15 days preceding the date of the first mailing of notice of any proposed redemption of Series 2003 Bonds, nor shall the Registrar be required to make any registration or transfer of Series 2003 Bonds called for redemption.

Trustee. The Bank of New York Trust Company of Florida, N.A. is the Trustee.

Tender Agent, Paying Agent and Registrar. The Bank of New York Trust Company of Florida, N.A. is the Tender Agent/Paying Agent/Registrar. The Tender Agent/Paying Agent/Registrar may be removed or replaced by FPL.

Remarketing Agent. Wachovia Bank, National Association has been appointed initial Remarketing Agent with respect to the Series 2003 Bonds under the Indenture. The term of appointment of any Remarketing Agent shall expire, and FPL shall appoint a successor Remarketing Agent, upon the adjustment of the interest rate determination method for the Series 2003 Bonds; provided, however, that FPL may appoint the then current Remarketing Agent as the successor Remarketing Agent. In addition, FPL may from time to time remove and replace the Remarketing Agent.

Book-Entry System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2003 Bonds. The Series 2003 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Series 2003 Bonds, in the aggregate principal amount of such Bonds, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by The New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2003 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2003 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2003 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2003 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2003 Bonds, except in the event that use of the book-entry system for the Series 2003 Bonds is discontinued, as discussed below.

To facilitate subsequent transfers, all Series 2003 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2003 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2003 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2003 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyances of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2003 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2003 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2003 Bonds may wish to ascertain that the nominee holding the Series 2003 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2003 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will itself consent or vote with respect to Series 2003 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2003 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Series 2003 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer, the Trustee or the Paying Agent, on the relevant payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, is the responsibility of the Issuer, the Trustee or the Paying Agent, disbursement of payments to Direct Participants shall be the responsibility of DTC, and further disbursement of payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Series 2003 Bonds purchased or tendered, through its Participant, to the Tender Agent, and shall effect delivery of such Series 2003 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2003 Bonds, on DTC's records, to the Tender Agent. The requirement for physical delivery of Series 2003 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2003 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2003 Bonds to the Tender Agent's DTC account.

DTC may discontinue providing its services as securities depository with respect to the Series 2003 Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificates for the Series 2003 Bonds are required to be printed and delivered.

FPL may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates for the Series 2003 Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources (including DTC) that the Issuer and FPL believe to be reliable, but the Issuer and FPL take no responsibility for the accuracy thereof.

None of the Issuer, FPL, the Underwriter or the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests in any Series 2003 Bond or for maintaining, supervising or reviewing any records relating to such beneficial interests.

Security for the Series 2003 Bonds

The Series 2003 Bonds will be limited obligations of the Issuer, and the principal of and premium, if any, and interest on, and purchase price of, the Series 2003 Bonds will be payable, except to the extent payable from Series 2003 Bond proceeds and other moneys pledged therefor, solely from, and will be secured by a pledge of, the payments required to be made by FPL pursuant to the Agreement. All rights of the Issuer under the Agreement have been pledged and assigned by the Issuer to the Trustee, except certain rights to indemnification and reimbursement of expenses.

Any Series 2003 Bonds that bear interest at a Long-Term Interest Rate will also be secured by Pledged Bonds or other credit enhancement as provided in the Agreement and the Indenture.

Interest Rate Periods

The term of the Series 2003 Bonds will be divided into consecutive Interest Rate Periods at the direction of FPL. Each Interest Rate Period will be either a Daily Interest Rate Period, Weekly Interest Rate Period, Commercial Paper Interest Rate Period, Long-Term Interest Rate Period or Alternate Interest Rate Period.

If FPL elects at any time to change to an Alternate Interest Rate Period, a supplement to this Official Statement will set forth the details thereof, including, without limitation, the manner of determining interest rates, the effective date of adjustment, the term of the interest rate period, the interest payment dates and the provisions for tender for purchase and redemption, if any.

The initial Interest Rate Period for the Series 2003 Bonds will be a Daily Interest Rate Period. The interest rate or rates applicable during each subsequent Interest Rate Period will be determined as described below.

Determination of Interest Rates

General. During or with respect to each Interest Rate Period, other than any Alternate Interest Rate Period, the Remarketing Agent will determine the interest rate or rates applicable to the Series 2003 Bonds, which will be the minimum interest rate or rates which, if borne by the Series 2003 Bonds, would enable the Remarketing Agent to sell the Series 2003 Bonds on the applicable date at a price (without regard to accrued interest) equal to the principal amount thereof. The Remarketing Agent will base that determination on its examination of tax-exempt obligations comparable to the Series 2003 Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions. The Indenture sets forth certain fall-back rates if, for any reason, an interest rate or rates for the Series 2003 Bonds during any Interest Rate Period is not so determined by the Remarketing Agent. Except during a Long-Term Interest Rate Period ending on the day immediately preceding the Maturity Date, the Daily, Weekly, Commercial Paper or Long-Term Interest Rate shall not exceed 15% per annum. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to Alternate Interest Rates and the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Commencing on the first day of each Interest Rate Period and ending on the day preceding the effective date of the next Interest Rate Period, the Series 2003 Bonds will bear interest at either a Daily Interest Rate, a Weekly Interest Rate, a Commercial Paper Interest Rate, a Long-Term Interest Rate or an Alternate Interest Rate, all determined as set forth below:

Daily Interest Rate. The Daily Interest Rate will be determined by the Remarketing Agent on each Business Day for that Business Day. The Daily Interest Rate for any day that is not a Business Day will be the same as the Daily Interest Rate in effect for the preceding Business Day.

Weekly Interest Rate. The Weekly Interest Rate will be determined by the Remarketing Agent no later than the Business Day preceding the first day of each Weekly Interest Rate Period and thereafter no later than the Business Day preceding Wednesday of each week during the Weekly Interest Rate Period. The first Weekly Interest Rate determined for each Weekly Interest Rate Period will apply to the period commencing on the first day of that Interest Rate Period and ending on the next Tuesday. Thereafter, each Weekly Interest Rate will apply to the period commencing on Wednesday and ending on the earlier of the next Tuesday or the day preceding the effective date of the next Interest Rate Period.

Commercial Paper Periods and Commercial Paper Interest Rate. During a Commercial Paper Interest Rate Period, each Series 2003 Bond will bear interest at the Commercial Paper Interest Rate for that Series 2003 Bond through the day preceding the effective date of the next Commercial Paper Period for that Series 2003 Bond or the day preceding the next Interest Rate Period. Each Series 2003 Bond may have a different Commercial Paper Period and Commercial Paper Interest Rate. Each Commercial Paper Period and Commercial Paper Interest Rate for each Series 2003 Bond will be determined by the Remarketing Agent no later than the first day of the Commercial Paper Period.

Each Commercial Paper Period will be a period of not more than 364 days determined by the Remarketing Agent (taking into account certain factors set forth in the Indenture) to be the period which, together with all other Commercial Paper Periods for Series 2003 Bonds then outstanding, will result in the lowest overall interest expense on the Series 2003 Bonds over the next 364 days. However, the Commercial Paper Period must end on either a day which precedes a Business Day or the day preceding the Maturity Date of the Series 2003 Bonds. If for any reason a Commercial Paper Period for any Series 2003 Bond cannot be so determined by the Remarketing Agent, that Commercial Paper Period will have either the same number of days as the preceding Commercial Paper Period for that Series 2003 Bond, or, if there is no such preceding Commercial Paper Period, then 30 days, subject, in either event, to adjustment in accordance with the Indenture to ensure that the Commercial Paper Period ends on a day preceding a Business Day or, if sooner, on the day preceding the Maturity Date of the Series 2003 Bonds.

Long-Term Interest Rate. During each Long-Term Interest Rate Period, commencing and ending on the date or dates specified or determined as described below, and during each successive Long-Term Interest Rate Period, if any, so determined, the Long-Term Interest Rate will be determined by the Remarketing Agent on the effective date of the Long-Term Interest Rate Period or on a Business Day selected by the Remarketing Agent not more than 30 days prior to such effective date. In the event of an adjustment from a Commercial Paper Interest Rate Period which results in the commencement of the Long-Term Interest Rate Period on two or more dates, a separate Long-Term Interest Rate will be determined by the Remarketing Agent effective as of each such date with respect to the particular Series 2003 Bonds adjusting to the Long-Term Interest Rate Period on such date.

Alternate Interest Rate. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period and Alternate Interest Rates will be set forth in a supplement to this Official Statement.

Payment of Principal and Interest. The principal of and premium, if any, on the Series 2003 Bonds shall be payable to the Owners of the Series 2003 Bonds upon presentation and surrender thereof at the Principal Office of the Trustee. Interest shall be payable by the Paying Agent by checks mailed to the Owners as of the Record Date in respect thereof or (except for interest in respect of a Long-Term Interest Rate Period) in immediately available funds by deposit to an account with the Paying Agent or by wire transfer to the accounts with commercial banks located within the United States of the Owners which shall have provided deposit or wire transfer instructions to the Paying Agent at least two Business Days prior to such Record Date, but, in the case of interest payable in respect of a Commercial Paper Period, only upon delivery of the Series 2003 Bond to the Tender Agent. So long as the Series 2003 Bonds are registered in the name of Cede & Co., payments of principal, premium, if any, and interest will be made as described above under "The Series 2003 Bonds - Book-Entry System".

Interest will be computed, in the case of a Long-Term Interest Rate Period, on the basis of a 360-day year consisting of twelve 30-day months and, in the case of any other Interest Rate Period, on the basis of a 365-or 366-day year, as appropriate, and the actual number of days elapsed.

Each Series 2003 Bond will bear interest from and including the Interest Accrual Date preceding the date of authentication thereof or, if that date of authentication is an Interest Accrual Date to which interest on the Series 2003 Bonds has been paid in full or duly provided for or the date of initial authentication of the Series 2003 Bonds, from that date of authentication. During each Interest Rate Period, interest on the Series 2003 Bonds will accrue and be payable as follows:

Daily Interest Rate Period. Interest on the Series 2003 Bonds will accrue on a calendar month basis and will be payable on the fifth Business Day of the next month and on the day after the last day of the Daily Interest Rate Period.

Weekly Interest Rate Period. Interest on the Series 2003 Bonds will accrue on a monthly basis from the first Wednesday of the month through the Tuesday preceding the Interest Payment Date and will be payable on the first Wednesday (or, if not a Business Day, the next Business Day) of the next month and on the day after the last day of the Weekly Interest Rate Period.

Commercial Paper Interest Rate Period. Interest on each Series 2003 Bond will accrue from the first day of each Commercial Paper Period for such Series 2003 Bond through and including the last day of the Commercial Paper Period for such Series 2003 Bond and will be payable on the day after the last day of such Commercial Paper Period.

Long-Term Interest Rate Period. Interest on the Series 2003 Bonds will accrue from the Interest Payment Date through and including the day preceding the next Interest Payment Date and will be payable semiannually on each February 1 and August 1 and on the day after the last day of the Long-Term Interest Rate Period.

Alternate Interest Rate Period. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Adjustment of Interest Rate Period

General. At any time, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent, the Remarketing Agent and, with respect to an adjustment to an Alternate Interest Rate Period, any additional parties specified in a supplement to this Official Statement, FPL may elect to adjust the method of determining the interest rate with respect to the Series 2003 Bonds by adjusting to a different Interest Rate Period. That direction must specify the effective date of the new Interest Rate Period, which effective date must be a Business Day and may not be less than 15 days (unless the then current Interest Rate Period is a Long-Term Interest Rate Period and such Long-Term Interest Rate Period ends on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) following the second Business Day after the receipt by the Trustee of the direction. Except in connection with adjustments from a Daily Interest Rate Period to a Weekly Interest Rate Period or Commercial Paper Interest Rate Period, from a Weekly Interest Rate Period to a Daily Interest Rate Period or Commercial Paper Interest Rate Period or from a Commercial Paper Interest Rate Period to a Daily Interest Rate Period or Weekly Interest Rate Period, that direction must be accompanied by a Favorable Opinion. Commencing on the effective date of an adjustment to another Interest Rate Period, the Series 2003 Bonds will bear interest at the applicable interest rate as described above.

Adjustment to Long-Term Interest Rate Period. In connection with its election to adjust to a Long-Term Interest Rate Period, FPL must specify, among other things:

(1) the effective date of the Long-Term Interest Rate Period;

(2) the duration of the Long-Term Interest Rate Period, which must be at least one year in duration and must end on a day preceding an Interest Payment Date (which must be a Business Day); and

(3) a date or dates on or prior to which Owners are required to deliver Series 2003 Bonds to be purchased (if other than the effective date).

The direction by FPL to adjust to a Long-Term Interest Rate Period also may specify:

(1) that the initial Long-Term Interest Rate Period will be followed by one or more successive Long-Term Interest Rate Periods and the durations thereof; and

(2) redemption prices greater or lesser, and after periods longer or shorter, than those set forth in the Indenture.

Except as otherwise permitted by the Indenture, any adjustment to a Long-Term Interest Rate Period is conditioned upon the Trustee receiving Pledged Bonds or other credit enhancement in compliance with the Indenture and the Agreement.

If FPL designates successive Long-Term Interest Rate Periods, but does not, with respect to the second or any subsequent Long-Term Interest Rate Period, specify a date or dates on or prior to which Owners are required to deliver Series 2003 Bonds or any modified redemption provisions, all as contemplated above, FPL may later specify any of such information not previously specified with respect to such Long-Term Interest Rate Period.

Adjustment From Long-Term Interest Rate Period. At any time during a Long-Term Interest Rate Period, FPL may elect that the Series 2003 Bonds no longer will bear interest at the Long-Term Interest Rate and instead will bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Interest Rates, an Alternate Interest Rate or a new Long-Term Interest Rate, as specified in such election. The effective date of an adjustment from a Long-Term Interest Rate Period must be the day after the last day of the Long-Term Interest Rate Period or a day on which the Series 2003 Bonds may be redeemed at the option of the Issuer, at the direction of FPL. The notice of such election must be given to the Trustee not later than thirty-five days before the effective date of the new Interest Rate Period. Series 2003 Bonds will be subject to mandatory tender for purchase on such effective date at a purchase price equal to the optional redemption price which would have been applicable on that date.

If, by the Business Day preceding the fifteenth day prior to the last day of any Long-Term Interest Rate Period, other than one of a succession of Long-Term Interest Rate Periods, FPL has not elected that the Series 2003 Bonds are to bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Long-Term Interest Rate, Commercial Paper Interest Rates or an Alternate Interest Rate, the next Interest Rate Period will be (i) if the Long-Term Interest Rate Period to expire is longer than one year in duration, a Long-Term Interest Rate Period ending on the day immediately preceding the next Interest Payment Date (which must be a Business Day) which is at least one year and one day after the first day of the new Long-Term Interest Rate Period, in which case a Favorable Opinion will not be required and FPL shall not be required to deliver Pledged Bonds or other credit enhancement to the Trustee in connection with the commencement of the new Long-Term Interest Rate Period or (ii) if the Long-Term Interest Rate Period to expire is one year in duration, a Daily Interest Rate Period and a Favorable Opinion will not be required.

Adjustment From Commercial Paper Interest Rate Period. At any time during a Commercial Paper Interest Rate Period, FPL may elect that Series 2003 Bonds no longer will bear interest at Commercial Paper Interest Rates and will instead bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Long-Term Interest Rate or an Alternate Interest Rate, as specified in the election. That election also must specify whether the effective date of the new Interest Rate Period will be (1) a single day for all Series 2003 Bonds, in which case the effective date will be the day after the earliest date on which all Commercial Paper Periods shall end as determined by the Remarketing Agent, or (2) different for each Series 2003 Bond, in which case the effective date will be the day after the last day of the Commercial Paper Period then in effect (or to be in effect) with respect to such Series 2003 Bond.

Adjustment From Alternate Interest Rate Period. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to adjustments from an Alternate Interest Rate Period to any other Interest Rate Period will be set forth in a supplement to this Official Statement.

Notice to Owners of Adjustment of Interest Rate Period. The Registrar will be required to give notice by first-class mail of an adjustment of the Interest Rate Period to the Owners of the Series 2003 Bonds not less than 15 days (unless the then current Interest Rate Period is a Long-Term Interest Rate Period and such Long-Term Interest Rate Period ends on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of the adjustment of the Interest Rate Period. That notice must state the following:

(1) the effective date of the new Interest Rate Period and, with respect to the Long-Term Interest Rate Period, the last day of such Interest Rate Period;

(2) the method by which the interest rate is to be determined during the new Interest Rate Period;

(3) how, with respect to a Commercial Paper Interest Rate Period or a Long-Term Interest Rate Period, the Commercial Paper Periods and Commercial Paper Interest Rates or Long-Term Interest Rate or Rates may be obtained from the Remarketing Agent;

(4) the Interest Payment Dates during the new Interest Rate Period or, with respect to the Commercial Paper Interest Rate Period, that interest on each Series 2003 Bond will be paid on the day after the last day of each Commercial Paper Period for that Series 2003 Bond but only upon presentation of that Series 2003 Bond to the Tender Agent;

(5) that the Series 2003 Bonds are subject to mandatory tender for purchase on the effective date, setting forth the applicable purchase price;

(6) whether, subsequent to such effective date, the Owners of Series 2003 Bonds will have the right to require the purchase of their Series 2003 Bonds upon specified notice to the Tender Agent and, if so, the procedures of that purchase; or, with respect to the Commercial Paper Interest Rate Period, that, subsequent to such effective date, each Series 2003 Bond will be subject to mandatory tender for purchase only on the day after the last day of the Commercial Paper Period with respect thereto;

(7) the optional redemption provisions that will pertain to the Series 2003 Bonds during the new Interest Rate Period;

(8) the name and Principal Office of the Remarketing Agent while the Series 2003 Bonds bear interest at the interest rate or rates applicable to the new Interest Rate Period; and

(9) with respect to a Long-Term Interest Rate Period, that the adjustment is conditioned upon the Trustee receiving Pledged Bonds or other credit enhancement (and a description of such credit enhancement) in compliance with the Indenture and the Agreement.

Determinations Binding

The determination of the various interest rates and the bases therefor and the Commercial Paper Periods shall be conclusive and binding upon the Remarketing Agent, the Indexing Agent, the Trustee, the Tender Agent, the Issuer, FPL and the Owners of the Series 2003 Bonds.

Purchase of Series 2003 Bonds

The Series 2003 Bonds will be purchased on the demand of the Owners thereof, and will be subject to mandatory tender for purchase, at the times and subject to the conditions described below. Payment for Series 2003

Bonds purchased will be made by the close of business on the date specified for purchase, if the conditions for that purchase described below have been strictly complied with by the Owners thereof.

During any Daily or Weekly Interest Rate Period when the Series 2003 Bonds are registered in the name of Cede & Co., tenders of the Series 2003 Bonds will be effected by means of DTC's Delivery Order Procedures. See "The Series 2003 Bonds — Book-Entry System". Notice of any such tender must be given to the Tender Agent in the form set forth in Appendix D to this Official Statement. If a beneficial owner of a Series 2003 Bond fails to cause its beneficial ownership of such Series 2003 Bond to be transferred to the DTC account of the Tender Agent by the deadlines specified below, such Series 2003 Bond shall not be purchased and the beneficial owner may be subject to damages as specified in such notice.

If the book entry system is discontinued, tendered Series 2003 Bonds must be accompanied by an instrument of transfer satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly authorized attorney, with such signature guaranteed by an "eligible guarantor institution" as defined by Rule 17Ad-15 promulgated under the Securities Exchange Act of 1934. The Tender Agent may refuse to accept delivery of any Series 2003 Bond for which a proper instrument of transfer has not been provided. Notice of tender for purchase of Series 2003 Bonds by the Owners thereof will be irrevocable, once given to the Tender Agent as described below. In the event that any Owner of a Series 2003 Bond giving notice of tender for purchase fails to deliver its Series 2003 Bond to the Tender Agent at the place and on the applicable date and the time specified below, or fails to deliver the Series 2003 Bond properly endorsed and provided that funds in the amount of the purchase price thereof are available for payment to such Owner at the date and the time specified below, from and after the date and time of that required delivery, (i) such Series 2003 Bond shall no longer be deemed to be outstanding under the Indenture, (ii) interest will no longer accrue thereon to such former Owner and (iii) funds in the amount of the purchase price of Series 2003 Bond, without interest, will be held by the Tender Agent for the benefit of such former Owner, to be paid on delivery (or proper endorsement) thereof to the Tender Agent.

During Daily Interest Rate Period. During any Daily Interest Rate Period, any Series 2003 Bond or portion thereof in an authorized denomination will be purchased at the option of its Owner on any Business Day at a purchase price equal to the principal amount thereof, plus accrued interest from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, or, if the date of purchase is an Interest Accrual Date, at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its Principal Office, not later than 10:30 a.m., New York City time, on that Business Day, of an irrevocable written notice, or an irrevocable telephonic notice, promptly confirmed by telecopy or other writing, which states the principal amount of the Series 2003 Bond or such portion thereof and the date of purchase. For payment of such purchase price on the date specified in such notice, the Series 2003 Bond must be delivered, not later than 12:00 Noon, New York City time, on such Business Day (together with necessary endorsements) to the Tender Agent at its Principal Office.

During Weekly Interest Rate Period. During any Weekly Interest Rate Period, any Series 2003 Bond or portion thereof in an authorized denomination will be purchased at the option of its Owner on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest, if any, from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, or, if the date of purchase is an Interest Accrual Date, at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon the delivery to the Tender Agent at its Principal Office of an irrevocable written notice, or an irrevocable telephonic notice, promptly confirmed by telecopy or other writing, which states the principal amount of the Series 2003 Bond or such portion thereof and the date on which the Series 2003 Bond is to be purchased, which date must be a Business Day not prior to the seventh day after the date of the delivery of the notice to the Tender Agent. For payment of such purchase price on the date specified in such notice, the Series 2003 Bond must be delivered, not later than 12:00 Noon, New York City time, on the date specified in the notice (together with necessary endorsements) to the Tender Agent as its Principal Office.

During Commercial Paper Interest Rate Period—Mandatory Tender for Purchase on Day After the Last Day of Each Commercial Paper Period. On the Business Day after the last day of the Commercial Paper Period for a Series 2003 Bond, unless such day is the first day of a new Interest Rate Period (in which event such Series 2003 Bond will be subject to mandatory tender for purchase as described under "Mandatory Tender for Purchase on First Day of each Interest Rate Period"), such Series 2003 Bond will be purchased, at a purchase price equal to the

principal amount thereof, payable in immediately available funds. For payment of such purchase price on such day, such Series 2003 Bond must be delivered (together with necessary endorsements) at or prior to 12:30 P.M., New York City time on such day, to the Tender Agent at its Principal Office. During any Commercial Paper Period, with respect to a Series 2003 Bond, the Owner of that Series 2003 Bond will not have the right to demand the purchase thereof.

Mandatory Tender for Purchase on First Day of Each Interest Rate Period. The Series 2003 Bonds will be subject to mandatory tender for purchase, at a purchase price equal to 100% of the principal amount thereof (or, if applicable, upon adjustment from a Long-Term Interest Rate Period prior to the expiration of such Long-Term Interest Rate Period, at a purchase price equal to the applicable optional redemption price), payable in immediately available funds, on the first day of the succeeding Interest Rate Period.

Purchase During Alternate Interest Rate Period. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the purchase of Series 2003 Bonds during an Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Purchase and Remarketing of Series 2003 Bonds

On the date on which Series 2003 Bonds are required to be purchased, the Tender Agent shall purchase such Series 2003 Bonds with funds provided from the remarketing of such Series 2003 Bonds or by FPL pursuant to the Agreement. The Issuer has no obligation to provide any moneys whatsoever for the payment of the purchase price for the Series 2003 Bonds.

On the day of purchase of Series 2003 Bonds by the Tender Agent, the Remarketing Agent shall use its best efforts to sell such Series 2003 Bonds in accordance with the Indenture.

FPL currently maintains lines of credit in amounts sufficient to meet its current needs and expects to continue to maintain such lines of credit. The Trustee, Paying Agent/Tender Agent/Registrar and the Owners of the Series 2003 Bonds will have no right to draw under any line of credit maintained by FPL. There is no requirement in the Indenture or the Agreement that FPL maintain such lines of credit, and FPL may cease maintaining such lines of credit at any time and without notice.

Redemption

Optional Redemption During Daily or Weekly Interest Rate Period. On any Business Day during a Daily Interest Rate Period or a Weekly Interest Rate Period, the Series 2003 Bonds shall be subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at a redemption price equal to their principal amount, plus accrued interest, if any, to the redemption date.

Optional Redemption During Commercial Paper Interest Rate Period. During any Commercial Paper Interest Rate Period, each Series 2003 Bond will be subject to optional redemption by the Issuer, at the direction of FPL, on the day after the last day of each Commercial Paper Period for that Series 2003 Bond, in whole or in part, at a redemption price equal to the principal amount thereof.

Optional Redemption During Long-Term Interest Rate Period. During any Long-Term Interest Rate Period, the Series 2003 Bonds are subject to optional redemption by the Issuer, at the direction of FPL, on the first day thereof, in whole or in part, at a redemption price equal to their principal amount, and, thereafter, during the periods specified below or specified in the notice of FPL to the Trustee, the Tender Agent and the Remarketing Agent in connection with the adjustment to such Long-Term Interest Rate Period, in whole at any time or in part from time to time, at the redemption prices set forth below or specified in such notice plus accrued interest, if any, to the redemption date:

Length of Long-Term Interest Rate Period (expressed in years)	Redemption Prices As a Percentage of Principal Amount
Greater than 14	After 10 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 14 and greater than 10	After 5 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 10 and greater than 8	After 5 years at 101%, declining by 1/2 of 1% semi-annually to 100%
Less than or equal to 8 and greater than 6	After 3 years at 101%, declining by 1/2 of 1% semi-annually to 100%
Less than or equal to 6 and greater than 4	After 2 years at 101%, declining by 1/2 of 1% semi-annually to 100%
Less than or equal to 4 and greater than 3	After 2 years at 100-1/2%, declining by 1/2 of 1% after six months to 100%
Less than or equal to 3 and greater than 2	After 1 year at 100-1/2%, declining by 1/2 of 1% after six months to 100%
Less than or equal to 2 and greater than 1	After 1 year at 100%
1 year	not redeemable

Extraordinary Optional Redemption

During any Long-Term Interest Rate Period, the Series 2003 Bonds will be subject to redemption in whole, upon the optional prepayment by FPL of all the Loan Repayments (as defined below), at a redemption price of 100% of the principal amount thereof plus accrued interest to the date fixed for redemption, if:

(a) FPL shall have determined that the continued operation of either of the Units or any portion of the Project is impracticable, uneconomical or undesirable; or

(b) all or substantially all of either of the Units or any portion of the Project shall have been condemned or taken by eminent domain; or

(c) the operation by FPL of either of the Units or any portion of the Project shall have been enjoined for a period of at least six consecutive months; or

(d) as a result of any change in the Constitution of the State of Florida or the Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after

any contest thereof by FPL in good faith, the Indenture, the Agreement or the Series 2003 Bonds shall become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement.

In addition, during any period during a Long-Term Interest Rate Period during which the Series 2003 Bonds are not subject to optional redemption by the Issuer at the direction of FPL as described under "Redemption—Optional Redemption During Long-Term Interest Rate Period" above, the Series 2003 Bonds will be nonetheless subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at any time, if FPL delivers to the Trustee a written certificate (i) to the effect that by reason of a change in use of the Project or any portion thereof, FPL has been unable, after reasonable effort, to obtain an opinion of nationally recognized bond counsel to the effect that a court, in a properly presented case, should decide that (a) Section 150 of the Internal Revenue Code of 1986, as amended (the "Code") (or successor provision of similar import), does not prevent that portion of the Loan Repayments payable under the Agreement and attributable to interest on the Series 2003 Bonds from being deductible by FPL for federal income tax purposes and (b) Treasury Regulations Section 1.142-2 (or a successor provision of similar import) does not prevent interest on the Series 2003 Bonds from being excluded for federal income tax purposes from the gross income of the owners thereof (other than in the hands of an owner of a Series 2003 Bond who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code), (ii) specifying that as a result of its inability to obtain such opinion of nationally recognized bond counsel, FPL has elected to prepay amounts due under the Agreement equal to the redemption price of the Series 2003 Bonds to be so redeemed and (iii) specifying the principal amount of the Series 2003 Bonds which FPL has determined to be the minimum necessary to be so redeemed in order for FPL to retain its rights to such interest deductions and for interest on the Series 2003 Bonds to retain such exclusion from gross income for federal income tax purposes (which principal amount of the Series 2003 Bonds will be so redeemed). The redemption price for the Series 2003 Bonds shall be equal to the highest redemption price that would be payable on the first day such Series 2003 Bonds could be called for optional redemption as described under "Redemption—Optional Redemption During Long-Term Interest Rate Period" above, on the basis of the length of the then current Long-Term Interest Rate Period.

Extraordinary Mandatory Redemption

The Series 2003 Bonds are subject to mandatory redemption by the Issuer, at the principal amount thereof plus accrued interest to the redemption date, on the 180th day (or such earlier date as may be designated by FPL) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Issuer and FPL of an opinion of a nationally recognized bond counsel obtained by FPL and rendered at the request of FPL, to the effect that, as a result of a failure by FPL to perform or observe any covenant, agreement or representation contained in the Agreement, the interest payable on the Series 2003 Bonds is included for federal income tax purposes in the gross income of the owners thereof. No determination by any court or administrative agency will be considered final for such purpose unless FPL has had an opportunity to participate in the proceeding which resulted in such determination, either directly or through an owner of a Series 2003 Bond, to a degree it deems sufficient and until the conclusion of any court proceeding initiated after a final agency determination, and of any appellate review sought by any party to such agency or court proceeding or the expiration of the time for seeking such review. The Series 2003 Bonds will be redeemed either in whole or in part in such principal amount that the interest payable on the Series 2003 Bonds remaining outstanding after such redemption would not be included in the gross income of any owner thereof, other than an owner of a Series 2003 Bond who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code.

Selection of Series 2003 Bonds to be Redeemed

In the case of the redemption of less than all of the outstanding Series 2003 Bonds, the Series 2003 Bonds to be redeemed shall be selected by the Trustee, by lot or in such other manner as the Trustee in its discretion may determine to be fair and appropriate, in the principal amounts designated by FPL or otherwise as required by the Indenture; provided, however, that in connection with any redemption of Series 2003 Bonds, the Trustee shall first select for redemption any Series 2003 Bond held by the Tender Agent for the account of FPL, and that if FPL shall have offered to purchase all Series 2003 Bonds then outstanding and less than all of such Series 2003 Bonds have been tendered to FPL for such purchase, the Trustee, at the direction of FPL, shall select for redemption all such Series 2003 Bonds which have not been so tendered; and provided further that the portion of any Series 2003 Bond

to be redeemed shall be in a principal amount constituting an authorized denomination of such Series 2003 Bond and that, in selecting Series 2003 Bonds for redemption, the Trustee shall treat each Series 2003 Bond as representing that number of Series 2003 Bonds which is obtained by dividing the principal amount of such Series 2003 Bond by the minimum authorized denomination of such Series 2003 Bond. See "The Series 2003 Bonds - Book-Entry System".

Notice and Effect of Redemption

A notice of redemption will be mailed, at least 30 days before the redemption date of any Series 2003 Bonds, to all owners of Series 2003 Bonds to be redeemed in whole or in part and to at least two bond information services selected by FPL, but failure to mail any such notice to the owner of a Series 2003 Bond shall not affect the validity of the proceedings for the redemption of any other Series 2003 Bonds.

Any notice of redemption, except a notice of extraordinary mandatory redemption, shall, unless at the time such notice is given the Series 2003 Bonds to be redeemed shall be deemed to have been paid under the terms of the Indenture (see "The Indenture — Defeasance"), state that the redemption to be effected is, and such redemption shall be, conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the Series 2003 Bonds to be redeemed and if such moneys are not so received such notice shall be of no force or effect and such Series 2003 Bonds shall not be redeemed.

Any Series 2003 Bonds selected for redemption which are deemed to have been paid under the terms of the Indenture will cease to bear interest on the date fixed for redemption.

Redemption During Alternate Interest Rate Period

If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to redemption during an Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

THE AGREEMENT

Loan Repayments

FPL has agreed to pay to the Trustee for the account of the Issuer an amount equal to the principal amount of the Series 2003 Bonds and an amount equal to the aggregate of the premium, if any, and interest on the Series 2003 Bonds (the "Loan Repayments") at such times and in such amounts and in the manner provided in the Indenture for the Issuer to cause payments to be made to the Owners of the Series 2003 Bonds of the principal of and premium, if any, and interest on the Series 2003 Bonds.

FPL Obligations Unconditional

Until such time as the principal of and premium, if any, and interest on the Series 2003 Bonds shall have been fully paid or deemed paid in accordance with the Indenture, FPL's obligations under the Agreement are absolute and unconditional and FPL has agreed that it (a) will not suspend or discontinue payment of any amounts required to be paid by it under the Agreement, (b) will perform and observe all of its other agreements contained in the Agreement, and (c) except as permitted by the Agreement, will not terminate the Agreement for any cause.

Payments for Series 2003 Bonds Delivered for Purchase

FPL will agree to deposit, on or prior to the purchase date of the Series 2003 Bonds to be purchased from the Owners thereof as described under the heading "The Series 2003 Bonds — Purchase of Series 2003 Bonds," an amount of money which, together with other moneys available for such purpose, will be sufficient to effect the purchase of such Series 2003 Bonds.

Merger, Sale or Consolidation

FPL has agreed that, so long as any Series 2003 Bonds are outstanding, it will maintain its corporate existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into one or more other entities or permit one or more other entities to consolidate with or merge into it; provided, that FPL may consolidate with or merge into one or more other entities, or permit one or more other entities to consolidate with or merge into it, or sell or otherwise transfer to one or more other entities all or substantially all of its assets as an entirety and thereafter dissolve, provided the surviving, resulting or transferee entity or entities, as the case may be (if other than FPL), assumes or assume in writing all of the obligations of FPL in the Agreement, and, if not organized under the laws of the State of Florida, is or are qualified to do business in the State of Florida.

Events of Default

The occurrence of any one or more of the following is an event of default under the Agreement: (a) failure by FPL to pay or cause to be paid when due the Loan Repayments in the amounts and at the times specified in the Agreement, which failure shall have resulted in an event of default described in clause (a), (b) or (c) under "The Indenture — Events of Default"; (b) when the Trustee holds Pledged Bonds, a "Default" as defined in the Mortgage; (c) failure by FPL to observe or to perform any other covenant, condition, representation or agreement in the Agreement on its part to be observed or performed for a period of 90 days after written notice thereof to FPL by the Issuer or the Trustee, which may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Series 2003 Bonds shall, give such notice, unless such period is extended by the Issuer and the Trustee or the Issuer, the Trustee and the Owners of Series 2003 Bonds, as provided in the Agreement (provided, however, that the Issuer and the Trustee or the Issuer, the Trustee and the Owners of the Series 2003 Bonds, as provided in the Agreement, as the case may be, will be deemed to have agreed to an extension of such period if corrective action is initiated by FPL within such period and is being diligently pursued), or unless such obligations are suspended by reason of force majeure, as defined in the Agreement; or (d) certain events of bankruptcy, dissolution, liquidation or reorganization by FPL.

Remedies

Acceleration and Limitations Thereon

Upon the occurrence and continuance of an event of default described in clause (a), (b) or (d) in "Events of Default", and further upon the condition that all Series 2003 Bonds outstanding under the Indenture shall have become immediately due and payable, the Loan Repayments shall, without further action, become immediately due and payable.

Any waiver of (i) an event of default under the Indenture or (ii) with respect to Series 2003 Bonds which are secured by Pledged Bonds, a "Default" under the Mortgage (if an event of default has occurred under clause (b) above in "Events of Default") and a rescission and annulment of its consequences shall constitute a waiver of the corresponding event of default under the Agreement and a rescission and annulment of the consequences thereof.

Other Remedies

Upon the occurrence and continuance of any event of default, the Trustee as the Issuer's assignee may take whatever action at law or in equity may appear necessary or desirable to collect the Loan Repayments then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of FPL under the Agreement.

Amendment

As provided in the Indenture, the Issuer and FPL may enter into, and the Trustee may consent to, without the consent of the Owners of the Series 2003 Bonds, such agreements supplemental to the Agreement as shall not be inconsistent with the terms and provisions of the Agreement or detrimental to the interests of the Owners of the

Series 2003 Bonds (a) to cure any ambiguity or defect or omission in the Agreement or in any supplemental agreement, (b) to grant to or confer upon the Issuer or the Trustee for the benefit of the Owners of the Series 2003 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Issuer or the Owners of the Series 2003 Bonds or the Trustee, (c) to correct any description of, or to reflect changes in, any properties comprising the Project, or (d) in connection with any other changes which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of FPL to make the Loan Repayments or otherwise materially impair the security of the Owners of the Series 2003 Bonds under the Indenture. Any other amendment of the Agreement requires the consent of the Owners of a majority in aggregate principal amount of all Series 2003 Bonds then outstanding.

THE INDENTURE

Assignment of Issuer's Interest

Under the Indenture, the Issuer has pledged and assigned to the Trustee the Issuer's rights under the Agreement, including the Loan Repayments, except for certain rights to indemnification and reimbursement of expenses.

Creation of Bond Fund

The Indenture creates a Bond Fund. Moneys deposited in the Bond Fund are to be held in trust by the Trustee and, pending application in accordance with the Indenture, are subject to a lien and charge in favor of the Owners of the Series 2003 Bonds outstanding under the Indenture and to the prior lien of the Trustee for payment of its fees and expenses.

There shall be deposited to the credit of the Bond Fund (a) the accrued interest, if any, received on the sale of the Series 2003 Bonds, (b) all Loan Repayments, (c) any payments made on the Pledged Bonds, and (d) all other moneys received by the Trustee under and pursuant to any of the provisions of the Agreement or otherwise which are required, or are accompanied by directions from FPL or the Issuer that such moneys are, to be paid into the Bond Fund.

Moneys in the Bond Fund shall be used for the payment of the principal of and premium, if any, and interest on the Series 2003 Bonds or for the redemption or purchase of Series 2003 Bonds in accordance with the terms of the Indenture.

Creation of a Purchase Fund

The Indenture creates a Purchase Fund. Moneys deposited in the Purchase Fund are to be held by the Tender Agent for the purchase of Series 2003 Bonds pursuant to the Indenture and are not pledged to pay principal of or interest or any premium on the Series 2003 Bonds.

Investment of Funds

The Trustee shall, at the request of FPL, invest moneys held in the Bond Fund in the investments or securities specified in the Indenture. Gains or losses resulting from the investment of moneys in the Bond Fund will be credited or charged to such Fund.

Defeasance

If there is paid to the Owners of all of the Series 2003 Bonds the principal of and premium, if any, and interest on the Series 2003 Bonds due and thereafter to become due, together with all other sums payable under the Indenture, then the rights, title and interest of the Trustee in the estate pledged and assigned to it under the Indenture shall cease, and the Series 2003 Bonds shall cease to be entitled to the lien of the Indenture. The Trustee shall thereupon turn over to FPL any surplus in the Bond Fund. If the principal of and premium, if any, and interest due

and thereafter to become due is paid on less than all the Series 2003 Bonds then outstanding, such Series 2003 Bonds shall cease to be entitled to the lien of the Indenture.

Any or all Series 2003 Bonds then bearing interest at a Long-Term Interest Rate during a Long-Term Interest Rate Period ending on or after the redemption date or on the day immediately preceding the maturity date, as the case may be, or at Commercial Paper Interest Rates for Commercial Paper Periods which end on the redemption date or the day immediately preceding the maturity date, as the case may be, shall be deemed to have been paid when (a) in the case of Series 2003 Bonds to be redeemed, FPL shall have given to the Trustee irrevocable instructions to mail the notice of redemption therefor, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or obligations issued or unconditionally guaranteed by the United States of America, or certain securities which represent interests in such obligations, the principal of and interest on which, when due, will provide moneys which, together with any moneys also deposited with or held by the Trustee, shall be sufficient to pay when due the principal of and premium, if any, and interest due or to become due on such Series 2003 Bonds, and (c) in the event such Series 2003 Bonds do not mature and are not to be redeemed within the next succeeding 60 days, FPL shall have given the Trustee irrevocable instructions to mail, as soon as permitted by the Indenture, a notice to the owners of such Series 2003 Bonds stating that the above deposit has been made with the Trustee and that such Series 2003 Bonds are deemed to have been paid and stating the maturity or redemption date upon which moneys are to be available to pay the principal of and premium, if any, and interest on such Series 2003 Bonds. The provisions of the Indenture relating to the rights of the Owners of the Series 2003 Bonds to payment, registration, transfer and exchange shall remain in full force and effect with respect to all Series 2003 Bonds until the maturity date of the Series 2003 Bonds or the last date fixed for redemption of all Series 2003 Bonds prior to maturity notwithstanding that the Series 2003 Bonds are deemed to be paid as described above. If less than all Series 2003 Bonds are to be defeased, the Trustee shall select such Series 2003 Bonds in the manner described under "The Series 2003 Bonds — Selection of Series 2003 Bonds to be Redeemed".

Events of Default

The occurrence of any one or more of the following shall be an event of default under the Indenture: (a) failure to pay the principal of or premium, if any, on the Series 2003 Bonds when the same shall become due and payable, whether at maturity, through unconditional proceedings for redemption or otherwise; (b) (i) during any period when the Trustee holds Pledged Bonds, failure to pay interest on any of the Series 2003 Bonds when the same shall become due and payable and the continuation of such failure for a period of 60 days or (ii) when the Trustee does not hold Pledged Bonds, failure to pay interest on any of the Series 2003 Bonds when the same shall become due and payable and the continuation of such failure for a period of five Business Days; (c) a failure to pay amounts due to Owners of the Series 2003 Bonds for purchase thereof after such payment has become due and payable and the continuation of such failure for a period of five Business Days; (d) during any period when the Trustee holds Pledged Bonds, a "Default" as defined in the Mortgage; (e) failure to perform any other covenant, condition, agreement or provision contained in the Series 2003 Bonds or in the Indenture on the part of the Issuer to be performed for a period of 90 days after written notice thereof to the Issuer which may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Series 2003 Bonds then outstanding shall, be given by the Trustee, unless such period is extended by the Trustee, or the Trustee and the Owners of the Series 2003 Bonds, as provided in the Indenture; provided, however, that the Trustee, or the Trustee and the Owners of the Series 2003 Bonds, as provided in the Indenture, as the case may be, will be deemed to have agreed to an extension of such period if corrective action is instituted by the Issuer or FPL within such period and is being diligently pursued; or (f) an event of default as defined in the Agreement.

Remedies

Acceleration and Limitations Thereon

If the Trustee is holding Pledged Bonds, then upon the occurrence and continuance of an event of default described in clause (a), (b)(i), (c) or (d) above in "Events of Default," and, further upon the condition that, in accordance with the terms of the Mortgage, all first mortgage bonds outstanding thereunder shall have become immediately due and payable, then the Series 2003 Bonds shall, without further action, become immediately due and payable. If the Trustee is holding Pledged Bonds and all first mortgage bonds outstanding under the Mortgage have not become immediately due and payable, neither the Trustee nor the Owners of Series 2003 Bonds shall have any

right to declare the Series 2003 Bonds immediately due and payable, notwithstanding the existence of any event of default described above. FPL may, at its option (and upon receipt of a favorable opinion of bond counsel) so long as no default or event of default has occurred and is continuing under the Indenture, and with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, if a default or event of default has occurred and is continuing under the Indenture, deliver Pledged Bonds to the Trustee, and the Trustee will be required to hold those Pledged Bonds, and cannot accelerate the Series 2003 Bonds (absent an acceleration of all first mortgage bonds), until FPL determines to require the surrender and cancellation of the Pledged Bonds. At any time other than when the Series 2003 Bonds bear interest at a Long-Term Interest Rate, Pledged Bonds may, at FPL's option (and upon receipt of a favorable opinion of bond counsel), so long as no default or event of default has occurred and is continuing under the Indenture, and with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, if a default or event of default has occurred and is continuing under the Indenture, be removed as security for the Series 2003 Bonds.

If the Trustee is not holding Pledged Bonds, then upon the occurrence and continuance of an event of default described in clause (a), (b)(ii), or (c) above in "Events of Default," or an event of default described in clause (d) above under "The Agreement – Events of Default," the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Series 2003 Bonds then outstanding shall, by notice in writing to the Issuer and FPL, declare the principal of the Series 2003 Bonds then outstanding (if not then due and payable) to be immediately due and payable.

If the Trustee is not holding Pledged Bonds, the provisions of the preceding paragraph, however, are subject to the condition that, if, after the principal of the Series 2003 Bonds has been declared to be due and payable, and before any judgment or decree for the payment of the moneys due has been obtained or entered, FPL, pursuant to the Agreement, shall deposit with the Trustee an amount sufficient to pay all matured installments of interest upon the Series 2003 Bonds and the principal of the Series 2003 Bonds which have become due otherwise than by reason of such declaration (with interest upon such principal and, to the extent permissible by law, on overdue installments of interest, at the rate per annum borne by the Series 2003 Bonds on the date of such declaration) and such amounts as are sufficient to cover reasonable compensation and reimbursement of expenses payable to the Trustee, and all events of default under the Indenture other than nonpayment of the principal of Series 2003 Bonds which shall have become due by such declaration have been remedied, then, such event of default will be deemed waived and such declaration and its consequences rescinded and annulled. The Trustee will promptly give written notice of such waiver, rescission and annulment to the Issuer, FPL, the Tender Agent, the Remarketing Agent, and, if notice of the acceleration of the Series 2003 Bonds has been given to the Owners, notice shall be given to the Owners. No such waiver, rescission and annulment shall extend to or affect any subsequent event of default or impair any right or remedy consequent thereon.

If the Trustee is holding Pledged Bonds, any waiver of a "Default" under the Mortgage and a rescission and annulment of its consequences shall constitute a waiver of the corresponding event of default under the Indenture and a rescission and annulment of the consequences thereof, and the Trustee shall promptly give written notice of such waiver, rescission and annulment to the Issuer, FPL, the Tender Agent and the Remarketing Agent, and notice to the Owners of the Series 2003 Bonds in the same manner as a notice of redemption; but no such waiver, rescission and annulment shall extend to or affect any subsequent event of default or impair any right or remedy consequent thereon.

Notwithstanding anything contained in the Indenture to the contrary, the Trustee, upon the written request of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, shall waive any event of default under the Indenture and its consequences; provided, however, that, except under certain circumstances described in the Indenture, an event of default under clauses (a), (b) or (c) above in "Events of Default" with respect to any Bonds may not be waived without the written consent of the holders of all such Bonds.

Other Remedies

Upon the occurrence and continuance of any event of default, the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Series 2003 Bonds then outstanding shall, upon receipt of indemnity to its satisfaction, proceed to protect and enforce its rights and the rights of the Owners of the Series 2003 Bonds under the laws of the State of Florida, the Indenture and the Agreement by the

exercise of any proper legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

Owners' Right to Direct Proceedings

The Owners of a majority in principal amount of the Series 2003 Bonds then outstanding shall have the right, upon receipt by the Trustee of indemnity to its satisfaction, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee. No Owner of any of the Series 2003 Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Series 2003 Bond or for the execution of any trust under the Indenture or for any other remedy thereunder except as provided in the Indenture, but nothing in the Indenture shall affect or impair the right of any Owner of a Series 2003 Bond to enforce the payment of the principal of and premium, if any, and interest on such Series 2003 Bond to the Owner thereof at the time and place stated in such Series 2003 Bond.

Amendment

The Issuer and the Trustee may, with the consent of FPL but without the consent of the Owners of the Series 2003 Bonds, enter into such supplemental indentures as shall not be inconsistent with the terms and provisions of the Indenture and shall not be, in the opinion of bond counsel selected by FPL, detrimental to the interests of the Owners of the Series 2003 Bonds (a) to cure any ambiguity or defect or omission in the Indenture or in any supplemental indenture, (b) to grant to or confer upon the Trustee for the benefit of the Owners of the Series 2003 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners of the Series 2003 Bonds or the Trustee, (c) to confirm the lien of the Indenture or to subject to the Indenture additional revenues, properties or collateral, (d) to correct any description of, or to reflect changes in, any properties comprising the Project, (e) to authorize a different denomination or denominations of the Series 2003 Bonds and to make correlative amendments to the Indenture, (f) to increase or decrease the number of days prior to an adjustment of the interest rate that notice need be given by FPL to the Trustee and by the Trustee to the Owners of the Series 2003 Bonds, provided that no decrease in any such number of days shall become effective except during a Daily or a Weekly Interest Rate Period and until 30 days after the Trustee shall have given notice thereof to the Owners of the Series 2003 Bonds affected thereby; (g) in connection with any other change which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of the Issuer to pay the principal of and premium, if any, and interest on the Series 2003 Bonds or otherwise impair the security of the Owners of the Series 2003 Bonds under the Indenture, (h) to modify, amend or supplement the Indenture or any supplemental indenture in such manner as to permit the qualification thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute or to permit the qualification of the Series 2003 Bonds for sale under the securities laws of any of the states of the United States of America, (i) to make amendments to the provisions of the Indenture relating to matters under Section 148(f) of the Code, provided that an opinion of Bond Counsel, to the effect that such amendments will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2003 Bonds, is delivered to the Trustee; or (j) to make any amendments necessary or appropriate to provide for the delivery of Pledged Bonds or any insurance policy, irrevocable transferable letter of credit or other security device delivered to the Trustee.

FPL and the Owners of not less than a majority in aggregate principal amount of the Series 2003 Bonds then outstanding shall have the right to consent to the execution by the Issuer and the Trustee of such other supplemental indentures as shall be deemed necessary or desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any supplemental indenture; provided, however, that, unless approved by all of the Owners of the Series 2003 Bonds then outstanding, nothing contained in the Indenture shall permit, or be construed as permitting, (a) an extension of the maturity of the principal of or the interest on the Series 2003 Bonds, or (b) a reduction in the principal amount of the Series 2003 Bonds or the redemption premium or the rate of interest thereon, or (c) the creation of a lien upon or a pledge of the Loan Repayments other than the lien and pledge created by the Indenture, or (d) a preference or priority of any Series 2003 Bond over any other Series 2003 Bond, or (e) a reduction in the aggregate principal amount of the Series 2003 Bonds required for consent to such supplemental indenture.

Any supplemental indenture that affects any right, power, obligation or authority of FPL under the Agreement or requires a revision of the Agreement shall not become effective without the consent of FPL.

Payment of Fees

FPL has agreed to pay the reasonable fees and charges of the Trustee, the Paying Agent/Registrar/Tender Agent, the Remarketing Agent and Indexing Agent and reasonable costs and expenses of the Issuer incurred in connection with the Agreement, the Indenture and the Series 2003 Bonds. FPL has also agreed to pay to the Trustee for the account of the Issuer, on February 1st of each year, an annual maintenance fee in an amount equal to 00.10% of the principal amount of the Series 2003 Bonds outstanding on the preceding January 31st, until such time as the principal of and premium, if any, and interest on the Series 2003 Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture.

THE TRUSTEE

FPL maintains normal banking relations with The Bank of New York, an affiliate of the Trustee, and from time to time obtains short-term funds from The Bank of New York.

TAX MATTERS

The Code includes requirements which the Issuer and FPL must continue to meet after the issuance of the Series 2003 Bonds in order that interest on the Series 2003 Bonds not be included in gross income for federal income tax purposes. The failure to meet these requirements may cause interest on the Series 2003 Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The Issuer has covenanted in the Indenture and FPL has covenanted in the Agreement to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2003 Bonds. The opinion of Co-Bond Counsel will be based upon and assume the accuracy of certain representations and certifications and compliance with certain covenants of the Issuer and FPL to be contained in the transcript of proceedings which are intended to evidence and assure that interest on the Series 2003 Bonds is and will continue to be excluded from gross income for federal income tax purposes.

In the opinion of Co-Bond Counsel, assuming continuing compliance by the Issuer and FPL with tax covenants referred to above, under existing statutes, regulations, rulings and judicial decisions, interest on the Series 2003 Bonds is excluded from gross income for federal income tax purposes except for interest on any Series 2003 Bond for any period during which such Series 2003 Bond is held by a "substantial user" of the facilities refinanced by the Bonds or a "related person" within the meaning of Section 147(a) of the Code. However, interest on the Series 2003 Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations.

Except as described herein, Co-Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2003 Bonds. Prospective purchasers of the Series 2003 Bonds should be aware that the ownership of the Series 2003 Bonds may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2003 Bonds, or in the case of a financial institution, that portion of the owner's interest expenses allocable to interest on a Series 2003 Bond, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on the Series 2003 Bonds, (iii) the inclusion of interest on the Series 2003 Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of interest on the Series 2003 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, and (v) interest on the Series 2003 Bonds is taken into account in determining whether recipients of Social Security and Railroad Retirement benefits must include a portion of those benefits in gross income.

Co-Bond Counsel are further of the opinion that the Series 2003 Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

UNDERWRITING

Wachovia Bank, National Association (the "Underwriter") has agreed to purchase the Series 2003 Bonds from the Issuer at the price of 100% of the aggregate principal amount thereof. FPL has agreed to pay the Underwriter a commission in the amount of $30,000.

With respect to the Series 2003 Bonds, the Underwriter's obligation to purchase the Series 2003 Bonds is subject to certain conditions precedent. The Underwriter does not have the right to purchase less than all of the Series 2003 Bonds if any Series 2003 Bonds are purchased. The offering price of the Series 2003 Bonds may be changed from that set forth on the cover page hereof from time to time by the Underwriter. The Underwriter may offer and sell the Series 2003 Bonds to certain dealers (including dealers depositing Series 2003 Bonds into investment trusts, accounts or funds) and others at prices lower than the public offering prices set forth on the cover page hereof.

FPL has agreed to indemnify the Underwriter against certain liabilities, including certain liabilities under the federal securities laws.

LEGALITY

Legal matters incident to the issuance of the Series 2003 Bonds and with regard to the tax status of the interest thereon (see "Tax Matters") are subject to the legal opinion of Adorno & Yoss, P.A., Miami, Florida, and Clyne & Self, P.A., Coral Gables, Florida, as Co-Bond Counsel. The signed legal opinion for the Series 2003 Bonds, dated and premised on law in effect as of the date of original delivery of the Series 2003 Bonds, will be delivered to the Underwriter at the time of original delivery of the Series 2003 Bonds. The proposed text of such legal opinion is set forth in Appendix C hereto.

Adorno & Yoss, P.A. and Clyne & Self, P.A., in their capacity as Co-Bond Counsel, have participated in the preparation of, and have reviewed those portions of, this Official Statement pertaining to the Series 2003 Bonds, the Agreement, the Indenture and the tax status of the Series 2003 Bonds. Co-Bond Counsel will render an opinion that the statements pertaining to the Series 2003 Bonds under the caption "Tax Matters" fairly and accurately present the information purported to be shown and that the statements under the captions "The Series 2003 Bonds" (except for the information and statements under "The Series 2003 Bonds — Book-Entry System"), "The Agreement" and "The Indenture" insofar as they describe the Series 2003 Bonds, the Agreement and the Indenture, fairly and accurately summarize the material provisions of those documents. Said firms have not been retained to pass upon any other information in this Official Statement, including Appendices A, B and D hereto, or in any other reports, financial information, offering or disclosure documents or other information pertaining to the Issuer, DTC, FPL, the Project or the Series 2003 Bonds that may be prepared or made available by the Issuer, FPL, or others for the prospective purchasers of the Series 2003 Bonds.

Steel Hector & Davis LLP, West Palm Beach, Florida, and Thelen Reid & Priest LLP, New York, New York, counsel for FPL, will render opinions relating to certain matters pertaining to FPL and its obligations under the Agreement. Certain legal matters will be passed upon for the Underwriter by Hunton & Williams LLP, New York, New York, counsel to the Underwriter, and for the Issuer by the County Attorney for Miami-Dade County, Florida.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Florida law requires the Issuer to make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served as a conduit issuer). The Issuer is not and has not been in default as to the payment of the principal of and interest on bonds or other debt obligations to which the Issuer has pledged its revenues or for which it is obliged to make payments. The Issuer serves as conduit issuer from time to time, however, the obligations of the Issuer under such conduit bond issues is limited solely to funds received from the party borrowing the proceeds of such bonds. Therefore, whether any such conduit bonds or other debt obligations are in default as to the payment of principal and interest, would not be material to purchasers

of the Series 2003 Bonds unless the conduit borrower under such bonds was FPL. The Issuer is not aware of any payment default by FPL on any conduit bonds issued by the Issuer for the benefit of FPL.

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APPENDIX A

FLORIDA POWER & LIGHT COMPANY

The information contained and incorporated by reference in this Appendix A to the Official Statement has been obtained from FPL. The Issuer and the Underwriter make no representations as to the accuracy or completeness of such information. Capitalized terms used in this Appendix A to the Official Statement but not defined herein have the meanings ascribed to them in the Official Statement.

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FLORIDA POWER & LIGHT COMPANY

Florida Power & Light Company ("FPL") was incorporated under the laws of Florida in 1925 and is engaged in the generation, transmission, distribution and sale of electric energy. FPL supplies electric service to a population of nearly eight million throughout most of the east and lower west coasts of Florida. During 2002, FPL served approximately 4.0 million customer accounts. FPL Group, Inc. owns all of FPL's common stock. The principal executive office of FPL is located at 700 Universe Boulevard, Juno Beach, Florida 33408, telephone (561) 694-4000, and the mailing address is P.O. Box 14000, Juno Beach, Florida 33408-0420.

AVAILABLE INFORMATION

FPL is subject to the informational requirements of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and in accordance therewith files reports and other information with the Securities and Exchange Commission ("SEC"). Such reports and other information can be inspected and copied at the Public Reference Section of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549. Additional information about the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site (http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including FPL.

FPL has agreed to provide, at least annually, to the repositories specified in Rule 15c2-12 under the Exchange Act, annual financial information in the form required by the SEC for companies required to file reports under Section 13 or 15(d) of the Exchange Act, as well as, in a timely manner, other notices required by Rule 15c2-12. Any holder of the Series 2003 Bonds may, directly or through the Trustee, specifically enforce FPL's disclosure obligations; but any breach by FPL of this agreement will not constitute an event of default under the Agreement or the Indenture.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following FPL documents filed with the SEC are incorporated herein by reference:

1. Annual Report on Form 10-K for the year ended December 31, 2002;

2. Quarterly Report on Form 10-Q for the quarter ended March 31, 2003; and

3. Current Reports on Form 8-K filed April 24 and June 9, 2003.

All documents filed by FPL with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Official Statement and prior to the termination of the offering of all of the Series 2003 Bonds covered by the Official Statement shall be deemed to be incorporated by reference in this Appendix A and to be a part hereof from the date of filing such documents.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of the Official Statement to the extent that a statement contained herein or in any other subsequently filed document which is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Official Statement.

FPL will provide without charge to each person to whom the Official Statement is delivered, upon request of any such person, a copy of any or all of the documents referred to above that have been or may be incorporated by reference in this Appendix A, excluding the exhibits thereto. Requests for such copies should be directed to: FPL Group, Inc., Investor Relations Department, 700 Universe Boulevard, Juno Beach, Florida 33408 (800) 222-4511.

The financial and other data contained in this Appendix A are furnished solely to provide limited introductory information regarding FPL and do not purport to be comprehensive. Such data are qualified in their entirety by reference to the detailed information and financial statements appearing in the documents incorporated herein by reference and, therefore, should be read together therewith.

FPL SELECTED FINANCIAL INFORMATION

Millions of Dollars
(Unaudited)

	Three Months Ended March 31, 2003	Years Ended December 31, 2002	2001
Operating revenues	$ 1,757	$ 7,378	$ 7,477
Net income	$ 139	$ 732	$ 694
Net income available to FPL Group	$ 135	$ 717	$ 679

	As of March 31, 2003	
Long-term debt (including unamortized premium and discount on debt)	$ 2,364	29.5%
Preferred stock without sinking fund requirements	$ 226	2.8%
Common shareholder's equity	$ 5,420	67.7%
Total Capitalization (excluding current maturities)	$ 8,010	100%
Commercial paper	$ 590	
Notes payable	$ 200	
Current maturities of long-term debt	$ 70	

Ratio of Earnings to Fixed Charges

	Years Ended December 31,				
Three Months Ended March 31, 2003	2002	2001	2000	1999	1998
6.07	7.47	6.44	6.02	6.26	5.69

SUMMARY OF TERMS

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Glossary:	
BD	= Business Day
IPD	= Interest Payment Date
RA	= Remarketing Agent
TA	= Tender Agent

NOTE: If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

	Daily Interest Rate Period	Weekly Interest Rate Period	Commercial Paper Interest Rate Period	Long-Term Interest Rate Period
Authorized Denomination	$100,000 or higher integral multiples of $100,000	$100,000 or higher integral multiples of $100,000	$25,000 or higher integral multiples of $5,000	Integral multiples of $5,000
Interest Rate Setting	Par rate determined by RA	Par rate determined by RA	Par rate and Commercial Paper Periods determined by RA	Par rate determined by RA
Purchase from Owner at Owner's Option	On any BD with irrevocable notice to TA by 10:30 a.m.	On any BD with at least 7 days irrevocable notice to TA	Not applicable	Not applicable
Interest Rate Effective	Daily (Sat., Sun. and holidays will be same as preceding BD)	Wednesday through Tuesday	Commercial Paper Date through last day of Commercial Paper Period (not greater than 364 days)	First day of Period through last day of Period (one year or more)
Interest Rate Announced	Daily	No later than BD prior to the Wednesday	No later than the Commercial Paper Date	No later than first day of Period
Interest Accrual Period	First day through last day of month (calendar month)	First Wednesday of month through Tuesday preceding next IPD	Commercial Paper Date through last day of Commercial Paper Period	IPD through day preceding next IPD (which must be a Business Day)
Calculation of Accrued Interest	365/366-day year and actual days elapsed	365/366-day year and actual days elapsed	365/366-day year and actual days elapsed	360-day year; twelve 30-day months
Interest Payment Date	Fifth BD of the month and day following end of Period	First Wednesday of the month or next succeeding BD, and day following end of Period	Day after end of Commercial Paper Period (next Commercial Paper Date or first day of next Period)	Semiannually on February 1 and August 1 and day following end of Period
Interest Payment	By check to registered owner as of Record Date on IPD; in immediately available funds by deposit to account or wire transfers to owners who request same	By check to registered owner as of Record Date on IPD; in immediately available funds by deposit to account or wire transfers to owners who request same	By check to registered owner as of Record Date on IPD; in immediately available funds by deposit to account or wire transfers to owners who request same, but only when Bond is presented	By check to registered owner as of Record Date on IPD
Mandatory Tender for Purchase	Effective date of any change in the Period	Effective date of any change in the Period	First day of Period and the Commercial Paper Date	Effective date of any change in the Period

	Daily Interest Rate Period	Weekly Interest Rate Period	Commercial Paper Interest Rate Period	Long-Term Interest Rate Period
Optional Redemption	100% of par plus accrued interest on any BD	100% of par plus accrued interest on any BD	100% of par plus accrued interest on day immediately succeeding last day of the Commercial Paper Period	Initial redemption date and price determined by formula based on length of Period; 100% of par, plus accrued interest on any BD, if extraordinary optional redemption
Mandatory Redemption	100% of par plus accrued interest upon final determination of taxability	100% of par plus accrued interest upon final determination of taxability	100% of par plus accrued interest upon final determination of taxability	100% of par plus accrued interest upon final determination of taxability
Principal and any Premium Paid	Upon presentation and surrender of Series 2003 Bonds	Upon presentation and surrender of Series 2003 Bonds	Upon presentation and surrender of Series 2003 Bonds	Upon presentation and surrender of Series 2003 Bonds
Eligible Adjustment Date out of Period	Any BD	Any BD	BD following a Commercial Paper Period	BD following Period; any BD on which Series 2003 Bonds permitted to be redeemed
Adjustment to Period	By FPL	By FPL	By FPL	By FPL
Notice to Owners of Adjustment to Period	At least 15 days	At least 15 days	At least 15 days	At least 15 days (30 days if effective date is not day after originally scheduled last day of Long-Term Interest Rate Period)
Favorable Opinion of Counsel Required on Adjustment to Period	Yes, unless adjustment from Weekly Interest Rate Period or Commercial Paper Interest Rate Period or automatic adjustment from Long-Term Interest Rate Period	Yes, unless adjustment from Daily Interest Rate Period or Commercial Paper Interest Rate Period	Yes, unless adjustment from Daily Interest Rate Period or Weekly Interest Rate Period	Yes (subject to certain exceptions)

Appendix C

(Form of approving opinion of Co-Bond Counsel for Series 2003 Bonds)

June __, 2003

To: Miami-Dade County Industrial Development Authority
80 S.W. 8th Street, Suite 2440
Miami, Florida 33130

Re: $15,000,000 Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003

Ladies and Gentlemen:

We have acted as co-bond counsel in connection with the issuance by the Miami-Dade County Industrial Development Authority (the "Authority") of its $15,000,000 Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds") pursuant to the Constitution and laws of the State of Florida, including particularly Parts II and III of Chapter 159, Florida Statutes, and other applicable provisions of law (collectively, the "Act"), a resolution duly adopted by the Authority on March 25, 2003 (the "Resolution") and a Trust Indenture between the Authority and The Bank of New York Trust Company of Florida, N.A. (the "Trustee"), dated as of June 1, 2003 (the "Indenture").

The Bonds are payable solely out of loan payments and other amounts to be paid to the Authority by Florida Power & Light Company (the "Company") pursuant to the Loan Agreement between the Authority and the Company dated as of June 1, 2003 (the "Loan Agreement").

The Bonds are being issued for the purpose of refunding the Authority's $15,000,000 Dade County Industrial Development Authority Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "Prior Bonds").

The proceeds of the Prior Bonds were used, together with funds provided by the Company, to finance the acquisition, installation and construction of certain sewage and solid waste disposal facilities at Units 3 and 4 of the Turkey Point Electrical Generating Plant in Miami-Dade County, Florida, and Units 5 and 6 of the Cutler Electrical Generating Plant in Miami-Dade County, Florida, all of which are owned by the Company.

Reference is made to the opinions of even date herewith, upon which we have relied, of Steel Hector & Davis LLP and Thelen Reid & Priest LLP, co-counsel to the Company, with respect to, among other matters, the corporate status of the Company, the good standing and qualification to do business of the Company, the corporate power of the Company to enter into and perform its obligations under the Loan Agreement, the authorization, execution and delivery of the Loan Agreement, and the binding effect and enforceable nature of the Loan Agreement upon the Company.

We have examined the Act, the Resolution, the Indenture and the Loan Agreement and such certified copies of the proceedings of the Authority and the Miami-Dade County Commission and such other documents as we have deemed necessary to render this opinion. As to the questions of fact material to our opinion, we have relied upon representations of the Authority contained in the Resolution, the Indenture, the certified proceedings and other closing documents, representations of the Company set forth in the Loan Agreement and other closing documents, and certifications of public officials and officers of the Authority and the Company furnished to us without undertaking to verify such representations by independent investigation.

Based on the foregoing, we are of the opinion that, under existing law:

1. The Authority is a public body corporate and politic and a public instrumentality duly created and validly existing under the laws of the State of Florida, including, in particular, the Act, with the power to enter into, execute and deliver the Indenture and the Loan Agreement, to perform its obligations thereunder and to issue the Bonds.

2. The Resolution has been duly adopted by the Authority and constitutes a valid and binding obligation of the Authority, enforceable in accordance with its terms.

3. The Indenture and the Loan Agreement have been duly authorized, executed and delivered by the Authority and constitute valid and binding agreements of the Authority enforceable against the Authority in accordance with their respective terms. The Indenture creates a valid lien on the trust estate created thereby.

4. The issuance and sale of the Bonds have been duly authorized by the Authority and the Bonds constitute valid and binding limited obligations of the Authority, enforceable in accordance with their terms, payable in accordance with, and as limited by, the terms of the Resolution and the Indenture. The Bonds are issued pursuant to the Act and do not constitute a debt, liability or obligation, either general or special, of the Authority, the County, the State or of any political subdivision thereof within the meaning of any constitutional or statutory provisions whatsoever. Neither the Authority, the County, the State nor any political subdivision thereof, shall be obligated to pay the principal of or the premium, if any, or interest on the Bonds, except from the loan payments, revenues and other amounts derived by the Authority under the Loan Agreement. Neither the faith, revenues, credit nor the taxing power of the County or of the State or of any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Bonds. The Authority has no taxing power.

5. Under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds is excluded from gross income for federal income tax purposes, except for interest on any Bond for any period during which such Bond is held by a "substantial user" of the facilities refinanced by the Bonds or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"). However, interest on the Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Ownership of the Bonds may result in collateral federal tax consequences to certain taxpayers. We express no opinion regarding other federal tax consequences resulting from the ownership, receipt or accrual of interest on, or disposition of, the Bonds.

In addition to the foregoing exceptions, the opinion set forth in the preceding paragraph assumes continuing compliance by the Authority and the Company with certain requirements of the Code that must be met after the date of the issuance of the Bonds in order for interest on the Bonds to be excluded from gross income for federal income tax purposes. The failure to meet these requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Authority has covenanted in the Indenture and the Company has covenanted in the Loan Agreement to take the actions necessary to comply with such requirements and to refrain from taking any actions that would cause interest on the Bonds to be included in gross income for federal income tax purposes.

6. The Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

This opinion is qualified to the extent that the rights of the holders of the Bonds and the enforceability of the Bonds, the Indenture and the Loan Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, now or hereafter in effect, and by the exercise of judicial discretion in appropriate cases in accordance with equitable principles.

We express no opinion herein regarding the accuracy, adequacy or completeness of the Official Statement relating to the Bonds, or regarding the perfection or priority of the lien on the trust estate related by the Indenture.

Respectfully submitted,

ADORNO & YOSS, P.A.

CLYNE & SELF, P.A.

NOTICE OF TENDER OF BOOK-ENTRY BONDS--WEEKLY INTEREST RATE PERIOD

$15,000,000
Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, or its successor, as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent seven days from the date of the Tender Agent's receipt, by telecopy or otherwise, of this notice, or the next Business Day* if such seventh day is not a Business Day (the "Tender Date"); provided, however, that if this notice is received by the Tender Agent by telecopy, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent, unless the Tender Agent receives this notice in original executed form by hand delivery prior to 2:00 p.m. New York time on the Business Day next succeeding its receipt of such notice by telecopy. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount (in multiples of $100,000)	DTC Participant Number	CUSIP Number(s)
$		

The undersigned acknowledges and agrees by the execution and delivery of this notice (1) that the tender of the Tendered Book-Entry Bonds is irrevocable; (2) that the undersigned is contractually bound to tender such Tendered Book-Entry Bonds to the Tender Agent on the Tender Date; and (3) that in the event of a failure to tender the Tendered Book-Entry Bonds to the Tender Agent on or before 12:00 Noon, New York City time on the Tender Date the undersigned shall pay to the Tender Agent an amount (the "default amount") equal to the difference between (a) the costs arising out of the failure to tender and (b) the purchase price, as defined above, which would have been paid to the undersigned upon a tender. As used herein the "costs arising out of the failure to tender" shall mean the sum of (x) the amount expended by the Tender Agent, either directly or through an agent, in acquiring book-entry bonds in substitution of the Tendered Book-Entry Bonds (including interest thereon) and (y) the administrative and other charges, expenses or commissions incurred in connection with the acquisition of such substitute book-entry bonds.

The undersigned agrees that the Tender Agent, either directly or through an agent, may acquire such substitute bonds in such manner and market as it deems commercially reasonable, and further agrees that the default amount is reasonable in light of the anticipated harm caused by the failure to tender and the inconvenience of obtaining any other remedy.

* "Business Day" shall have the meaning ascribed thereto by the Indenture under which the Tendered Book-Entry Bonds are issued.

The undersigned hereby irrevocably appoints the Tender Agent as his duly authorized attorney and directs the Tender Agent to effect the transfer of the Tendered Book-Entry Bonds.

Date of Notice:

Signature of DTC Participant Representing the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

NOTICE OF TENDER OF BOOK-ENTRY BONDS--DAILY INTEREST RATE PERIOD

$15,000,000
Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, or its successor, as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent on the date hereof or the next Business Day* if the date hereof is not a Business Day (the "Tender Date"); provided, however, that if this notice is not received by the Tender Agent by 10:30 a.m. on the date hereof, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount (in multiples of $100,000)	DTC Participant Number	CUSIP Number(s)
$		

The undersigned acknowledges and agrees by the execution and delivery of this notice (1) that the tender of the Tendered Book-Entry Bonds is irrevocable; (2) that the undersigned is contractually bound to tender such Tendered Book-Entry Bonds to the Tender Agent on the Tender Date; and (3) that in the event of a failure to tender the Tendered Book-Entry Bonds to the Tender Agent on or before 12:00 Noon, New York City time on the Tender Date the undersigned shall pay to the Tender Agent an amount (the "default amount") equal to the difference between (a) the costs arising out of the failure to tender and (b) the purchase price, as defined above, which would have been paid to the undersigned upon a tender. As used herein the "costs arising out of the failure to tender" shall mean the sum of (x) the amount expended by the Tender Agent, either directly or through an agent, in acquiring book-entry bonds in substitution of the Tendered Book-Entry Bonds (including interest thereon) and (y) the administrative and other charges, expenses or commissions incurred in connection with the acquisition of such substitute book-entry bonds.

The undersigned agrees that the Tender Agent, either directly or through an agent, may acquire such substitute bonds in such manner and market as it deems commercially reasonable, and further agrees that the default amount is reasonable in light of the anticipated harm caused by the failure to tender and the inconvenience of obtaining any other remedy.

* "Business Day" shall have the meaning ascribed thereto by the Indenture under which the Tendered Book-Entry Bonds are issued.

The undersigned hereby irrevocably appoints the Tender Agent as his duly authorized attorney and directs the Tender Agent to effect the transfer of the Tendered Book-Entry Bonds.

Date of Notice:

Signature of DTC Participant Representing the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

No dealer, salesman or any other person has been authorized by the Issuer, by FPL or by the Underwriter to give any information or to make any representation other than as contained in this Official Statement or in the Appendices hereto in connection with the offering described herein, and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer of any securities other than those described on the cover page or an offer to sell or a solicitation of an offer to buy in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No representation or warranty is made as to the accuracy or completeness of the information contained in this Official Statement, and nothing contained in this Official Statement is, or shall be relied on as, a promise or representation by the Issuer or the Underwriter. This Official Statement is submitted in connection with the sale of securities as referred to herein, and may not be reproduced or be used, in whole or in part, for any other purpose. The delivery of this Official Statement at any time does not imply that information herein or in the Appendices hereto is correct as of any time subsequent to its date.

TABLES OF CONTENTS

	Page
Addresses Of Certain Parties	2
Selected Information Relating To The Series 2003 Bonds	3
Certain Definitions	8
Introductory Statement	10
The Series 2003 Bonds	11
The Agreement	23
The Indenture	25
The Trustee	29
Tax Matters	29
Underwriting	30
Legality	30
Disclosure Required by Florida Blue Sky Regulations	30
Appendix A—Florida Power & Light Company	
Appendix B—Summary of Terms	
Appendix C—Form of Approving Opinion of Co-Bond Counsel	
Appendix D—Form of Notice of Tender of Book-Entry Bonds	



$15,000,000

Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project) Series 2003

Official Statement

Price: 100%

Wachovia Bank, National Association

June 24, 2003

Exhibit (a)-4A

NEW ISSUE **BOOK-ENTRY ONLY**

In the opinion of Co-Bond Counsel, assuming continuing compliance by the Issuer and Florida Power & Light Company ("FPL") with certain federal tax covenants, under existing statutes, regulations, rulings and judicial decisions, interest on the Series 2003 Bonds is excluded from gross income for federal income tax purposes, except for interest on any Series 2003 Bond for any period during which such Series 2003 Bond is held by a person who is a "substantial user" of the facilities refinanced by the Bonds or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"). However, interest on the Series 2003 Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a description of certain other federal tax consequences of ownership of the Series 2003 Bonds. Co-Bond Counsel are further of the opinion that the Series 2003 Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

$15,000,000

Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

Interest Accrual Date: Date of Delivery Due: February 1, 2023

The Series 2003 Bonds may bear interest at a Daily, Weekly, Commercial Paper, Long-Term or Alternate Interest Rate, as described herein. The initial Interest Rate Period for the Series 2003 Bonds will be a Daily Interest Rate Period.

The Series 2003 Bonds will be subject to repurchase and redemption upon the terms and in the manner described herein.

The Series 2003 Bonds are limited obligations of the Issuer and neither the faith and credit nor the taxing power of Miami-Dade County Industrial Development Authority, Miami-Dade County, Florida, the State of Florida or any political subdivision thereof is pledged to the payment thereof. The Series 2003 Bonds are payable, except to the extent payable from the proceeds thereof and other moneys pledged therefor, solely from, and are secured by, a pledge of loan repayments to be received by the Issuer under a Loan Agreement with,



Florida Power & Light Company

The Series 2003 Bonds will be issuable as fully registered bonds and will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2003 Bonds. Purchases of Series 2003 Bonds may only be made (1) in the principal amount of $100,000 and any integral multiple of $100,000 while the Series 2003 Bonds bear interest at a Daily or Weekly Interest Rate, (2) in the principal amount of $25,000 or any integral multiple of $5,000 in excess of $25,000 while the Series 2003 Bonds bear interest at a Commercial Paper Interest Rate, (3) in the principal amount of $5,000 or any integral multiple of $5,000 while the Series 2003 Bonds bear interest at a Long-Term Interest Rate, and (4) in principal amounts that will be set forth in a supplement to this Official Statement if the Interest Rate Period is adjusted to be an Alternate Interest Rate Period. Except under the limited circumstances described herein, beneficial owners of interests in the Series 2003 Bonds will not receive certificates representing their interests in the Series 2003 Bonds. Payments of principal and premium, if any, and interest on Series 2003 Bonds will be made through DTC and its Participants and disbursements of such payments to purchasers will be the responsibility of such Participants (see "The Series 2003 Bonds—Book-Entry System" herein). The Series 2003 Bonds are subject to redemption prior to maturity as described herein. The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, is the Trustee for the Series 2003 Bonds. The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, is the Tender Agent/Paying Agent/Registrar for the Series 2003 Bonds.

Price: 100%

The Series 2003 Bonds will be offered by the Underwriter when, as and if issued by the Issuer and accepted by the Underwriter, subject to the approving opinion of Adorno & Yoss, P.A., Miami, Florida, and Clyne & Self, P.A., Coral Gables, Florida, Co-Bond Counsel, and to certain other conditions. Steel Hector & Davis LLP, West Palm Beach, Florida, and Thelen Reid & Priest LLP, New York, New York, counsel for Florida Power & Light Company ("FPL"), will pass upon certain legal matters pertaining to FPL. Certain legal matters will be passed upon for the Underwriter by Hunton & Williams LLP, New York, New York, counsel to the Underwriter. The County Attorney for Miami-Dade County, Florida, will pass upon certain legal matters for the Issuer. It is expected that delivery of the Series 2003 Bonds will be made on or about June 25, 2003 in New York, New York.

Wachovia Bank, National Association

June 24, 2003

In connection with this offering, the underwriter may overallot or effect transactions that stabilize or maintain the market price of the Series 2003 Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

ADDRESSES OF CERTAIN PARTIES	
FPL	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Treasurer
Initial Remarketing Agent	Wachovia Bank, National Association 301 South College Street, DC-8 Charlotte, NC 28288-0600 Attention: Municipal Trading Desk
Trustee	The Bank of New York Trust Company of Florida, N.A. 10161 Centurion Parkway Jacksonville, Florida 32256 Attention: Corporate Trust Division
Tender Agent/Paying Agent/Registrar	The Bank of New York Trust Company of Florida, N.A. 10161 Centurion Parkway Jacksonville, Florida 32256 Attention: Corporate Trust Division

SELECTED INFORMATION RELATING TO THE SERIES 2003 BONDS

The following information is furnished solely to provide limited introductory information regarding the terms of the Series 2003 Bonds and does not purport to be comprehensive. A summary of such terms in chart form appears as Appendix B of this Official Statement. All such information is qualified in its entirety by reference to the more detailed descriptions appearing in this Official Statement and should be read together therewith. Certain terms used in the following selected information are defined under "Certain Definitions." The offering of the Series 2003 Bonds is made only by means of this entire Official Statement. No person is authorized to make offers to sell, or solicit offers to buy, Series 2003 Bonds unless this entire Official Statement is delivered in connection therewith.

General

The Series 2003 Bonds will mature on February 1, 2023. The term of the Series 2003 Bonds will be divided into consecutive Interest Rate Periods at the direction of FPL, during which the Series 2003 Bonds may bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Interest Rates applicable to each Series 2003 Bond, a Long-Term Interest Rate or an Alternate Interest Rate.

The initial Interest Rate Period for the Series 2003 Bonds will be a Daily Interest Rate Period. Wachovia Bank, National Association has been appointed initial Remarketing Agent with respect to the Series 2003 Bonds. The initial Interest Payment Date shall be July 8, 2003.

Daily Interest Rate Period

Interest Rate	The interest rate for each Business Day will be established by the Remarketing Agent on that Business Day. The interest rate for a day that is not a Business Day will be the same as the interest rate for the preceding Business Day. The interest rate will be the minimum rate that the Remarketing Agent determines would permit the sale of the Series 2003 Bonds at 100% of their principal amount. Interest will be calculated on a 365/366-day year and the actual number of days elapsed.
Interest Payment	Interest will accrue on a calendar month basis and will be payable on the fifth Business Day of the next month and on the day after the last day of the Daily Interest Rate Period.
Purchase of Series 2003 Bonds Upon Demand	Owners may demand purchase of Series 2003 Bonds on any Business Day by giving an irrevocable notice by 10:30 a.m., New York City time.
Optional Redemption	Series 2003 Bonds will be redeemable, upon 30 days' notice, at the option of FPL, at a price equal to 100% of their principal amount plus accrued interest on any Business Day.
Change of Interest Rate Period	At any time, the Interest Rate Period for the Series 2003 Bonds may be adjusted from a Daily Interest Rate Period to a Weekly Interest Rate Period, a Commercial Paper

	Interest Rate Period, a Long-Term Interest Rate Period or an Alternate Interest Rate Period. Notice to the Owners of the Series 2003 Bonds will be given at least 15 days prior to the effective date of the new Interest Rate Period.
Mandatory Tender for Purchase	The Series 2003 Bonds are subject to mandatory tender for purchase on the effective date of any change in the Interest Rate Period.
Weekly Interest Rate Period	
Interest Rate	The interest rate for each seven-day period, Wednesday through Tuesday, will be established by the Remarketing Agent no later than the Business Day preceding each Wednesday. The interest rate will be the minimum rate that the Remarketing Agent determines would permit the sale of the Series 2003 Bonds at a price equal to 100% of their principal amount. Interest will be calculated on a 365/366-day year and the actual number of days elapsed.
Interest Payment	Interest will accrue from, and be payable monthly on, the first Wednesday of each month and will also be payable on the day after the last day of the Weekly Interest Rate Period.
Purchase of Series 2003 Bonds Upon Demand	Owners may demand purchase of Series 2003 Bonds on any Business Day by giving at least seven days' irrevocable notice to the Tender Agent of the day of purchase.
Optional Redemption	Series 2003 Bonds will be redeemable, upon 30 days' notice, at the option of FPL, at a price equal to 100% of their principal amount plus accrued interest on any Business Day.
Change of Interest Rate Period	At any time, the Interest Rate Period for the Series 2003 Bonds may be adjusted from a Weekly Interest Rate Period to a Daily Interest Rate Period, a Commercial Paper Interest Rate Period, a Long-Term Interest Rate Period or an Alternate Interest Rate Period. Notice to the Owners of the Series 2003 Bonds will be given at least 15 days prior to the effective date of the new Interest Rate Period.
Mandatory Tender for Purchase	The Series 2003 Bonds are subject to mandatory tender for purchase on the effective date of any change in the Interest Rate Period.

Commercial Paper Interest Rate Period

Interest Periods and Rates for Each Series 2003 Bond	A Commercial Paper Interest Rate Period will be comprised, for each Series 2003 Bond, of a series of consecutive and individual Commercial Paper Periods. Each Commercial Paper Period will be not less than one nor more than 364 days. Each Commercial Paper Period will commence on a Business Day (the "Commercial Paper Date") and end on a day preceding a Business Day. During each Commercial Paper Period for each Series 2003 Bond, such Series 2003 Bond will bear interest at a fixed rate (the "Commercial Paper Interest Rate"). Each Series 2003 Bond may have a different Commercial Paper Period and Commercial Paper Interest Rate.
Interest Rate (Commercial Paper Interest Rate)	The Commercial Paper Interest Rate for each Commercial Paper Period for each Series 2003 Bond will be established by the Remarketing Agent not later than the Commercial Paper Date for such Commercial Paper Period. The Commercial Paper Interest Rate for each Commercial Paper Period for each Series 2003 Bond will be the minimum rate that the Remarketing Agent determines would permit the sale of such Series 2003 Bond at a price equal to 100% of its principal amount on the Commercial Paper Date. Interest will be calculated on 365/366-day year and the actual number of days elapsed.
Interest Payment	Interest will accrue from each Commercial Paper Date for each Series 2003 Bond through and including the last day of the related Commercial Paper Period and will be payable on the day after the last day of such Commercial Paper Period, upon presentation of such Series 2003 Bond to the Tender Agent.
Optional Redemption	Each Series 2003 Bond will be redeemable, upon 30 days' notice, at the option of FPL, at a price equal to 100% of its principal amount on the day after the last day of each Commercial Paper Period for such Series 2003 Bond.
Change of Interest Rate Period	On the day after the last day of any Commercial Paper Period for a Series 2003 Bond, the Interest Rate Period for such Series 2003 Bond may be adjusted from a Commercial Paper Interest Rate Period to a Daily Interest Rate Period, a Weekly Interest Rate Period, a Long-Term Interest Rate Period or an Alternate Interest Rate Period. Notice to the Owner of such Series 2003 Bond will be given at least 15 days prior to the effective date of the new Interest Rate Period.

Mandatory Tender for Purchase	Each Series 2003 Bond will be purchased on the day after the last day of each Commercial Paper Period with respect to such Series 2003 Bond.
Long-Term Interest Rate Period	
Interest Rate	The interest rate for each Long-Term Interest Rate Period will be established by the Remarketing Agent not later than the first day of that period. The interest rate will be the minimum rate that the Remarketing Agent determines would permit the sale of the Series 2003 Bonds at a price equal to 100% of their principal amount. Interest will be calculated on a 360-day year consisting of twelve 30-day months.
Interest Payment	Interest will be payable on each February 1 and August 1, and on the day after the end of the Long-Term Interest Rate Period.
Optional Redemption	Series 2003 Bonds will be redeemable, upon 30 days' notice, at the option of FPL, after various no-call periods, at declining premiums as described herein. Series 2003 Bonds will also be redeemable upon 30 days' notice, at the option of FPL, upon the occurrence of certain extraordinary events as described herein, at the principal amount thereof, plus accrued interest and any applicable premium, as described herein.
Change of Interest Rate Period	The Interest Rate Period may be adjusted from a Long-Term Interest Rate Period to a Daily Interest Rate Period, a Weekly Interest Rate Period, a Commercial Paper Interest Rate Period, an Alternate Interest Rate Period or another Long-Term Interest Rate Period. The effective date for such change must be the day after the end of the Long-Term Interest Rate Period or a day on which the Series 2003 Bonds could be redeemed at the option of FPL. Notice to the Owners of the Series 2003 Bonds will be given at least 15 days prior to the effective date (30 days if the effective date is not the day after the originally scheduled last day of the Long-Term Interest Rate Period).
Mandatory Tender for Purchase	The Series 2003 Bonds are subject to mandatory tender for purchase on the first day of each Interest Rate Period.
Alternate Interest Rate Period	
General	If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Length of Interest Rate Periods

Each Commercial Paper Interest Rate Period, Daily Interest Rate Period and Weekly Interest Rate Period will continue until the date on which FPL determines that a different Interest Rate Period will begin. Each Long-Term Interest Rate Period shall be for a term selected by FPL, which shall be one year or more. FPL may also specify a succession of Long-Term Interest Rate Periods. Each Commercial Paper Period within a Commercial Paper Interest Rate Period will be for a term of 364 days or less. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

CERTAIN DEFINITIONS

As used in this Official Statement:

"Alternate Interest Rate" means an interest rate established periodically in accordance with Section 201(j) of the Indenture.

"Alternate Interest Rate Period" means each period during which an Alternate Interest Rate is in effect.

"Business Day" means a day on which banks located in the cities in which the Principal Offices of the Trustee and the Tender Agent are located, are not required or authorized to remain closed and on which the New York Stock Exchange is not closed.

"Commercial Paper Interest Rate" means, with respect to each Series 2003 Bond, a fixed, non-variable interest rate on such Series 2003 Bond established periodically in accordance with the Indenture.

"Commercial Paper Interest Rate Period" means each period, comprised of Commercial Paper Periods, during which Commercial Paper Interest Rates are in effect.

"Commercial Paper Period" means, with respect to any Series 2003 Bond, each period established in accordance with the Indenture during which such Series 2003 Bond shall bear interest at a Commercial Paper Interest Rate.

"Daily Interest Rate" means a variable interest rate on the Series 2003 Bonds established in accordance with the Indenture.

"Daily Interest Rate Period" means each period during which a Daily Interest Rate is in effect.

"Favorable Opinion" means an opinion of counsel nationally recognized on the subject of, and qualified to render approving legal opinions on the issuance of, municipal bonds, acceptable to FPL, the Trustee and the Issuer, to the effect that the action proposed to be taken is authorized or permitted by the laws of the State of Florida and the Indenture and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Series 2003 Bonds.

"Interest Accrual Date" means (i) with respect to any Daily Interest Rate Period, the first day thereof and, thereafter, the first day of each calendar month during that Daily Interest Rate Period, (ii) with respect to any Weekly Interest Rate Period, the first day thereof and, thereafter, the first Wednesday of each calendar month during that Weekly Interest Rate Period, (iii) with respect to any Long-Term Interest Rate Period, the first day thereof and, thereafter, each Interest Payment Date in respect thereof, other than the last such Interest Payment Date, (iv) with respect to each Commercial Paper Period, the first day thereof, and (v) with respect to each Alternate Interest Rate Period, each date specified as such in a supplement to this Official Statement.

"Interest Payment Date" means (i) with respect to any Daily Interest Rate Period, the fifth Business Day of each calendar month, (ii) with respect to any Weekly Interest Rate Period, the first Wednesday of each calendar month, or, if such first Wednesday shall not be a Business Day, the next Business Day, (iii) with respect to any Long-Term Interest Rate Period, each February 1 and August 1, (iv) with respect to any Commercial Paper Period, the day after the last day thereof, (v) with respect to any Alternate Interest Rate Period, each date specified as such in a supplement to this Official Statement and (vi) with respect to each Interest Rate Period, the day after the last day thereof.

"Interest Rate Period" means any Daily Interest Rate Period, any Weekly Interest Rate Period, any Commercial Paper Interest Rate Period, any Long-Term Interest Rate Period, or any Alternate Interest Rate Period.

"Long-Term Interest Rate" means, with respect to each Series 2003 Bond, a fixed, non-variable interest rate on such Series 2003 Bond established in accordance with the Indenture.

"Long-Term Interest Rate Period" means each period during which a Long-Term Interest Rate is in effect.

"Owner" means the person or entity in whose name any Series 2003 Bond is registered upon the registration books for the Series 2003 Bonds.

"Principal Office" of the Trustee, Tender Agent or Registrar, means the address of such party listed under "Addresses of Certain Parties" in this Official Statement, or such other address as is established or designated as such pursuant to the Indenture.

"Record Date" means, (i) with respect to any Interest Payment Date in respect of a Daily Interest Rate Period, the last Business Day of each calendar month during such Daily Interest Rate Period or, in the case of the last Interest Payment Date in respect of a Daily Interest Rate Period, the Business Day preceding such Interest Payment Date, (ii) with respect to any Interest Payment Date in respect of a Weekly Interest Rate Period or a Commercial Paper Period, the Business Day preceding such Interest Payment Date, (iii) with respect to any Interest Payment Date in respect of an Alternate Interest Rate Period, each date specified as such in a supplement to this Official Statement and (iv) with respect to any Interest Payment Date in respect of a Long-Term Interest Rate Period, the fifteenth day preceding such Interest Payment Date or, in the case of an Interest Payment Date which is not at least 15 days after the first day of a Long-Term Interest Rate Period, such first day.

"Weekly Interest Rate" means a variable interest rate on the Series 2003 Bonds established in accordance with the Indenture.

"Weekly Interest Rate Period" means each period during which a Weekly Interest Rate is in effect.

$15,000,000
Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

INTRODUCTORY STATEMENT

This Official Statement sets forth certain information with respect to the issuance by Miami-Dade County Industrial Development Authority (the "Issuer") of $15,000,000 aggregate principal amount of Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Series 2003 Bonds"). The Issuer is a public body corporate and politic and a public instrumentality created and validly existing under the Constitution and the laws of the State of Florida. The Series 2003 Bonds will bear interest and will be subject to prior redemption as set forth herein, will mature on the date set forth on the cover page hereof, shall be purchased at the option of their Owners or upon mandatory tender, and shall have such other terms as are described herein under the heading "The Series 2003 Bonds".

The proceeds of the Series 2003 Bonds will be used, together with funds provided by Florida Power & Light Company ("FPL"), to refund and redeem on June 26, 2003 $15,000,000 principal amount of Dade County Industrial Development Authority Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "Prior Bonds").

The proceeds of the Prior Bonds were used, together with funds provided by FPL, to finance the acquisition, installation and construction of certain sewage and solid waste disposal facilities (the "Project") at Units 3 and 4 of the Turkey Point Electrical Generating Plant in Miami-Dade County, Florida (the "Turkey Point Units") and Units 5 and 6 of the Cutler Electrical Generating Plant in Miami-Dade County, Florida (the "Cutler Units" and, together with the Turkey Point Units, the "Units"), all owned by FPL. Pursuant to a Loan Agreement, dated as of June 1, 2003 (the "Agreement") by and between the Issuer and FPL, the Issuer will lend the proceeds from the sale of the Series 2003 Bonds to FPL.

The Series 2003 Bonds will be issued under a Trust Indenture, dated as of June 1, 2003 (the "Indenture"), by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as trustee (the "Trustee"), and under a resolution of the governing body of the Issuer.

The Series 2003 Bonds will be limited obligations of the Issuer entitled, ratably and equally, to the benefits of the Indenture, and will be payable, except to the extent payable from the Series 2003 Bond proceeds and other moneys pledged therefor, solely from, and will be secured by an assignment and pledge of, the rights of the Issuer in the Agreement (except certain rights to indemnification and reimbursement of expenses) and all loan repayments by FPL thereunder, which payments will be sufficient, together with other funds available for such purpose, to pay, when due, the principal of and premium, if any, and interest on the Series 2003 Bonds so secured.

Except as otherwise provided by the Indenture and the Agreement, any Series 2003 Bonds which bear interest at a Long-Term Interest Rate will also be secured by a series of FPL's first mortgage bonds (the "Pledged Bonds") in like aggregate principal amount, issued under FPL's Mortgage and Deed of Trust, dated as of January 1, 1944, as supplemented, under which Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company) is the trustee (the "Mortgage"), and issued to the Trustee; provided, that in lieu of Pledged Bonds, FPL may deliver to the Trustee other credit enhancement sufficient to maintain the long-term ratings on the Series 2003 Bonds, as provided in the Indenture and the Agreement. If Pledged Bonds are issued to the Trustee, the Trustee will, ratably with the holders of all other bonds outstanding from time to time under the Mortgage, enjoy the benefit of a first mortgage lien on substantially all the properties and franchises of FPL. If and when any Series 2003 Bonds bear interest at a Long-Term Interest Rate, such Pledged Bonds or other credit enhancement will be described in a supplement to this Official Statement. No Pledged Bonds or other credit enhancement will be issued or delivered in connection with the initial delivery of the Series 2003 Bonds.

At any time other than when the Series 2003 Bonds bear interest at a Long-Term Interest Rate, FPL may, (i) so long as no default or event of default has occurred and is continuing under the Indenture, at its sole option, or (ii) if a default or event of default has occurred and is continuing under the Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, deliver Pledged Bonds in an aggregate principal amount equal to the then outstanding aggregate principal amount of the Series 2003 Bonds. Such Pledged Bonds will bear interest at the interest rate applicable to the Series 2003 Bonds, will mature on the Maturity Date, and will be subject to surrender for cancellation at any time upon request by FPL as provided by the Indenture (i) so long as no default or event of default has occurred and is continuing under the Indenture, at the sole option of FPL, or (ii) if a default or event of default has occurred and is continuing under the Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding. Any such surrender and cancellation of Pledged Bonds could result in a downgrading in the ratings accorded to the Series 2003 Bonds and/or adversely affect either the ability of Owners to sell their Series 2003 Bonds and/or the price at which Owners would be able to sell their Series 2003 Bonds. See also "The Indenture – Remedies – Acceleration and Limitations Thereon" below.

The Series 2003 Bonds and the premium, if any, and interest thereon, or purchase price thereof, shall not be deemed to constitute a debt, liability or obligation of the Issuer, the State of Florida or of any political subdivision thereof, or a pledge of the faith and credit of the Issuer, the State of Florida or of any political subdivision thereof, but the Series 2003 Bonds shall be payable solely from the revenues and proceeds pledged and provided therefor, and the Issuer is not obligated to pay the Series 2003 Bonds or the premium, if any, or interest thereon, or purchase price thereof, except from the revenues and proceeds pledged and provided therefor, and the taxing power of the Issuer, the State of Florida or of any political subdivision thereof, is not pledged to the payment of the principal of or the premium, if any, or interest on, or purchase price of, the Series 2003 Bonds.

This Official Statement contains a brief description of the Series 2003 Bonds and summaries of certain provisions of the Agreement and the Indenture. Appendix A to this Official Statement has been furnished by FPL and contains and incorporates by reference information concerning the business of FPL and certain of its financial statements. Appendix B to this Official Statement contains a summary of the terms of the Series 2003 Bonds. The descriptions and summaries of documents herein do not purport to be comprehensive or definitive, and reference is made to each such document for the complete terms and conditions. All statements herein are qualified in their entirety by reference to each such document and, with respect to the enforceability of certain rights and remedies, to laws and principles of equity relating to or affecting generally the enforcement of creditors' rights. Terms not defined herein shall have the meanings set forth in the respective documents. Copies of the Agreement and the Indenture are available for inspection at the offices of Thelen Reid & Priest LLP, 875 Third Avenue, New York, N.Y. 10022.

THE SERIES 2003 BONDS

General

Interest on the Series 2003 Bonds will accrue from their date of delivery, and the Series 2003 Bonds will mature on the date specified on the cover page hereof, subject to redemption prior to maturity as hereinafter described.

Series 2003 Bonds may be transferred or exchanged for other Series 2003 Bonds in authorized denominations at the Principal Office of The Bank of New York Trust Company of Florida, N.A., as Registrar, in Jacksonville, Florida. During a Long-Term Interest Rate Period, the authorized denominations will be $5,000 and any integral multiple of $5,000. During a Daily Interest Rate Period or a Weekly Interest Rate Period, the authorized denominations will be $100,000 and any integral multiple of $100,000. During a Commercial Paper Interest Rate Period, the authorized denominations will be $25,000 and any integral multiple of $5,000 in excess of $25,000. During an Alternate Interest Rate Period, the authorized denominations will be as set forth in a supplement to this Official Statement. Exchanges and transfers shall be made without charge to the Owners, except for any applicable tax, fee or governmental charge required. Except in connection with the remarketing of Series 2003 Bonds, the Registrar shall not be obligated to make any such exchange or transfer of Series 2003 Bonds during the

15 days preceding the date of the first mailing of notice of any proposed redemption of Series 2003 Bonds, nor shall the Registrar be required to make any registration or transfer of Series 2003 Bonds called for redemption.

Trustee. The Bank of New York Trust Company of Florida, N.A. is the Trustee.

Tender Agent, Paying Agent and Registrar. The Bank of New York Trust Company of Florida, N.A. is the Tender Agent/Paying Agent/Registrar. The Tender Agent/Paying Agent/Registrar may be removed or replaced by FPL.

Remarketing Agent. Wachovia Bank, National Association has been appointed initial Remarketing Agent with respect to the Series 2003 Bonds under the Indenture. The term of appointment of any Remarketing Agent shall expire, and FPL shall appoint a successor Remarketing Agent, upon the adjustment of the interest rate determination method for the Series 2003 Bonds; provided, however, that FPL may appoint the then current Remarketing Agent as the successor Remarketing Agent. In addition, FPL may from time to time remove and replace the Remarketing Agent.

Book-Entry System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2003 Bonds. The Series 2003 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Series 2003 Bonds, in the aggregate principal amount of such Bonds, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by The New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2003 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2003 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2003 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2003 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2003 Bonds, except in the event that use of the book-entry system for the Series 2003 Bonds is discontinued, as discussed below.

To facilitate subsequent transfers, all Series 2003 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2003 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2003 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2003 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyances of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2003 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2003 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2003 Bonds may wish to ascertain that the nominee holding the Series 2003 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2003 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will itself consent or vote with respect to Series 2003 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2003 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Series 2003 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer, the Trustee or the Paying Agent, on the relevant payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, is the responsibility of the Issuer, the Trustee or the Paying Agent, disbursement of payments to Direct Participants shall be the responsibility of DTC, and further disbursement of payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Series 2003 Bonds purchased or tendered, through its Participant, to the Tender Agent, and shall effect delivery of such Series 2003 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2003 Bonds, on DTC's records, to the Tender Agent. The requirement for physical delivery of Series 2003 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2003 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2003 Bonds to the Tender Agent's DTC account.

DTC may discontinue providing its services as securities depository with respect to the Series 2003 Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificates for the Series 2003 Bonds are required to be printed and delivered.

FPL may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates for the Series 2003 Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources (including DTC) that the Issuer and FPL believe to be reliable, but the Issuer and FPL take no responsibility for the accuracy thereof.

None of the Issuer, FPL, the Underwriter or the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests in any Series 2003 Bond or for maintaining, supervising or reviewing any records relating to such beneficial interests.

Security for the Series 2003 Bonds

The Series 2003 Bonds will be limited obligations of the Issuer, and the principal of and premium, if any, and interest on, and purchase price of, the Series 2003 Bonds will be payable, except to the extent payable from Series 2003 Bond proceeds and other moneys pledged therefor, solely from, and will be secured by a pledge of, the payments required to be made by FPL pursuant to the Agreement. All rights of the Issuer under the Agreement have been pledged and assigned by the Issuer to the Trustee, except certain rights to indemnification and reimbursement of expenses.

Any Series 2003 Bonds that bear interest at a Long-Term Interest Rate will also be secured by Pledged Bonds or other credit enhancement as provided in the Agreement and the Indenture.

Interest Rate Periods

The term of the Series 2003 Bonds will be divided into consecutive Interest Rate Periods at the direction of FPL. Each Interest Rate Period will be either a Daily Interest Rate Period, Weekly Interest Rate Period, Commercial Paper Interest Rate Period, Long-Term Interest Rate Period or Alternate Interest Rate Period.

If FPL elects at any time to change to an Alternate Interest Rate Period, a supplement to this Official Statement will set forth the details thereof, including, without limitation, the manner of determining interest rates, the effective date of adjustment, the term of the interest rate period, the interest payment dates and the provisions for tender for purchase and redemption, if any.

The initial Interest Rate Period for the Series 2003 Bonds will be a Daily Interest Rate Period. The interest rate or rates applicable during each subsequent Interest Rate Period will be determined as described below.

Determination of Interest Rates

General. During or with respect to each Interest Rate Period, other than any Alternate Interest Rate Period, the Remarketing Agent will determine the interest rate or rates applicable to the Series 2003 Bonds, which will be the minimum interest rate or rates which, if borne by the Series 2003 Bonds, would enable the Remarketing Agent to sell the Series 2003 Bonds on the applicable date at a price (without regard to accrued interest) equal to the principal amount thereof. The Remarketing Agent will base that determination on its examination of tax-exempt obligations comparable to the Series 2003 Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions. The Indenture sets forth certain fall-back rates if, for any reason, an interest rate or rates for the Series 2003 Bonds during any Interest Rate Period is not so determined by the Remarketing Agent. Except during a Long-Term Interest Rate Period ending on the day immediately preceding the Maturity Date, the Daily, Weekly, Commercial Paper or Long-Term Interest Rate shall not exceed 15% per annum. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to Alternate Interest Rates and the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Commencing on the first day of each Interest Rate Period and ending on the day preceding the effective date of the next Interest Rate Period, the Series 2003 Bonds will bear interest at either a Daily Interest Rate, a Weekly Interest Rate, a Commercial Paper Interest Rate, a Long-Term Interest Rate or an Alternate Interest Rate, all determined as set forth below:

Daily Interest Rate. The Daily Interest Rate will be determined by the Remarketing Agent on each Business Day for that Business Day. The Daily Interest Rate for any day that is not a Business Day will be the same as the Daily Interest Rate in effect for the preceding Business Day.

Weekly Interest Rate. The Weekly Interest Rate will be determined by the Remarketing Agent no later than the Business Day preceding the first day of each Weekly Interest Rate Period and thereafter no later than the Business Day preceding Wednesday of each week during the Weekly Interest Rate Period. The first Weekly Interest Rate determined for each Weekly Interest Rate Period will apply to the period commencing on the first day of that Interest Rate Period and ending on the next Tuesday. Thereafter, each Weekly Interest Rate will apply to the period commencing on Wednesday and ending on the earlier of the next Tuesday or the day preceding the effective date of the next Interest Rate Period.

Commercial Paper Periods and Commercial Paper Interest Rate. During a Commercial Paper Interest Rate Period, each Series 2003 Bond will bear interest at the Commercial Paper Interest Rate for that Series 2003 Bond through the day preceding the effective date of the next Commercial Paper Period for that Series 2003 Bond or the day preceding the next Interest Rate Period. Each Series 2003 Bond may have a different Commercial Paper Period and Commercial Paper Interest Rate. Each Commercial Paper Period and Commercial Paper Interest Rate for each Series 2003 Bond will be determined by the Remarketing Agent no later than the first day of the Commercial Paper Period.

Each Commercial Paper Period will be a period of not more than 364 days determined by the Remarketing Agent (taking into account certain factors set forth in the Indenture) to be the period which, together with all other Commercial Paper Periods for Series 2003 Bonds then outstanding, will result in the lowest overall interest expense on the Series 2003 Bonds over the next 364 days. However, the Commercial Paper Period must end on either a day which precedes a Business Day or the day preceding the Maturity Date of the Series 2003 Bonds. If for any reason a Commercial Paper Period for any Series 2003 Bond cannot be so determined by the Remarketing Agent, that Commercial Paper Period will have either the same number of days as the preceding Commercial Paper Period for that Series 2003 Bond, or, if there is no such preceding Commercial Paper Period, then 30 days, subject, in either event, to adjustment in accordance with the Indenture to ensure that the Commercial Paper Period ends on a day preceding a Business Day or, if sooner, on the day preceding the Maturity Date of the Series 2003 Bonds.

Long-Term Interest Rate. During each Long-Term Interest Rate Period, commencing and ending on the date or dates specified or determined as described below, and during each successive Long-Term Interest Rate Period, if any, so determined, the Long-Term Interest Rate will be determined by the Remarketing Agent on the effective date of the Long-Term Interest Rate Period or on a Business Day selected by the Remarketing Agent not more than 30 days prior to such effective date. In the event of an adjustment from a Commercial Paper Interest Rate Period which results in the commencement of the Long-Term Interest Rate Period on two or more dates, a separate Long-Term Interest Rate will be determined by the Remarketing Agent effective as of each such date with respect to the particular Series 2003 Bonds adjusting to the Long-Term Interest Rate Period on such date.

Alternate Interest Rate. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period and Alternate Interest Rates will be set forth in a supplement to this Official Statement.

Payment of Principal and Interest. The principal of and premium, if any, on the Series 2003 Bonds shall be payable to the Owners of the Series 2003 Bonds upon presentation and surrender thereof at the Principal Office of the Trustee. Interest shall be payable by the Paying Agent by checks mailed to the Owners as of the Record Date in respect thereof or (except for interest in respect of a Long-Term Interest Rate Period) in immediately available funds by deposit to an account with the Paying Agent or by wire transfer to the accounts with commercial banks located within the United States of the Owners which shall have provided deposit or wire transfer instructions to the Paying Agent at least two Business Days prior to such Record Date, but, in the case of interest payable in respect of a Commercial Paper Period, only upon delivery of the Series 2003 Bond to the Tender Agent. So long as the Series 2003 Bonds are registered in the name of Cede & Co., payments of principal, premium, if any, and interest will be made as described above under "The Series 2003 Bonds - Book-Entry System".

Interest will be computed, in the case of a Long-Term Interest Rate Period, on the basis of a 360-day year consisting of twelve 30-day months and, in the case of any other Interest Rate Period, on the basis of a 365-or 366-day year, as appropriate, and the actual number of days elapsed.

Each Series 2003 Bond will bear interest from and including the Interest Accrual Date preceding the date of authentication thereof or, if that date of authentication is an Interest Accrual Date to which interest on the Series 2003 Bonds has been paid in full or duly provided for or the date of initial authentication of the Series 2003 Bonds, from that date of authentication. During each Interest Rate Period, interest on the Series 2003 Bonds will accrue and be payable as follows:

Daily Interest Rate Period. Interest on the Series 2003 Bonds will accrue on a calendar month basis and will be payable on the fifth Business Day of the next month and on the day after the last day of the Daily Interest Rate Period.

Weekly Interest Rate Period. Interest on the Series 2003 Bonds will accrue on a monthly basis from the first Wednesday of the month through the Tuesday preceding the Interest Payment Date and will be payable on the first Wednesday (or, if not a Business Day, the next Business Day) of the next month and on the day after the last day of the Weekly Interest Rate Period.

Commercial Paper Interest Rate Period. Interest on each Series 2003 Bond will accrue from the first day of each Commercial Paper Period for such Series 2003 Bond through and including the last day of the Commercial Paper Period for such Series 2003 Bond and will be payable on the day after the last day of such Commercial Paper Period.

Long-Term Interest Rate Period. Interest on the Series 2003 Bonds will accrue from the Interest Payment Date through and including the day preceding the next Interest Payment Date and will be payable semiannually on each February 1 and August 1 and on the day after the last day of the Long-Term Interest Rate Period.

Alternate Interest Rate Period. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Adjustment of Interest Rate Period

General. At any time, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent, the Remarketing Agent and, with respect to an adjustment to an Alternate Interest Rate Period, any additional parties specified in a supplement to this Official Statement, FPL may elect to adjust the method of determining the interest rate with respect to the Series 2003 Bonds by adjusting to a different Interest Rate Period. That direction must specify the effective date of the new Interest Rate Period, which effective date must be a Business Day and may not be less than 15 days (unless the then current Interest Rate Period is a Long-Term Interest Rate Period and such Long-Term Interest Rate Period ends on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) following the second Business Day after the receipt by the Trustee of the direction. Except in connection with adjustments from a Daily Interest Rate Period to a Weekly Interest Rate Period or Commercial Paper Interest Rate Period, from a Weekly Interest Rate Period to a Daily Interest Rate Period or Commercial Paper Interest Rate Period or from a Commercial Paper Interest Rate Period to a Daily Interest Rate Period or Weekly Interest Rate Period, that direction must be accompanied by a Favorable Opinion. Commencing on the effective date of an adjustment to another Interest Rate Period, the Series 2003 Bonds will bear interest at the applicable interest rate as described above.

Adjustment to Long-Term Interest Rate Period. In connection with its election to adjust to a Long-Term Interest Rate Period, FPL must specify, among other things:

(1) the effective date of the Long-Term Interest Rate Period;

(2) the duration of the Long-Term Interest Rate Period, which must be at least one year in duration and must end on a day preceding an Interest Payment Date (which must be a Business Day); and

(3) a date or dates on or prior to which Owners are required to deliver Series 2003 Bonds to be purchased (if other than the effective date).

The direction by FPL to adjust to a Long-Term Interest Rate Period also may specify:

(1) that the initial Long-Term Interest Rate Period will be followed by one or more successive Long-Term Interest Rate Periods and the durations thereof; and

(2) redemption prices greater or lesser, and after periods longer or shorter, than those set forth in the Indenture.

Except as otherwise permitted by the Indenture, any adjustment to a Long-Term Interest Rate Period is conditioned upon the Trustee receiving Pledged Bonds or other credit enhancement in compliance with the Indenture and the Agreement.

If FPL designates successive Long-Term Interest Rate Periods, but does not, with respect to the second or any subsequent Long-Term Interest Rate Period, specify a date or dates on or prior to which Owners are required to deliver Series 2003 Bonds or any modified redemption provisions, all as contemplated above, FPL may later specify any of such information not previously specified with respect to such Long-Term Interest Rate Period.

Adjustment From Long-Term Interest Rate Period. At any time during a Long-Term Interest Rate Period, FPL may elect that the Series 2003 Bonds no longer will bear interest at the Long-Term Interest Rate and instead will bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Interest Rates, an Alternate Interest Rate or a new Long-Term Interest Rate, as specified in such election. The effective date of an adjustment from a Long-Term Interest Rate Period must be the day after the last day of the Long-Term Interest Rate Period or a day on which the Series 2003 Bonds may be redeemed at the option of the Issuer, at the direction of FPL. The notice of such election must be given to the Trustee not later than thirty-five days before the effective date of the new Interest Rate Period. Series 2003 Bonds will be subject to mandatory tender for purchase on such effective date at a purchase price equal to the optional redemption price which would have been applicable on that date.

If, by the Business Day preceding the fifteenth day prior to the last day of any Long-Term Interest Rate Period, other than one of a succession of Long-Term Interest Rate Periods, FPL has not elected that the Series 2003 Bonds are to bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Long-Term Interest Rate, Commercial Paper Interest Rates or an Alternate Interest Rate, the next Interest Rate Period will be (i) if the Long-Term Interest Rate Period to expire is longer than one year in duration, a Long-Term Interest Rate Period ending on the day immediately preceding the next Interest Payment Date (which must be a Business Day) which is at least one year and one day after the first day of the new Long-Term Interest Rate Period, in which case a Favorable Opinion will not be required and FPL shall not be required to deliver Pledged Bonds or other credit enhancement to the Trustee in connection with the commencement of the new Long-Term Interest Rate Period or (ii) if the Long-Term Interest Rate Period to expire is one year in duration, a Daily Interest Rate Period and a Favorable Opinion will not be required.

Adjustment From Commercial Paper Interest Rate Period. At any time during a Commercial Paper Interest Rate Period, FPL may elect that Series 2003 Bonds no longer will bear interest at Commercial Paper Interest Rates and will instead bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Long-Term Interest Rate or an Alternate Interest Rate, as specified in the election. That election also must specify whether the effective date of the new Interest Rate Period will be (1) a single day for all Series 2003 Bonds, in which case the effective date will be the day after the earliest date on which all Commercial Paper Periods shall end as determined by the Remarketing Agent, or (2) different for each Series 2003 Bond, in which case the effective date will be the day after the last day of the Commercial Paper Period then in effect (or to be in effect) with respect to such Series 2003 Bond.

Adjustment From Alternate Interest Rate Period. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to adjustments from an Alternate Interest Rate Period to any other Interest Rate Period will be set forth in a supplement to this Official Statement.

Notice to Owners of Adjustment of Interest Rate Period. The Registrar will be required to give notice by first-class mail of an adjustment of the Interest Rate Period to the Owners of the Series 2003 Bonds not less than 15 days (unless the then current Interest Rate Period is a Long-Term Interest Rate Period and such Long-Term Interest Rate Period ends on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of the adjustment of the Interest Rate Period. That notice must state the following:

(1) the effective date of the new Interest Rate Period and, with respect to the Long-Term Interest Rate Period, the last day of such Interest Rate Period;

(2) the method by which the interest rate is to be determined during the new Interest Rate Period;

(3) how, with respect to a Commercial Paper Interest Rate Period or a Long-Term Interest Rate Period, the Commercial Paper Periods and Commercial Paper Interest Rates or Long-Term Interest Rate or Rates may be obtained from the Remarketing Agent;

(4) the Interest Payment Dates during the new Interest Rate Period or, with respect to the Commercial Paper Interest Rate Period, that interest on each Series 2003 Bond will be paid on the day after the last day of each Commercial Paper Period for that Series 2003 Bond but only upon presentation of that Series 2003 Bond to the Tender Agent;

(5) that the Series 2003 Bonds are subject to mandatory tender for purchase on the effective date, setting forth the applicable purchase price;

(6) whether, subsequent to such effective date, the Owners of Series 2003 Bonds will have the right to require the purchase of their Series 2003 Bonds upon specified notice to the Tender Agent and, if so, the procedures of that purchase; or, with respect to the Commercial Paper Interest Rate Period, that, subsequent to such effective date, each Series 2003 Bond will be subject to mandatory tender for purchase only on the day after the last day of the Commercial Paper Period with respect thereto;

(7) the optional redemption provisions that will pertain to the Series 2003 Bonds during the new Interest Rate Period;

(8) the name and Principal Office of the Remarketing Agent while the Series 2003 Bonds bear interest at the interest rate or rates applicable to the new Interest Rate Period; and

(9) with respect to a Long-Term Interest Rate Period, that the adjustment is conditioned upon the Trustee receiving Pledged Bonds or other credit enhancement (and a description of such credit enhancement) in compliance with the Indenture and the Agreement.

Determinations Binding

The determination of the various interest rates and the bases therefor and the Commercial Paper Periods shall be conclusive and binding upon the Remarketing Agent, the Indexing Agent, the Trustee, the Tender Agent, the Issuer, FPL and the Owners of the Series 2003 Bonds.

Purchase of Series 2003 Bonds

The Series 2003 Bonds will be purchased on the demand of the Owners thereof, and will be subject to mandatory tender for purchase, at the times and subject to the conditions described below. Payment for Series 2003

Bonds purchased will be made by the close of business on the date specified for purchase, if the conditions for that purchase described below have been strictly complied with by the Owners thereof.

During any Daily or Weekly Interest Rate Period when the Series 2003 Bonds are registered in the name of Cede & Co., tenders of the Series 2003 Bonds will be effected by means of DTC's Delivery Order Procedures. See "The Series 2003 Bonds — Book-Entry System". Notice of any such tender must be given to the Tender Agent in the form set forth in Appendix D to this Official Statement. If a beneficial owner of a Series 2003 Bond fails to cause its beneficial ownership of such Series 2003 Bond to be transferred to the DTC account of the Tender Agent by the deadlines specified below, such Series 2003 Bond shall not be purchased and the beneficial owner may be subject to damages as specified in such notice.

If the book entry system is discontinued, tendered Series 2003 Bonds must be accompanied by an instrument of transfer satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly authorized attorney, with such signature guaranteed by an "eligible guarantor institution" as defined by Rule 17Ad-15 promulgated under the Securities Exchange Act of 1934. The Tender Agent may refuse to accept delivery of any Series 2003 Bond for which a proper instrument of transfer has not been provided. Notice of tender for purchase of Series 2003 Bonds by the Owners thereof will be irrevocable, once given to the Tender Agent as described below. In the event that any Owner of a Series 2003 Bond giving notice of tender for purchase fails to deliver its Series 2003 Bond to the Tender Agent at the place and on the applicable date and the time specified below, or fails to deliver the Series 2003 Bond properly endorsed and provided that funds in the amount of the purchase price thereof are available for payment to such Owner at the date and the time specified below, from and after the date and time of that required delivery, (i) such Series 2003 Bond shall no longer be deemed to be outstanding under the Indenture, (ii) interest will no longer accrue thereon to such former Owner and (iii) funds in the amount of the purchase price of Series 2003 Bond, without interest, will be held by the Tender Agent for the benefit of such former Owner, to be paid on delivery (or proper endorsement) thereof to the Tender Agent.

During Daily Interest Rate Period. During any Daily Interest Rate Period, any Series 2003 Bond or portion thereof in an authorized denomination will be purchased at the option of its Owner on any Business Day at a purchase price equal to the principal amount thereof, plus accrued interest from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, or, if the date of purchase is an Interest Accrual Date, at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its Principal Office, not later than 10:30 a.m., New York City time, on that Business Day, of an irrevocable written notice, or an irrevocable telephonic notice, promptly confirmed by telecopy or other writing, which states the principal amount of the Series 2003 Bond or such portion thereof and the date of purchase. For payment of such purchase price on the date specified in such notice, the Series 2003 Bond must be delivered, not later than 12:00 Noon, New York City time, on such Business Day (together with necessary endorsements) to the Tender Agent at its Principal Office.

During Weekly Interest Rate Period. During any Weekly Interest Rate Period, any Series 2003 Bond or portion thereof in an authorized denomination will be purchased at the option of its Owner on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest, if any, from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, or, if the date of purchase is an Interest Accrual Date, at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon the delivery to the Tender Agent at its Principal Office of an irrevocable written notice, or an irrevocable telephonic notice, promptly confirmed by telecopy or other writing, which states the principal amount of the Series 2003 Bond or such portion thereof and the date on which the Series 2003 Bond is to be purchased, which date must be a Business Day not prior to the seventh day after the date of the delivery of the notice to the Tender Agent. For payment of such purchase price on the date specified in such notice, the Series 2003 Bond must be delivered, not later than 12:00 Noon, New York City time, on the date specified in the notice (together with necessary endorsements) to the Tender Agent as its Principal Office.

During Commercial Paper Interest Rate Period—Mandatory Tender for Purchase on Day After the Last Day of Each Commercial Paper Period. On the Business Day after the last day of the Commercial Paper Period for a Series 2003 Bond, unless such day is the first day of a new Interest Rate Period (in which event such Series 2003 Bond will be subject to mandatory tender for purchase as described under "Mandatory Tender for Purchase on First Day of each Interest Rate Period"), such Series 2003 Bond will be purchased, at a purchase price equal to the

principal amount thereof, payable in immediately available funds. For payment of such purchase price on such day, such Series 2003 Bond must be delivered (together with necessary endorsements) at or prior to 12:30 P.M., New York City time on such day, to the Tender Agent at its Principal Office. During any Commercial Paper Period, with respect to a Series 2003 Bond, the Owner of that Series 2003 Bond will not have the right to demand the purchase thereof.

Mandatory Tender for Purchase on First Day of Each Interest Rate Period. The Series 2003 Bonds will be subject to mandatory tender for purchase, at a purchase price equal to 100% of the principal amount thereof (or, if applicable, upon adjustment from a Long-Term Interest Rate Period prior to the expiration of such Long-Term Interest Rate Period, at a purchase price equal to the applicable optional redemption price), payable in immediately available funds, on the first day of the succeeding Interest Rate Period.

Purchase During Alternate Interest Rate Period. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the purchase of Series 2003 Bonds during an Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Purchase and Remarketing of Series 2003 Bonds

On the date on which Series 2003 Bonds are required to be purchased, the Tender Agent shall purchase such Series 2003 Bonds with funds provided from the remarketing of such Series 2003 Bonds or by FPL pursuant to the Agreement. The Issuer has no obligation to provide any moneys whatsoever for the payment of the purchase price for the Series 2003 Bonds.

On the day of purchase of Series 2003 Bonds by the Tender Agent, the Remarketing Agent shall use its best efforts to sell such Series 2003 Bonds in accordance with the Indenture.

FPL currently maintains lines of credit in amounts sufficient to meet its current needs and expects to continue to maintain such lines of credit. The Trustee, Paying Agent/Tender Agent/Registrar and the Owners of the Series 2003 Bonds will have no right to draw under any line of credit maintained by FPL. There is no requirement in the Indenture or the Agreement that FPL maintain such lines of credit, and FPL may cease maintaining such lines of credit at any time and without notice.

Redemption

Optional Redemption During Daily or Weekly Interest Rate Period. On any Business Day during a Daily Interest Rate Period or a Weekly Interest Rate Period, the Series 2003 Bonds shall be subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at a redemption price equal to their principal amount, plus accrued interest, if any, to the redemption date.

Optional Redemption During Commercial Paper Interest Rate Period. During any Commercial Paper Interest Rate Period, each Series 2003 Bond will be subject to optional redemption by the Issuer, at the direction of FPL, on the day after the last day of each Commercial Paper Period for that Series 2003 Bond, in whole or in part, at a redemption price equal to the principal amount thereof.

Optional Redemption During Long-Term Interest Rate Period. During any Long-Term Interest Rate Period, the Series 2003 Bonds are subject to optional redemption by the Issuer, at the direction of FPL, on the first day thereof, in whole or in part, at a redemption price equal to their principal amount, and, thereafter, during the periods specified below or specified in the notice of FPL to the Trustee, the Tender Agent and the Remarketing Agent in connection with the adjustment to such Long-Term Interest Rate Period, in whole at any time or in part from time to time, at the redemption prices set forth below or specified in such notice plus accrued interest, if any, to the redemption date:

Length of Long-Term Interest Rate Period (expressed in years)	Redemption Prices As a Percentage of Principal Amount
Greater than 14	After 10 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 14 and greater than 10	After 5 years at 101%, declining by 1% after 1 year to 100%
Less than or equal to 10 and greater than 8	After 5 years at 101%, declining by 1/2 of 1% semi-annually to 100%
Less than or equal to 8 and greater than 6	After 3 years at 101%, declining by 1/2 of 1% semi-annually to 100%
Less than or equal to 6 and greater than 4	After 2 years at 101%, declining by 1/2 of 1% semi-annually to 100%
Less than or equal to 4 and greater than 3	After 2 years at 100-1/2%, declining by 1/2 of 1% after six months to 100%
Less than or equal to 3 and greater than 2	After 1 year at 100-1/2%, declining by 1/2 of 1% after six months to 100%
Less than or equal to 2 and greater than 1	After 1 year at 100%
1 year	not redeemable

Extraordinary Optional Redemption

During any Long-Term Interest Rate Period, the Series 2003 Bonds will be subject to redemption in whole, upon the optional prepayment by FPL of all the Loan Repayments (as defined below), at a redemption price of 100% of the principal amount thereof plus accrued interest to the date fixed for redemption, if:

(a) FPL shall have determined that the continued operation of either of the Units or any portion of the Project is impracticable, uneconomical or undesirable; or

(b) all or substantially all of either of the Units or any portion of the Project shall have been condemned or taken by eminent domain; or

(c) the operation by FPL of either of the Units or any portion of the Project shall have been enjoined for a period of at least six consecutive months; or

(d) as a result of any change in the Constitution of the State of Florida or the Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after

any contest thereof by FPL in good faith, the Indenture, the Agreement or the Series 2003 Bonds shall become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement.

In addition, during any period during a Long-Term Interest Rate Period during which the Series 2003 Bonds are not subject to optional redemption by the Issuer at the direction of FPL as described under "Redemption—Optional Redemption During Long-Term Interest Rate Period" above, the Series 2003 Bonds will be nonetheless subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at any time, if FPL delivers to the Trustee a written certificate (i) to the effect that by reason of a change in use of the Project or any portion thereof, FPL has been unable, after reasonable effort, to obtain an opinion of nationally recognized bond counsel to the effect that a court, in a properly presented case, should decide that (a) Section 150 of the Internal Revenue Code of 1986, as amended (the "Code") (or successor provision of similar import), does not prevent that portion of the Loan Repayments payable under the Agreement and attributable to interest on the Series 2003 Bonds from being deductible by FPL for federal income tax purposes and (b) Treasury Regulations Section 1.142-2 (or a successor provision of similar import) does not prevent interest on the Series 2003 Bonds from being excluded for federal income tax purposes from the gross income of the owners thereof (other than in the hands of an owner of a Series 2003 Bond who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code), (ii) specifying that as a result of its inability to obtain such opinion of nationally recognized bond counsel, FPL has elected to prepay amounts due under the Agreement equal to the redemption price of the Series 2003 Bonds to be so redeemed and (iii) specifying the principal amount of the Series 2003 Bonds which FPL has determined to be the minimum necessary to be so redeemed in order for FPL to retain its rights to such interest deductions and for interest on the Series 2003 Bonds to retain such exclusion from gross income for federal income tax purposes (which principal amount of the Series 2003 Bonds will be so redeemed). The redemption price for the Series 2003 Bonds shall be equal to the highest redemption price that would be payable on the first day such Series 2003 Bonds could be called for optional redemption as described under "Redemption—Optional Redemption During Long-Term Interest Rate Period" above, on the basis of the length of the then current Long-Term Interest Rate Period.

Extraordinary Mandatory Redemption

The Series 2003 Bonds are subject to mandatory redemption by the Issuer, at the principal amount thereof plus accrued interest to the redemption date, on the 180th day (or such earlier date as may be designated by FPL) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Issuer and FPL of an opinion of a nationally recognized bond counsel obtained by FPL and rendered at the request of FPL, to the effect that, as a result of a failure by FPL to perform or observe any covenant, agreement or representation contained in the Agreement, the interest payable on the Series 2003 Bonds is included for federal income tax purposes in the gross income of the owners thereof. No determination by any court or administrative agency will be considered final for such purpose unless FPL has had an opportunity to participate in the proceeding which resulted in such determination, either directly or through an owner of a Series 2003 Bond, to a degree it deems sufficient and until the conclusion of any court proceeding initiated after a final agency determination, and of any appellate review sought by any party to such agency or court proceeding or the expiration of the time for seeking such review. The Series 2003 Bonds will be redeemed either in whole or in part in such principal amount that the interest payable on the Series 2003 Bonds remaining outstanding after such redemption would not be included in the gross income of any owner thereof, other than an owner of a Series 2003 Bond who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code.

Selection of Series 2003 Bonds to be Redeemed

In the case of the redemption of less than all of the outstanding Series 2003 Bonds, the Series 2003 Bonds to be redeemed shall be selected by the Trustee, by lot or in such other manner as the Trustee in its discretion may determine to be fair and appropriate, in the principal amounts designated by FPL or otherwise as required by the Indenture; provided, however, that in connection with any redemption of Series 2003 Bonds, the Trustee shall first select for redemption any Series 2003 Bond held by the Tender Agent for the account of FPL, and that if FPL shall have offered to purchase all Series 2003 Bonds then outstanding and less than all of such Series 2003 Bonds have been tendered to FPL for such purchase, the Trustee, at the direction of FPL, shall select for redemption all such Series 2003 Bonds which have not been so tendered; and provided further that the portion of any Series 2003 Bond

to be redeemed shall be in a principal amount constituting an authorized denomination of such Series 2003 Bond and that, in selecting Series 2003 Bonds for redemption, the Trustee shall treat each Series 2003 Bond as representing that number of Series 2003 Bonds which is obtained by dividing the principal amount of such Series 2003 Bond by the minimum authorized denomination of such Series 2003 Bond. See "The Series 2003 Bonds - Book-Entry System".

Notice and Effect of Redemption

A notice of redemption will be mailed, at least 30 days before the redemption date of any Series 2003 Bonds, to all owners of Series 2003 Bonds to be redeemed in whole or in part and to at least two bond information services selected by FPL, but failure to mail any such notice to the owner of a Series 2003 Bond shall not affect the validity of the proceedings for the redemption of any other Series 2003 Bonds.

Any notice of redemption, except a notice of extraordinary mandatory redemption, shall, unless at the time such notice is given the Series 2003 Bonds to be redeemed shall be deemed to have been paid under the terms of the Indenture (see "The Indenture — Defeasance"), state that the redemption to be effected is, and such redemption shall be, conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the Series 2003 Bonds to be redeemed and if such moneys are not so received such notice shall be of no force or effect and such Series 2003 Bonds shall not be redeemed.

Any Series 2003 Bonds selected for redemption which are deemed to have been paid under the terms of the Indenture will cease to bear interest on the date fixed for redemption.

Redemption During Alternate Interest Rate Period

If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to redemption during an Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

THE AGREEMENT

Loan Repayments

FPL has agreed to pay to the Trustee for the account of the Issuer an amount equal to the principal amount of the Series 2003 Bonds and an amount equal to the aggregate of the premium, if any, and interest on the Series 2003 Bonds (the "Loan Repayments") at such times and in such amounts and in the manner provided in the Indenture for the Issuer to cause payments to be made to the Owners of the Series 2003 Bonds of the principal of and premium, if any, and interest on the Series 2003 Bonds.

FPL Obligations Unconditional

Until such time as the principal of and premium, if any, and interest on the Series 2003 Bonds shall have been fully paid or deemed paid in accordance with the Indenture, FPL's obligations under the Agreement are absolute and unconditional and FPL has agreed that it (a) will not suspend or discontinue payment of any amounts required to be paid by it under the Agreement, (b) will perform and observe all of its other agreements contained in the Agreement, and (c) except as permitted by the Agreement, will not terminate the Agreement for any cause.

Payments for Series 2003 Bonds Delivered for Purchase

FPL will agree to deposit, on or prior to the purchase date of the Series 2003 Bonds to be purchased from the Owners thereof as described under the heading "The Series 2003 Bonds — Purchase of Series 2003 Bonds," an amount of money which, together with other moneys available for such purpose, will be sufficient to effect the purchase of such Series 2003 Bonds.

Merger, Sale or Consolidation

FPL has agreed that, so long as any Series 2003 Bonds are outstanding, it will maintain its corporate existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into one or more other entities or permit one or more other entities to consolidate with or merge into it; provided, that FPL may consolidate with or merge into one or more other entities, or permit one or more other entities to consolidate with or merge into it, or sell or otherwise transfer to one or more other entities all or substantially all of its assets as an entirety and thereafter dissolve, provided the surviving, resulting or transferee entity or entities, as the case may be (if other than FPL), assumes or assume in writing all of the obligations of FPL in the Agreement, and, if not organized under the laws of the State of Florida, is or are qualified to do business in the State of Florida.

Events of Default

The occurrence of any one or more of the following is an event of default under the Agreement: (a) failure by FPL to pay or cause to be paid when due the Loan Repayments in the amounts and at the times specified in the Agreement, which failure shall have resulted in an event of default described in clause (a), (b) or (c) under "The Indenture — Events of Default"; (b) when the Trustee holds Pledged Bonds, a "Default" as defined in the Mortgage; (c) failure by FPL to observe or to perform any other covenant, condition, representation or agreement in the Agreement on its part to be observed or performed for a period of 90 days after written notice thereof to FPL by the Issuer or the Trustee, which may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Series 2003 Bonds shall, give such notice, unless such period is extended by the Issuer and the Trustee or the Issuer, the Trustee and the Owners of Series 2003 Bonds, as provided in the Agreement (provided, however, that the Issuer and the Trustee or the Issuer, the Trustee and the Owners of the Series 2003 Bonds, as provided in the Agreement, as the case may be, will be deemed to have agreed to an extension of such period if corrective action is initiated by FPL within such period and is being diligently pursued), or unless such obligations are suspended by reason of force majeure, as defined in the Agreement; or (d) certain events of bankruptcy, dissolution, liquidation or reorganization by FPL.

Remedies

Acceleration and Limitations Thereon

Upon the occurrence and continuance of an event of default described in clause (a), (b) or (d) in "Events of Default", and further upon the condition that all Series 2003 Bonds outstanding under the Indenture shall have become immediately due and payable, the Loan Repayments shall, without further action, become immediately due and payable.

Any waiver of (i) an event of default under the Indenture or (ii) with respect to Series 2003 Bonds which are secured by Pledged Bonds, a "Default" under the Mortgage (if an event of default has occurred under clause (b) above in "Events of Default") and a rescission and annulment of its consequences shall constitute a waiver of the corresponding event of default under the Agreement and a rescission and annulment of the consequences thereof.

Other Remedies

Upon the occurrence and continuance of any event of default, the Trustee as the Issuer's assignee may take whatever action at law or in equity may appear necessary or desirable to collect the Loan Repayments then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of FPL under the Agreement.

Amendment

As provided in the Indenture, the Issuer and FPL may enter into, and the Trustee may consent to, without the consent of the Owners of the Series 2003 Bonds, such agreements supplemental to the Agreement as shall not be inconsistent with the terms and provisions of the Agreement or detrimental to the interests of the Owners of the

Series 2003 Bonds (a) to cure any ambiguity or defect or omission in the Agreement or in any supplemental agreement, (b) to grant to or confer upon the Issuer or the Trustee for the benefit of the Owners of the Series 2003 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Issuer or the Owners of the Series 2003 Bonds or the Trustee, (c) to correct any description of, or to reflect changes in, any properties comprising the Project, or (d) in connection with any other changes which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of FPL to make the Loan Repayments or otherwise materially impair the security of the Owners of the Series 2003 Bonds under the Indenture. Any other amendment of the Agreement requires the consent of the Owners of a majority in aggregate principal amount of all Series 2003 Bonds then outstanding.

THE INDENTURE

Assignment of Issuer's Interest

Under the Indenture, the Issuer has pledged and assigned to the Trustee the Issuer's rights under the Agreement, including the Loan Repayments, except for certain rights to indemnification and reimbursement of expenses.

Creation of Bond Fund

The Indenture creates a Bond Fund. Moneys deposited in the Bond Fund are to be held in trust by the Trustee and, pending application in accordance with the Indenture, are subject to a lien and charge in favor of the Owners of the Series 2003 Bonds outstanding under the Indenture and to the prior lien of the Trustee for payment of its fees and expenses.

There shall be deposited to the credit of the Bond Fund (a) the accrued interest, if any, received on the sale of the Series 2003 Bonds, (b) all Loan Repayments, (c) any payments made on the Pledged Bonds, and (d) all other moneys received by the Trustee under and pursuant to any of the provisions of the Agreement or otherwise which are required, or are accompanied by directions from FPL or the Issuer that such moneys are, to be paid into the Bond Fund.

Moneys in the Bond Fund shall be used for the payment of the principal of and premium, if any, and interest on the Series 2003 Bonds or for the redemption or purchase of Series 2003 Bonds in accordance with the terms of the Indenture.

Creation of a Purchase Fund

The Indenture creates a Purchase Fund. Moneys deposited in the Purchase Fund are to be held by the Tender Agent for the purchase of Series 2003 Bonds pursuant to the Indenture and are not pledged to pay principal of or interest or any premium on the Series 2003 Bonds.

Investment of Funds

The Trustee shall, at the request of FPL, invest moneys held in the Bond Fund in the investments or securities specified in the Indenture. Gains or losses resulting from the investment of moneys in the Bond Fund will be credited or charged to such Fund.

Defeasance

If there is paid to the Owners of all of the Series 2003 Bonds the principal of and premium, if any, and interest on the Series 2003 Bonds due and thereafter to become due, together with all other sums payable under the Indenture, then the rights, title and interest of the Trustee in the estate pledged and assigned to it under the Indenture shall cease, and the Series 2003 Bonds shall cease to be entitled to the lien of the Indenture. The Trustee shall thereupon turn over to FPL any surplus in the Bond Fund. If the principal of and premium, if any, and interest due

and thereafter to become due is paid on less than all the Series 2003 Bonds then outstanding, such Series 2003 Bonds shall cease to be entitled to the lien of the Indenture.

Any or all Series 2003 Bonds then bearing interest at a Long-Term Interest Rate during a Long-Term Interest Rate Period ending on or after the redemption date or on the day immediately preceding the maturity date, as the case may be, or at Commercial Paper Interest Rates for Commercial Paper Periods which end on the redemption date or the day immediately preceding the maturity date, as the case may be, shall be deemed to have been paid when (a) in the case of Series 2003 Bonds to be redeemed, FPL shall have given to the Trustee irrevocable instructions to mail the notice of redemption therefor, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or obligations issued or unconditionally guaranteed by the United States of America, or certain securities which represent interests in such obligations, the principal of and interest on which, when due, will provide moneys which, together with any moneys also deposited with or held by the Trustee, shall be sufficient to pay when due the principal of and premium, if any, and interest due or to become due on such Series 2003 Bonds, and (c) in the event such Series 2003 Bonds do not mature and are not to be redeemed within the next succeeding 60 days, FPL shall have given the Trustee irrevocable instructions to mail, as soon as permitted by the Indenture, a notice to the owners of such Series 2003 Bonds stating that the above deposit has been made with the Trustee and that such Series 2003 Bonds are deemed to have been paid and stating the maturity or redemption date upon which moneys are to be available to pay the principal of and premium, if any, and interest on such Series 2003 Bonds. The provisions of the Indenture relating to the rights of the Owners of the Series 2003 Bonds to payment, registration, transfer and exchange shall remain in full force and effect with respect to all Series 2003 Bonds until the maturity date of the Series 2003 Bonds or the last date fixed for redemption of all Series 2003 Bonds prior to maturity notwithstanding that the Series 2003 Bonds are deemed to be paid as described above. If less than all Series 2003 Bonds are to be defeased, the Trustee shall select such Series 2003 Bonds in the manner described under "The Series 2003 Bonds — Selection of Series 2003 Bonds to be Redeemed".

Events of Default

The occurrence of any one or more of the following shall be an event of default under the Indenture: (a) failure to pay the principal of or premium, if any, on the Series 2003 Bonds when the same shall become due and payable, whether at maturity, through unconditional proceedings for redemption or otherwise; (b) (i) during any period when the Trustee holds Pledged Bonds, failure to pay interest on any of the Series 2003 Bonds when the same shall become due and payable and the continuation of such failure for a period of 60 days or (ii) when the Trustee does not hold Pledged Bonds, failure to pay interest on any of the Series 2003 Bonds when the same shall become due and payable and the continuation of such failure for a period of five Business Days; (c) a failure to pay amounts due to Owners of the Series 2003 Bonds for purchase thereof after such payment has become due and payable and the continuation of such failure for a period of five Business Days; (d) during any period when the Trustee holds Pledged Bonds, a "Default" as defined in the Mortgage; (e) failure to perform any other covenant, condition, agreement or provision contained in the Series 2003 Bonds or in the Indenture on the part of the Issuer to be performed for a period of 90 days after written notice thereof to the Issuer which may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Series 2003 Bonds then outstanding shall, be given by the Trustee, unless such period is extended by the Trustee, or the Trustee and the Owners of the Series 2003 Bonds, as provided in the Indenture; provided, however, that the Trustee, or the Trustee and the Owners of the Series 2003 Bonds, as provided in the Indenture, as the case may be, will be deemed to have agreed to an extension of such period if corrective action is instituted by the Issuer or FPL within such period and is being diligently pursued; or (f) an event of default as defined in the Agreement.

Remedies

Acceleration and Limitations Thereon

If the Trustee is holding Pledged Bonds, then upon the occurrence and continuance of an event of default described in clause (a), (b)(i), (c) or (d) above in "Events of Default," and, further upon the condition that, in accordance with the terms of the Mortgage, all first mortgage bonds outstanding thereunder shall have become immediately due and payable, then the Series 2003 Bonds shall, without further action, become immediately due and payable. If the Trustee is holding Pledged Bonds and all first mortgage bonds outstanding under the Mortgage have not become immediately due and payable, neither the Trustee nor the Owners of Series 2003 Bonds shall have any

right to declare the Series 2003 Bonds immediately due and payable, notwithstanding the existence of any event of default described above. FPL may, at its option (and upon receipt of a favorable opinion of bond counsel) so long as no default or event of default has occurred and is continuing under the Indenture, and with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, if a default or event of default has occurred and is continuing under the Indenture, deliver Pledged Bonds to the Trustee, and the Trustee will be required to hold those Pledged Bonds, and cannot accelerate the Series 2003 Bonds (absent an acceleration of all first mortgage bonds), until FPL determines to require the surrender and cancellation of the Pledged Bonds. At any time other than when the Series 2003 Bonds bear interest at a Long-Term Interest Rate, Pledged Bonds may, at FPL's option (and upon receipt of a favorable opinion of bond counsel), so long as no default or event of default has occurred and is continuing under the Indenture, and with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, if a default or event of default has occurred and is continuing under the Indenture, be removed as security for the Series 2003 Bonds.

If the Trustee is not holding Pledged Bonds, then upon the occurrence and continuance of an event of default described in clause (a), (b)(ii), or (c) above in "Events of Default," or an event of default described in clause (d) above under "The Agreement – Events of Default," the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Series 2003 Bonds then outstanding shall, by notice in writing to the Issuer and FPL, declare the principal of the Series 2003 Bonds then outstanding (if not then due and payable) to be immediately due and payable.

If the Trustee is not holding Pledged Bonds, the provisions of the preceding paragraph, however, are subject to the condition that, if, after the principal of the Series 2003 Bonds has been declared to be due and payable, and before any judgment or decree for the payment of the moneys due has been obtained or entered, FPL, pursuant to the Agreement, shall deposit with the Trustee an amount sufficient to pay all matured installments of interest upon the Series 2003 Bonds and the principal of the Series 2003 Bonds which have become due otherwise than by reason of such declaration (with interest upon such principal and, to the extent permissible by law, on overdue installments of interest, at the rate per annum borne by the Series 2003 Bonds on the date of such declaration) and such amounts as are sufficient to cover reasonable compensation and reimbursement of expenses payable to the Trustee, and all events of default under the Indenture other than nonpayment of the principal of Series 2003 Bonds which shall have become due by such declaration have been remedied, then, such event of default will be deemed waived and such declaration and its consequences rescinded and annulled. The Trustee will promptly give written notice of such waiver, rescission and annulment to the Issuer, FPL, the Tender Agent, the Remarketing Agent, and, if notice of the acceleration of the Series 2003 Bonds has been given to the Owners, notice shall be given to the Owners. No such waiver, rescission and annulment shall extend to or affect any subsequent event of default or impair any right or remedy consequent thereon.

If the Trustee is holding Pledged Bonds, any waiver of a "Default" under the Mortgage and a rescission and annulment of its consequences shall constitute a waiver of the corresponding event of default under the Indenture and a rescission and annulment of the consequences thereof, and the Trustee shall promptly give written notice of such waiver, rescission and annulment to the Issuer, FPL, the Tender Agent and the Remarketing Agent, and notice to the Owners of the Series 2003 Bonds in the same manner as a notice of redemption; but no such waiver, rescission and annulment shall extend to or affect any subsequent event of default or impair any right or remedy consequent thereon.

Notwithstanding anything contained in the Indenture to the contrary, the Trustee, upon the written request of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, shall waive any event of default under the Indenture and its consequences; provided, however, that, except under certain circumstances described in the Indenture, an event of default under clauses (a), (b) or (c) above in "Events of Default" with respect to any Bonds may not be waived without the written consent of the holders of all such Bonds.

Other Remedies

Upon the occurrence and continuance of any event of default, the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Series 2003 Bonds then outstanding shall, upon receipt of indemnity to its satisfaction, proceed to protect and enforce its rights and the rights of the Owners of the Series 2003 Bonds under the laws of the State of Florida, the Indenture and the Agreement by the

exercise of any proper legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

Owners' Right to Direct Proceedings

The Owners of a majority in principal amount of the Series 2003 Bonds then outstanding shall have the right, upon receipt by the Trustee of indemnity to its satisfaction, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee. No Owner of any of the Series 2003 Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Series 2003 Bond or for the execution of any trust under the Indenture or for any other remedy thereunder except as provided in the Indenture, but nothing in the Indenture shall affect or impair the right of any Owner of a Series 2003 Bond to enforce the payment of the principal of and premium, if any, and interest on such Series 2003 Bond to the Owner thereof at the time and place stated in such Series 2003 Bond.

Amendment

The Issuer and the Trustee may, with the consent of FPL but without the consent of the Owners of the Series 2003 Bonds, enter into such supplemental indentures as shall not be inconsistent with the terms and provisions of the Indenture and shall not be, in the opinion of bond counsel selected by FPL, detrimental to the interests of the Owners of the Series 2003 Bonds (a) to cure any ambiguity or defect or omission in the Indenture or in any supplemental indenture, (b) to grant to or confer upon the Trustee for the benefit of the Owners of the Series 2003 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners of the Series 2003 Bonds or the Trustee, (c) to confirm the lien of the Indenture or to subject to the Indenture additional revenues, properties or collateral, (d) to correct any description of, or to reflect changes in, any properties comprising the Project, (e) to authorize a different denomination or denominations of the Series 2003 Bonds and to make correlative amendments to the Indenture, (f) to increase or decrease the number of days prior to an adjustment of the interest rate that notice need be given by FPL to the Trustee and by the Trustee to the Owners of the Series 2003 Bonds, provided that no decrease in any such number of days shall become effective except during a Daily or a Weekly Interest Rate Period and until 30 days after the Trustee shall have given notice thereof to the Owners of the Series 2003 Bonds affected thereby; (g) in connection with any other change which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of the Issuer to pay the principal of and premium, if any, and interest on the Series 2003 Bonds or otherwise impair the security of the Owners of the Series 2003 Bonds under the Indenture, (h) to modify, amend or supplement the Indenture or any supplemental indenture in such manner as to permit the qualification thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute or to permit the qualification of the Series 2003 Bonds for sale under the securities laws of any of the states of the United States of America, (i) to make amendments to the provisions of the Indenture relating to matters under Section 148(f) of the Code, provided that an opinion of Bond Counsel, to the effect that such amendments will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2003 Bonds, is delivered to the Trustee; or (j) to make any amendments necessary or appropriate to provide for the delivery of Pledged Bonds or any insurance policy, irrevocable transferable letter of credit or other security device delivered to the Trustee.

FPL and the Owners of not less than a majority in aggregate principal amount of the Series 2003 Bonds then outstanding shall have the right to consent to the execution by the Issuer and the Trustee of such other supplemental indentures as shall be deemed necessary or desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any supplemental indenture; provided, however, that, unless approved by all of the Owners of the Series 2003 Bonds then outstanding, nothing contained in the Indenture shall permit, or be construed as permitting, (a) an extension of the maturity of the principal of or the interest on the Series 2003 Bonds, or (b) a reduction in the principal amount of the Series 2003 Bonds or the redemption premium or the rate of interest thereon, or (c) the creation of a lien upon or a pledge of the Loan Repayments other than the lien and pledge created by the Indenture, or (d) a preference or priority of any Series 2003 Bond over any other Series 2003 Bond, or (e) a reduction in the aggregate principal amount of the Series 2003 Bonds required for consent to such supplemental indenture.

Any supplemental indenture that affects any right, power, obligation or authority of FPL under the Agreement or requires a revision of the Agreement shall not become effective without the consent of FPL.

Payment of Fees

FPL has agreed to pay the reasonable fees and charges of the Trustee, the Paying Agent/Registrar/Tender Agent, the Remarketing Agent and Indexing Agent and reasonable costs and expenses of the Issuer incurred in connection with the Agreement, the Indenture and the Series 2003 Bonds. FPL has also agreed to pay to the Trustee for the account of the Issuer, on February 1st of each year, an annual maintenance fee in an amount equal to 00.10% of the principal amount of the Series 2003 Bonds outstanding on the preceding January 31st, until such time as the principal of and premium, if any, and interest on the Series 2003 Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture.

THE TRUSTEE

FPL maintains normal banking relations with The Bank of New York, an affiliate of the Trustee, and from time to time obtains short-term funds from The Bank of New York.

TAX MATTERS

The Code includes requirements which the Issuer and FPL must continue to meet after the issuance of the Series 2003 Bonds in order that interest on the Series 2003 Bonds not be included in gross income for federal income tax purposes. The failure to meet these requirements may cause interest on the Series 2003 Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The Issuer has covenanted in the Indenture and FPL has covenanted in the Agreement to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2003 Bonds. The opinion of Co-Bond Counsel will be based upon and assume the accuracy of certain representations and certifications and compliance with certain covenants of the Issuer and FPL to be contained in the transcript of proceedings which are intended to evidence and assure that interest on the Series 2003 Bonds is and will continue to be excluded from gross income for federal income tax purposes.

In the opinion of Co-Bond Counsel, assuming continuing compliance by the Issuer and FPL with tax covenants referred to above, under existing statutes, regulations, rulings and judicial decisions, interest on the Series 2003 Bonds is excluded from gross income for federal income tax purposes except for interest on any Series 2003 Bond for any period during which such Series 2003 Bond is held by a "substantial user" of the facilities refinanced by the Bonds or a "related person" within the meaning of Section 147(a) of the Code. However, interest on the Series 2003 Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations.

Except as described herein, Co-Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2003 Bonds. Prospective purchasers of the Series 2003 Bonds should be aware that the ownership of the Series 2003 Bonds may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2003 Bonds, or in the case of a financial institution, that portion of the owner's interest expenses allocable to interest on a Series 2003 Bond, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on the Series 2003 Bonds, (iii) the inclusion of interest on the Series 2003 Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of interest on the Series 2003 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, and (v) interest on the Series 2003 Bonds is taken into account in determining whether recipients of Social Security and Railroad Retirement benefits must include a portion of those benefits in gross income.

Co-Bond Counsel are further of the opinion that the Series 2003 Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

UNDERWRITING

Wachovia Bank, National Association (the "Underwriter") has agreed to purchase the Series 2003 Bonds from the Issuer at the price of 100% of the aggregate principal amount thereof. FPL has agreed to pay the Underwriter a commission in the amount of $30,000.

With respect to the Series 2003 Bonds, the Underwriter's obligation to purchase the Series 2003 Bonds is subject to certain conditions precedent. The Underwriter does not have the right to purchase less than all of the Series 2003 Bonds if any Series 2003 Bonds are purchased. The offering price of the Series 2003 Bonds may be changed from that set forth on the cover page hereof from time to time by the Underwriter. The Underwriter may offer and sell the Series 2003 Bonds to certain dealers (including dealers depositing Series 2003 Bonds into investment trusts, accounts or funds) and others at prices lower than the public offering prices set forth on the cover page hereof.

FPL has agreed to indemnify the Underwriter against certain liabilities, including certain liabilities under the federal securities laws.

LEGALITY

Legal matters incident to the issuance of the Series 2003 Bonds and with regard to the tax status of the interest thereon (see "Tax Matters") are subject to the legal opinion of Adorno & Yoss, P.A., Miami, Florida, and Clyne & Self, P.A., Coral Gables, Florida, as Co-Bond Counsel. The signed legal opinion for the Series 2003 Bonds, dated and premised on law in effect as of the date of original delivery of the Series 2003 Bonds, will be delivered to the Underwriter at the time of original delivery of the Series 2003 Bonds. The proposed text of such legal opinion is set forth in Appendix C hereto.

Adorno & Yoss, P.A. and Clyne & Self, P.A., in their capacity as Co-Bond Counsel, have participated in the preparation of, and have reviewed those portions of, this Official Statement pertaining to the Series 2003 Bonds, the Agreement, the Indenture and the tax status of the Series 2003 Bonds. Co-Bond Counsel will render an opinion that the statements pertaining to the Series 2003 Bonds under the caption "Tax Matters" fairly and accurately present the information purported to be shown and that the statements under the captions "The Series 2003 Bonds" (except for the information and statements under "The Series 2003 Bonds — Book-Entry System"), "The Agreement" and "The Indenture" insofar as they describe the Series 2003 Bonds, the Agreement and the Indenture, fairly and accurately summarize the material provisions of those documents. Said firms have not been retained to pass upon any other information in this Official Statement, including Appendices A, B and D hereto, or in any other reports, financial information, offering or disclosure documents or other information pertaining to the Issuer, DTC, FPL, the Project or the Series 2003 Bonds that may be prepared or made available by the Issuer, FPL, or others for the prospective purchasers of the Series 2003 Bonds.

Steel Hector & Davis LLP, West Palm Beach, Florida, and Thelen Reid & Priest LLP, New York, New York, counsel for FPL, will render opinions relating to certain matters pertaining to FPL and its obligations under the Agreement. Certain legal matters will be passed upon for the Underwriter by Hunton & Williams LLP, New York, New York, counsel to the Underwriter, and for the Issuer by the County Attorney for Miami-Dade County, Florida.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Florida law requires the Issuer to make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served as a conduit issuer). The Issuer is not and has not been in default as to the payment of the principal of and interest on bonds or other debt obligations to which the Issuer has pledged its revenues or for which it is obliged to make payments. The Issuer serves as conduit issuer from time to time, however, the obligations of the Issuer under such conduit bond issues is limited solely to funds received from the party borrowing the proceeds of such bonds. Therefore, whether any such conduit bonds or other debt obligations are in default as to the payment of principal and interest, would not be material to purchasers

of the Series 2003 Bonds unless the conduit borrower under such bonds was FPL. The Issuer is not aware of any payment default by FPL on any conduit bonds issued by the Issuer for the benefit of FPL.

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APPENDIX A

FLORIDA POWER & LIGHT COMPANY

The information contained and incorporated by reference in this Appendix A to the Official Statement has been obtained from FPL. The Issuer and the Underwriter make no representations as to the accuracy or completeness of such information. Capitalized terms used in this Appendix A to the Official Statement but not defined herein have the meanings ascribed to them in the Official Statement.

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FLORIDA POWER & LIGHT COMPANY

Florida Power & Light Company ("FPL") was incorporated under the laws of Florida in 1925 and is engaged in the generation, transmission, distribution and sale of electric energy. FPL supplies electric service to a population of nearly eight million throughout most of the east and lower west coasts of Florida. During 2002, FPL served approximately 4.0 million customer accounts. FPL Group, Inc. owns all of FPL's common stock. The principal executive office of FPL is located at 700 Universe Boulevard, Juno Beach, Florida 33408, telephone (561) 694-4000, and the mailing address is P.O. Box 14000, Juno Beach, Florida 33408-0420.

AVAILABLE INFORMATION

FPL is subject to the informational requirements of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and in accordance therewith files reports and other information with the Securities and Exchange Commission ("SEC"). Such reports and other information can be inspected and copied at the Public Reference Section of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549. Additional information about the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site (http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including FPL.

FPL has agreed to provide, at least annually, to the repositories specified in Rule 15c2-12 under the Exchange Act, annual financial information in the form required by the SEC for companies required to file reports under Section 13 or 15(d) of the Exchange Act, as well as, in a timely manner, other notices required by Rule 15c2-12. Any holder of the Series 2003 Bonds may, directly or through the Trustee, specifically enforce FPL's disclosure obligations; but any breach by FPL of this agreement will not constitute an event of default under the Agreement or the Indenture.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following FPL documents filed with the SEC are incorporated herein by reference:

1. Annual Report on Form 10-K for the year ended December 31, 2002;

2. Quarterly Report on Form 10-Q for the quarter ended March 31, 2003; and

3. Current Reports on Form 8-K filed April 24 and June 9, 2003.

All documents filed by FPL with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Official Statement and prior to the termination of the offering of all of the Series 2003 Bonds covered by the Official Statement shall be deemed to be incorporated by reference in this Appendix A and to be a part hereof from the date of filing such documents.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of the Official Statement to the extent that a statement contained herein or in any other subsequently filed document which is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Official Statement.

FPL will provide without charge to each person to whom the Official Statement is delivered, upon request of any such person, a copy of any or all of the documents referred to above that have been or may be incorporated by reference in this Appendix A, excluding the exhibits thereto. Requests for such copies should be directed to: FPL Group, Inc., Investor Relations Department, 700 Universe Boulevard, Juno Beach, Florida 33408 (800) 222-4511.

The financial and other data contained in this Appendix A are furnished solely to provide limited introductory information regarding FPL and do not purport to be comprehensive. Such data are qualified in their entirety by reference to the detailed information and financial statements appearing in the documents incorporated herein by reference and, therefore, should be read together therewith.

FPL SELECTED FINANCIAL INFORMATION

Millions of Dollars
(Unaudited)

	Three Months Ended March 31, 2003	Years Ended December 31, 2002	2001
Operating revenues	$ 1,757	$ 7,378	$ 7,477
Net income	$ 139	$ 732	$ 694
Net income available to FPL Group	$ 135	$ 717	$ 679

	As of March 31, 2003	
Long-term debt (including unamortized premium and discount on debt)	$ 2,364	29.5%
Preferred stock without sinking fund requirements	$ 226	2.8%
Common shareholder's equity	$ 5,420	67.7%
Total Capitalization (excluding current maturities)	$ 8,010	100%
Commercial paper	$ 590	
Notes payable	$ 200	
Current maturities of long-term debt	$ 70	

Ratio of Earnings to Fixed Charges

	Years Ended December 31,				
Three Months Ended March 31, 2003	2002	2001	2000	1999	1998
6.07	7.47	6.44	6.02	6.26	5.69

SUMMARY OF TERMS

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Glossary:	
BD	= Business Day
IPD	= Interest Payment Date
RA	= Remarketing Agent
TA	= Tender Agent

NOTE: If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

	Daily Interest Rate Period	Weekly Interest Rate Period	Commercial Paper Interest Rate Period	Long-Term Interest Rate Period
Authorized Denomination	$100,000 or higher integral multiples of $100,000	$100,000 or higher integral multiples of $100,000	$25,000 or higher integral multiples of $5,000	Integral multiples of $5,000
Interest Rate Setting	Par rate determined by RA	Par rate determined by RA	Par rate and Commercial Paper Periods determined by RA	Par rate determined by RA
Purchase from Owner at Owner's Option	On any BD with irrevocable notice to TA by 10:30 a.m.	On any BD with at least 7 days irrevocable notice to TA	Not applicable	Not applicable
Interest Rate Effective	Daily (Sat., Sun. and holidays will be same as preceding BD)	Wednesday through Tuesday	Commercial Paper Date through last day of Commercial Paper Period (not greater than 364 days)	First day of Period through last day of Period (one year or more)
Interest Rate Announced	Daily	No later than BD prior to the Wednesday	No later than the Commercial Paper Date	No later than first day of Period
Interest Accrual Period	First day through last day of month (calendar month)	First Wednesday of month through Tuesday preceding next IPD	Commercial Paper Date through last day of Commercial Paper Period	IPD through day preceding next IPD (which must be a Business Day)
Calculation of Accrued Interest	365/366-day year and actual days elapsed	365/366-day year and actual days elapsed	365/366-day year and actual days elapsed	360-day year; twelve 30-day months
Interest Payment Date	Fifth BD of the month and day following end of Period	First Wednesday of the month or next succeeding BD, and day following end of Period	Day after end of Commercial Paper Period (next Commercial Paper Date or first day of next Period)	Semiannually on February 1 and August 1 and day following end of Period
Interest Payment	By check to registered owner as of Record Date on IPD; in immediately available funds by deposit to account or wire transfers to owners who request same	By check to registered owner as of Record Date on IPD; in immediately available funds by deposit to account or wire transfers to owners who request same	By check to registered owner as of Record Date on IPD; in immediately available funds by deposit to account or wire transfers to owners who request same, but only when Bond is presented	By check to registered owner as of Record Date on IPD
Mandatory Tender for Purchase	Effective date of any change in the Period	Effective date of any change in the Period	First day of Period and the Commercial Paper Date	Effective date of any change in the Period

	Daily Interest Rate Period	Weekly Interest Rate Period	Commercial Paper Interest Rate Period	Long-Term Interest Rate Period
Optional Redemption	100% of par plus accrued interest on any BD	100% of par plus accrued interest on any BD	100% of par plus accrued interest on day immediately succeeding last day of the Commercial Paper Period	Initial redemption date and price determined by formula based on length of Period; 100% of par, plus accrued interest on any BD, if extraordinary optional redemption
Mandatory Redemption	100% of par plus accrued interest upon final determination of taxability	100% of par plus accrued interest upon final determination of taxability	100% of par plus accrued interest upon final determination of taxability	100% of par plus accrued interest upon final determination of taxability
Principal and any Premium Paid	Upon presentation and surrender of Series 2003 Bonds	Upon presentation and surrender of Series 2003 Bonds	Upon presentation and surrender of Series 2003 Bonds	Upon presentation and surrender of Series 2003 Bonds
Eligible Adjustment Date out of Period	Any BD	Any BD	BD following a Commercial Paper Period	BD following Period; any BD on which Series 2003 Bonds permitted to be redeemed
Adjustment to Period	By FPL	By FPL	By FPL	By FPL
Notice to Owners of Adjustment to Period	At least 15 days	At least 15 days	At least 15 days	At least 15 days (30 days if effective date is not day after originally scheduled last day of Long-Term Interest Rate Period)
Favorable Opinion of Counsel Required on Adjustment to Period	Yes, unless adjustment from Weekly Interest Rate Period or Commercial Paper Interest Rate Period or automatic adjustment from Long-Term Interest Rate Period	Yes, unless adjustment from Daily Interest Rate Period or Commercial Paper Interest Rate Period	Yes, unless adjustment from Daily Interest Rate Period or Weekly Interest Rate Period	Yes (subject to certain exceptions)

Appendix C

(Form of approving opinion of Co-Bond Counsel for Series 2003 Bonds)

June __, 2003

To: Miami-Dade County Industrial Development Authority
80 S.W. 8th Street, Suite 2440
Miami, Florida 33130

Re: $15,000,000 Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003

Ladies and Gentlemen:

We have acted as co-bond counsel in connection with the issuance by the Miami-Dade County Industrial Development Authority (the "Authority") of its $15,000,000 Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds") pursuant to the Constitution and laws of the State of Florida, including particularly Parts II and III of Chapter 159, Florida Statutes, and other applicable provisions of law (collectively, the "Act"), a resolution duly adopted by the Authority on March 25, 2003 (the "Resolution") and a Trust Indenture between the Authority and The Bank of New York Trust Company of Florida, N.A. (the "Trustee"), dated as of June 1, 2003 (the "Indenture").

The Bonds are payable solely out of loan payments and other amounts to be paid to the Authority by Florida Power & Light Company (the "Company") pursuant to the Loan Agreement between the Authority and the Company dated as of June 1, 2003 (the "Loan Agreement").

The Bonds are being issued for the purpose of refunding the Authority's $15,000,000 Dade County Industrial Development Authority Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "Prior Bonds").

The proceeds of the Prior Bonds were used, together with funds provided by the Company, to finance the acquisition, installation and construction of certain sewage and solid waste disposal facilities at Units 3 and 4 of the Turkey Point Electrical Generating Plant in Miami-Dade County, Florida, and Units 5 and 6 of the Cutler Electrical Generating Plant in Miami-Dade County, Florida, all of which are owned by the Company.

Reference is made to the opinions of even date herewith, upon which we have relied, of Steel Hector & Davis LLP and Thelen Reid & Priest LLP, co-counsel to the Company, with respect to, among other matters, the corporate status of the Company, the good standing and qualification to do business of the Company, the corporate power of the Company to enter into and perform its obligations under the Loan Agreement, the authorization, execution and delivery of the Loan Agreement, and the binding effect and enforceable nature of the Loan Agreement upon the Company.

We have examined the Act, the Resolution, the Indenture and the Loan Agreement and such certified copies of the proceedings of the Authority and the Miami-Dade County Commission and such other documents as we have deemed necessary to render this opinion. As to the questions of fact material to our opinion, we have relied upon representations of the Authority contained in the Resolution, the Indenture, the certified proceedings and other closing documents, representations of the Company set forth in the Loan Agreement and other closing documents, and certifications of public officials and officers of the Authority and the Company furnished to us without undertaking to verify such representations by independent investigation.

Based on the foregoing, we are of the opinion that, under existing law:

1. The Authority is a public body corporate and politic and a public instrumentality duly created and validly existing under the laws of the State of Florida, including, in particular, the Act, with the power to enter into, execute and deliver the Indenture and the Loan Agreement, to perform its obligations thereunder and to issue the Bonds.

2. The Resolution has been duly adopted by the Authority and constitutes a valid and binding obligation of the Authority, enforceable in accordance with its terms.

3. The Indenture and the Loan Agreement have been duly authorized, executed and delivered by the Authority and constitute valid and binding agreements of the Authority enforceable against the Authority in accordance with their respective terms. The Indenture creates a valid lien on the trust estate created thereby.

4. The issuance and sale of the Bonds have been duly authorized by the Authority and the Bonds constitute valid and binding limited obligations of the Authority, enforceable in accordance with their terms, payable in accordance with, and as limited by, the terms of the Resolution and the Indenture. The Bonds are issued pursuant to the Act and do not constitute a debt, liability or obligation, either general or special, of the Authority, the County, the State or of any political subdivision thereof within the meaning of any constitutional or statutory provisions whatsoever. Neither the Authority, the County, the State nor any political subdivision thereof, shall be obligated to pay the principal of or the premium, if any, or interest on the Bonds, except from the loan payments, revenues and other amounts derived by the Authority under the Loan Agreement. Neither the faith, revenues, credit nor the taxing power of the County or of the State or of any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Bonds. The Authority has no taxing power.

5. Under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds is excluded from gross income for federal income tax purposes, except for interest on any Bond for any period during which such Bond is held by a "substantial user" of the facilities refinanced by the Bonds or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"). However, interest on the Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Ownership of the Bonds may result in collateral federal tax consequences to certain taxpayers. We express no opinion regarding other federal tax consequences resulting from the ownership, receipt or accrual of interest on, or disposition of, the Bonds.

In addition to the foregoing exceptions, the opinion set forth in the preceding paragraph assumes continuing compliance by the Authority and the Company with certain requirements of the Code that must be met after the date of the issuance of the Bonds in order for interest on the Bonds to be excluded from gross income for federal income tax purposes. The failure to meet these requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Authority has covenanted in the Indenture and the Company has covenanted in the Loan Agreement to take the actions necessary to comply with such requirements and to refrain from taking any actions that would cause interest on the Bonds to be included in gross income for federal income tax purposes.

6. The Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

This opinion is qualified to the extent that the rights of the holders of the Bonds and the enforceability of the Bonds, the Indenture and the Loan Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, now or hereafter in effect, and by the exercise of judicial discretion in appropriate cases in accordance with equitable principles.

We express no opinion herein regarding the accuracy, adequacy or completeness of the Official Statement relating to the Bonds, or regarding the perfection or priority of the lien on the trust estate related by the Indenture.

Respectfully submitted,

ADORNO & YOSS, P.A.

CLYNE & SELF, P.A.

NOTICE OF TENDER OF BOOK-ENTRY BONDS--WEEKLY INTEREST RATE PERIOD

$15,000,000
Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, or its successor, as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent seven days from the date of the Tender Agent's receipt, by telecopy or otherwise, of this notice, or the next Business Day* if such seventh day is not a Business Day (the "Tender Date"); provided, however, that if this notice is received by the Tender Agent by telecopy, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent, unless the Tender Agent receives this notice in original executed form by hand delivery prior to 2:00 p.m. New York time on the Business Day next succeeding its receipt of such notice by telecopy. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount (in multiples of $100,000)	DTC Participant Number	CUSIP Number(s)
$		

The undersigned acknowledges and agrees by the execution and delivery of this notice (1) that the tender of the Tendered Book-Entry Bonds is irrevocable; (2) that the undersigned is contractually bound to tender such Tendered Book-Entry Bonds to the Tender Agent on the Tender Date; and (3) that in the event of a failure to tender the Tendered Book-Entry Bonds to the Tender Agent on or before 12:00 Noon, New York City time on the Tender Date the undersigned shall pay to the Tender Agent an amount (the "default amount") equal to the difference between (a) the costs arising out of the failure to tender and (b) the purchase price, as defined above, which would have been paid to the undersigned upon a tender. As used herein the "costs arising out of the failure to tender" shall mean the sum of (x) the amount expended by the Tender Agent, either directly or through an agent, in acquiring book-entry bonds in substitution of the Tendered Book-Entry Bonds (including interest thereon) and (y) the administrative and other charges, expenses or commissions incurred in connection with the acquisition of such substitute book-entry bonds.

The undersigned agrees that the Tender Agent, either directly or through an agent, may acquire such substitute bonds in such manner and market as it deems commercially reasonable, and further agrees that the default amount is reasonable in light of the anticipated harm caused by the failure to tender and the inconvenience of obtaining any other remedy.

---

* "Business Day" shall have the meaning ascribed thereto by the Indenture under which the Tendered Book-Entry Bonds are issued.

The undersigned hereby irrevocably appoints the Tender Agent as his duly authorized attorney and directs the Tender Agent to effect the transfer of the Tendered Book-Entry Bonds.

Date of Notice:

Signature of DTC Participant Representing the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

NOTICE OF TENDER OF BOOK-ENTRY BONDS--DAILY INTEREST RATE PERIOD

$15,000,000
Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, or its successor, as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent on the date hereof or the next Business Day[*] if the date hereof is not a Business Day (the "Tender Date"); provided, however, that if this notice is not received by the Tender Agent by 10:30 a.m. on the date hereof, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount (in multiples of $100,000)	DTC Participant Number	CUSIP Number(s)
$		

The undersigned acknowledges and agrees by the execution and delivery of this notice (1) that the tender of the Tendered Book-Entry Bonds is irrevocable; (2) that the undersigned is contractually bound to tender such Tendered Book-Entry Bonds to the Tender Agent on the Tender Date; and (3) that in the event of a failure to tender the Tendered Book-Entry Bonds to the Tender Agent on or before 12:00 Noon, New York City time on the Tender Date the undersigned shall pay to the Tender Agent an amount (the "default amount") equal to the difference between (a) the costs arising out of the failure to tender and (b) the purchase price, as defined above, which would have been paid to the undersigned upon a tender. As used herein the "costs arising out of the failure to tender" shall mean the sum of (x) the amount expended by the Tender Agent, either directly or through an agent, in acquiring book-entry bonds in substitution of the Tendered Book-Entry Bonds (including interest thereon) and (y) the administrative and other charges, expenses or commissions incurred in connection with the acquisition of such substitute book-entry bonds.

The undersigned agrees that the Tender Agent, either directly or through an agent, may acquire such substitute bonds in such manner and market as it deems commercially reasonable, and further agrees that the default amount is reasonable in light of the anticipated harm caused by the failure to tender and the inconvenience of obtaining any other remedy.

[*] "Business Day" shall have the meaning ascribed thereto by the Indenture under which the Tendered Book-Entry Bonds are issued.

The undersigned hereby irrevocably appoints the Tender Agent as his duly authorized attorney and directs the Tender Agent to effect the transfer of the Tendered Book-Entry Bonds.

Date of Notice:

Signature of DTC Participant Representing the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

No dealer, salesman or any other person has been authorized by the Issuer, by FPL or by the Underwriter to give any information or to make any representation other than as contained in this Official Statement or in the Appendices hereto in connection with the offering described herein, and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer of any securities other than those described on the cover page or an offer to sell or a solicitation of an offer to buy in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No representation or warranty is made as to the accuracy or completeness of the information contained in this Official Statement, and nothing contained in this Official Statement is, or shall be relied on as, a promise or representation by the Issuer or the Underwriter. This Official Statement is submitted in connection with the sale of securities as referred to herein, and may not be reproduced or be used, in whole or in part, for any other purpose. The delivery of this Official Statement at any time does not imply that information herein or in the Appendices hereto is correct as of any time subsequent to its date.

TABLES OF CONTENTS

	Page
Addresses Of Certain Parties	2
Selected Information Relating To The Series 2003 Bonds	3
Certain Definitions	8
Introductory Statement	10
The Series 2003 Bonds	11
The Agreement	23
The Indenture	25
The Trustee	29
Tax Matters	29
Underwriting	30
Legality	30
Disclosure Required by Florida Blue Sky Regulations	30
Appendix A—Florida Power & Light Company	
Appendix B—Summary of Terms	
Appendix C—Form of Approving Opinion of Co-Bond Counsel	
Appendix D—Form of Notice of Tender of Book-Entry Bonds	

FPL

$15,000,000

Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project) Series 2003

Official Statement

Price: 100%

Wachovia Bank, National Association

June 24, 2003

Exhibit (a)-5

LOAN AGREEMENT

Between

ST. LUCIE COUNTY, FLORIDA

and

FLORIDA POWER & LIGHT COMPANY

$78,785,000
St. Lucie County, Florida
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

Dated as of May 1, 2003

TABLE OF CONTENTS

(This Table of Contents is not a part of the Loan Agreement
but is for convenience of reference only)

Page

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

SECTION 1.1. Definitions....1
SECTION 1.2. Rules of Construction....5

ARTICLE II

REPRESENTATIONS

SECTION 2.1. Representations by the Issuer....7
SECTION 2.2. Representations by FPL....7

ARTICLE III

LOAN OF PROCEEDS OF THE BONDS

SECTION 3.1. Amount and Source of Loan....10

ARTICLE IV

COMPLETION OF THE PROJECT; ISSUANCE OF THE BONDS

SECTION 4.1. Completion of the Project....11
SECTION 4.2. Agreement to Issue Bonds; Application of Bond Proceeds....11
SECTION 4.3. Direction to Redeem Refunded Bonds; Delivery of Additional Funds by FPL....11
SECTION 4.4. Investment of Fund Moneys; Arbitrage Covenant....12
SECTION 4.5. FPL and Issuer Not to Adversely Affect Exclusion of Interest on Bonds from Gross Income for Federal Income Tax Purposes....12
SECTION 4.6. No Third Party Beneficiary....12

ARTICLE V

PAYMENT PROVISIONS

SECTION 5.1. Loan Repayments and Other Amounts Payable....14
SECTION 5.2. Obligations of FPL Hereunder Unconditional....14
SECTION 5.3. First Mortgage Bonds; Other Credit Enhancement....15
SECTION 5.4. Return of First Mortgage Bonds to FPL....17

ARTICLE VI

MAINTENANCE AND REMOVAL

SECTION 6.1. Maintenance and Modifications of Project by FPL....19

SECTION 6.2. Removal of Portions of the Project 19

ARTICLE VII

SPECIAL COVENANTS

SECTION 7.1. No Warranty of Condition or Suitability by the Issuer 20
SECTION 7.2. FPL to Maintain its Corporate Existence; Conditions Under Which Exceptions Permitted 20
SECTION 7.3. Indemnification Covenants 20
SECTION 7.4. Limitation of Liability of the Issuer 21

ARTICLE VIII

ASSIGNMENT, LEASING AND SALE

SECTION 8.1. Assignment, Leasing and Sale by FPL 22
SECTION 8.2. Assignment of Rights by the Issuer 22

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

SECTION 9.1. Events of Default Defined 23
SECTION 9.2. Remedies on Default 24
SECTION 9.3. No Remedy Exclusive 25
SECTION 9.4. Agreement to Pay Attorneys' Fees and Expenses 25
SECTION 9.5. No Additional Waiver Implied by One Waiver 25

ARTICLE X

PREPAYMENT

SECTION 10.1. Right to Prepay Loan Repayments 26
SECTION 10.2. Procedure for Prepayments 26
SECTION 10.3. Relative Position of Agreement and Indenture 27
SECTION 10.4. Compliance with Indenture 27

ARTICLE XI

PURCHASE AND REMARKETING OF BONDS

SECTION 11.1. Purchase of Bonds 28
SECTION 11.2. Optional Purchase of Bonds 28
SECTION 11.3. Determination of Interest Rate Periods 28

ARTICLE XII

MISCELLANEOUS

SECTION 12.1. Notices 29
SECTION 12.2. Binding Effect 29
SECTION 12.3. Severability and Effect of Invalidity 29
SECTION 12.4. Termination 29

SECTION 12.5. If Payment or Performance Date a Legal Holiday 29
SECTION 12.6. Trustee, FPL and Issuer May Rely on Authorized Representatives 30
SECTION 12.7. Agreement Represents Complete Agreement 30
SECTION 12.8. Other Instruments 30
SECTION 12.9. Execution of Counterparts 30
SECTION 12.10. Applicable Law 30

Exhibit A - Description of the Project

LOAN AGREEMENT

This LOAN AGREEMENT, made and entered into as of the first day of May 1, 2003 is by and between ST. LUCIE COUNTY, FLORIDA, a political subdivision of the State of Florida (the "Issuer"), and FLORIDA POWER & LIGHT COMPANY ("FPL"), a corporation duly organized and validly existing under the laws of the State of Florida:

W I T N E S S E T H:

In consideration of the respective representations and agreements hereinafter contained, the parties hereto agree as follows (provided that in the performance of the agreements of the Issuer herein contained, any obligation it may thereby incur for the payment of money shall not be a debt, liability or obligation of the Issuer, Broward County, Florida, Martin County, Florida or the State of Florida or any political subdivision thereof, except to the extent that the Bonds hereinafter mentioned shall be a limited obligation of the Issuer, payable solely out of moneys derived from this Loan Agreement, the sale of the bonds referred to in Section 4.2 hereof and from any First Mortgage Bonds or other credit enhancement delivered pursuant to in Section 5.3 hereof):

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

SECTION 1.1. Definitions. In addition to words and terms elsewhere defined in this Loan Agreement or in the Indenture referred to below, the following words and terms shall have the following meanings:

"Act" means Chapter 159, Part II, Florida Statutes, as amended and other applicable provisions of law.

"Agreement" means this Loan Agreement, as amended or supplemented.

"Authorized FPL Representative" means each person at the time designated to act on behalf of FPL by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of FPL by the Chairman or any Vice Chairman of the Board, the President, any Senior or Administrative Vice President, any Vice President, the Treasurer or any Assistant Treasurer of FPL. Such certificate may designate an alternate or alternates who shall have the same authority, duties and powers as the Authorized FPL Representative.

"Authorized Issuer Representative" means each of the persons at the time designated to act on behalf of the Issuer by written certificate furnished to FPL and the Trustee containing the specimen signatures of such persons and signed on behalf of the Issuer by the Chairman.

"Bond Counsel" means counsel nationally recognized on the subject of, and qualified to render approving legal opinions on the issuance of, municipal bonds and acceptable to FPL and the Trustee.

"Bond Fund" means the fund created by Section 501 of the Indenture.

"Bond Resolution" means Resolution No. 03-93, adopted by the Issuer on April 1, 2003, authorizing the issuance of the Bonds.

"Bonds" or "Series 2003 Bonds" means the Bonds authorized to be issued under Section 201 of the Indenture for the purpose of paying a portion of the cost of refunding the Refunded Bonds.

"Broward" means Broward County, Florida, a political subdivision of the State of Florida.

"Broward Bonds" means the $4,000,000 original principal amount Broward County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991, dated as of August 1, 1991.

"Broward Indenture" means the Trust Indenture, dated as of August 1, 1991, between Broward and the Prior Trustee, relating to the Broward Bonds.

"Broward Units" means Units 4 and 5 of the Lauderdale Electrical Generating Plant, in Broward County, Florida, owned by FPL, and related support facilities, as they may exist from time to time.

"Chairman" means the person at the time occupying the office of Chairman of the County Board, or his designee, or any successor to the principal functions thereof.

"Code" means the Internal Revenue Code of 1986, as amended from time to time. References to the Code and Sections of the Code include relevant applicable regulations and proposed regulations thereunder and under the Internal Revenue Code of 1954, as amended to the date of enactment of the Tax Reform Act of 1986, and any successor provisions to those Sections, regulations or proposed regulations and, in addition, all revenue rulings, announcements, notices, procedures and judicial determinations under the foregoing applicable to the Bonds.

"Cost" means any item of cost within any proper definition of such word under the Act and as defined for purposes of the Prior Indenture.

"County Board" means the Board of County Commissioners of the Issuer, as its governing body.

"Favorable Opinion of Bond Counsel" means an opinion of Bond Counsel addressed to the Issuer and the Trustee to the effect that the action proposed to be taken is authorized or permitted by the laws of the State and this Agreement and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Bonds.

"First Mortgage Bonds" means any bonds issued from time to time under the Mortgage as required by Section 5.3 hereof.

"FPL" means Florida Power & Light Company, a corporation duly organized and validly existing under the laws of the State of Florida, and its successors or assigns and any surviving, resulting or transferee corporation as provided in Section 7.2 hereof.

"Indenture" means the Trust Indenture, of even date herewith, between the Issuer and The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as Trustee, pursuant to which (i) the Bonds are authorized to be issued and (ii) the Issuer's rights under this Agreement (except the Issuer's rights under Sections 5.1(c) and 9.4 hereof to payment of certain costs and expenses and under Section 7.3 hereof to indemnification), including the Loan Repayments and other revenues and proceeds receivable by the Issuer from the sale, leasing and operation of the Project are pledged and assigned as security for the payment of principal of and premium, if any, and interest on the Bonds and any amendments or supplements thereto.

"Indexing Agent" means the Indexing Agent appointed and serving pursuant to and in accordance with the Indenture.

"Interlocal Agreements" means collectively, (i) the Interlocal Agreement, dated March 25, 2003, between the Issuer and Broward, and (ii) the Interlocal Agreement, dated as of April 1, 2003, between the Issuer and Martin.

"Issuer" means St. Lucie County, Florida, a political subdivision of the State of Florida, and its successors and assigns and any body resulting from or surviving any consolidation or merger to which it or its successors may be a party.

"Loan Repayments" means the payments required by Section 5.1(a) hereof.

"Martin" means Martin County, Florida, a political subdivision of the State of Florida.

"Martin Bonds" means the $4,050,000 original principal amount Martin County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1993, dated as of July 1, 1993.

"Martin Indenture" means the Trust Indenture, dated as of July 1, 1993, between Martin and the Prior Trustee, relating to the Martin Bonds.

"Martin Units" means Units 3 and 4 of the Martin County Electrical Generating Plant, in Martin County, Florida, owned by FPL, and related support facilities, as they may exist from time to time.

"Mortgage" means the Mortgage and Deed of Trust, dated as of January 1, 1944, between FPL and Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as trustee, and The Florida National Bank of Jacksonville, as co-trustee (now resigned), as supplemented and amended.

"Original Agreement" means collectively (or individually, as applicable), (i) the Loan Agreement, dated as of June 15, 1990, between the Issuer and FPL, relating to the St. Lucie Series 1990 Bonds, (ii) the Loan Agreement, dated as of August 1, 1991, between the Issuer and FPL, relating to the St. Lucie Series 1991 Bonds, (iii) the Loan Agreement, dated as of May 1,

1992, between the Issuer and FPL, relating to the St. Lucie Series 1992 Bonds, (iv) the Loan Agreement, dated as of July 1, 1993, between the Issuer and FPL, relating to the St. Lucie Series 1993 Bonds, (v) the Loan Agreement, dated as of August 1, 1991, between Broward an FPL, relating to the Broward Bonds, and (vi) the Loan Agreement, dated as of July 1, 1993, between Martin and FPL, relating to the Martin Bonds.

"Outstanding" has the same meaning as "outstanding" as defined in Section 101 of the Indenture.

"Pledge Agreement" means the Pledge Agreement then in effect by and between FPL and the Trustee, pursuant to which any First Mortgage Bonds delivered pursuant to Section 5.3 hereof will be pledged as collateral security for the payment of the principal of and interest on the Bonds.

"Prior Agreement" means collectively (or individually, as applicable), (i) the Loan Agreement, dated as of May 1, 1992, between the Issuer and FPL, relating to the St. Lucie Series 1992 Bonds, (ii) the Loan Agreement dated as of December 1, 2000, between the Issuer and FPL, relating to the St. Lucie Series 2000B Bonds, (iii) the Loan Agreement, dated as of August 1, 1991, between Broward and FPL, relating to the Broward Bonds, and (iv) the Loan Agreement, dated as of July 1, 1993, between Martin and FPL, relating to the Martin Bonds.

"Prior Bonds" means, collectively, the Prior New Money Bonds and the Prior Refunding Bonds.

"Prior Indenture" means collectively (or individually, as applicable), the St. Lucie Series 1992 Indenture, the St. Lucie Series 2000B Indenture, the Broward Indenture and the Martin Indenture.

"Prior New Money Bonds" means collectively, the St. Lucie Series 1990 Bonds, the St. Lucie Series 1991 Bonds, the St. Lucie Series 1992 Bonds, the St. Lucie Series 1993 Bonds, the Broward Bonds and the Martin Bonds.

"Prior New Money St. Lucie Bonds" means collectively, the St. Lucie Series 1990 Bonds, the St. Lucie Series 1991 Bonds, the St. Lucie Series 1992 Bonds and the St. Lucie Series 1993 Bonds.

"Prior Refunding Bonds" means collectively, the St. Lucie Series 2000A Bonds and the St. Lucie Series 2000B Bonds.

"Prior Trustee" means The Bank of New York, in its capacity as successor trustee under the Prior Indenture.

"Project" means certain solid waste disposal and sewage facilities located at the Units, including any structures, machinery, fixtures, improvements and equipment, all as described in Exhibit A attached hereto, as the same may be amended from time to time, together with all additions thereto and substitutions therefor, and less any deletions therefrom, as they may at any time exist.

"Refunded Bonds" means all of the currently outstanding principal amount of St. Lucie Series 1992 Bonds, St. Lucie Series 2000B Bonds, Broward Bonds and Martin Bonds.

"St. Lucie Series 1990 Bonds" means the $9,835,000 original principal amount St. Lucie County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1990, dated as of June 15, 1990.

"St. Lucie Series 1991 Bonds" means the $32,985,000 original principal amount St. Lucie County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991, dated as of August 1, 1991.

"St. Lucie Series 1992 Bonds" means the $12,015,000 original principal amount St. Lucie County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1992, dated as of May 1, 1992.

"St. Lucie Series 1993 Bonds" means the $16,500,000 original principal amount St. Lucie County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1993, dated as of July 1, 1993.

"St. Lucie Series 2000A Bonds" means the $48,900,000 original principal amount St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2000A, dated as of June 27, 2000.

"St. Lucie Series 2000B Bonds" means the $65,420,000 original principal amount St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2000B, dated as of December 1, 2000.

"St. Lucie Series 1992 Indenture" means the Trust Indenture, dated as of May 1, 1992, between the Issuer and the Prior Trustee, relating to the St. Lucie Series 1992 Bonds.

"St. Lucie Series 2000B Indenture" means the Trust Indenture, dated as of December 1, 2000, between the Issuer and the Prior Trustee, relating to the Series 2000B Bonds.

"St. Lucie Units" means Units 1 and 2 of the St. Lucie Electrical Generating Plant, in St. Lucie County, Florida, an undivided interest in which is owned by FPL, and related support facilities, as they may exist from time to time.

"State" means the State of Florida.

"Trustee" means the Trustee at the time serving as such under the Indenture.

"Units" means collectively, the St. Lucie Units, the Broward Units and the Martin Units.

SECTION 1.2. Rules of Construction. (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Unless the context shall otherwise indicate, the words "Bond", "owner", "holder" and "person" shall include the plural as well as the singular number; the word "person" shall

include any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof; and the word "Holder", "Bondholder" or "Owner" when used herein with respect to Bonds shall mean the registered owner of one or more Bonds at the time issued and outstanding under the Indenture.

(c) Words importing the redemption or calling for redemption of the Bonds shall not be deemed to refer to or to connote the payment of Bonds at their stated maturities.

(d) The captions or headings in this Agreement are for convenience only and in no way limit the scope or intent of any provision or section of this Agreement.

(e) All references herein to particular articles or sections are references to articles or sections of this Agreement unless some other reference is indicated.

ARTICLE II

REPRESENTATIONS

SECTION 2.1. Representations by the Issuer. The Issuer makes the following representations, as of the date of delivery of this Agreement:

(a) The Issuer is duly authorized under the provisions of the Act to enter into, execute and deliver this Agreement, to undertake the transactions contemplated by this Agreement, and to carry out its obligations hereunder, and the Issuer has duly authorized the execution and delivery of this Agreement;

(b) The Issuer proposes to issue, in accordance with the provisions of the Interlocal Agreements, under Section 201 of the Indenture $78,785,000 aggregate principal amount of its Bonds for the purpose of refunding through redemption the Refunded Bonds; and

(c) By proper action of the Issuer, the officers of the Issuer executing and attesting this Agreement have been duly authorized to execute and deliver this Agreement.

SECTION 2.2. Representations by FPL. FPL makes the following representations, as of the date of delivery of this Agreement:

(a) FPL is a corporation organized and existing under the laws of the State and has power to enter into this Agreement, and by proper corporate action has duly authorized the execution and delivery of this Agreement.

(b) The consummation of the transactions contemplated herein and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other agreement or instrument to which FPL is now a party.

(c) The Project constitutes a "project" within the meaning of the Act.

(d) At least 95% of the proceeds of each of the issues of which the Prior New Money Bonds are a part were used to provide "sewage or solid waste disposal facilities" or land, buildings or other property functionally related and subordinate thereto within the meaning of Section 142(a)(5) or (6) of the Code, and the applicable existing and proposed regulations promulgated thereunder, in each case the original use of which facilities commenced with FPL. All of the proceeds of each of the Prior New Money Bonds have been spent for Costs of the Project or to pay costs of issuance of the particular Prior New Money Bonds. Less than 3% of the proceeds of each of the issues of which the Prior Bonds are a part was, and none of the proceeds of the Bonds will be, used to provide working capital. All of the proceeds of the St. Lucie Series 2000A Bonds were used exclusively to refund and redeem or purchase and cancel a portion of the Prior New Money St. Lucie Bonds within 90 days from the date of issuance of the St. Lucie Series 2000A Bonds. All of the proceeds of the St. Lucie Series 2000B Bonds were used

exclusively to refund and redeem a portion of the St. Lucie Series 1991 Bonds and all of the St. Lucie Series 2000A Bonds within 90 days from the date of issuance of the St. Lucie Series 2000B Bonds.

(e) Not more than 2% of the proceeds (within the meaning of Section 147(g) of the Code) of any of the Prior Bonds was used to pay for any costs of issuance of any of the Prior Bonds.

(f) The proceeds of the Bonds will be used exclusively to refund the Refunded Bonds and none of the proceeds (within the meaning of Section 147(g) of the Code) of the Bonds will be used to pay for any costs of issuance of the Bonds. The aggregate principal amount of the Bonds does not exceed the currently outstanding principal amount of the Refunded Bonds. The proceeds of the Bonds will be used to retire the Refunded Bonds not later than 90 days after the date of issuance of the Bonds.

(g) No portion of the proceeds of any of the Prior New Money Bonds was used to provide a skybox or other private luxury box, airplane, any health club facility, store the principal business of which is the sale of alcoholic beverages for consumption off premises or facility used primarily for gambling.

(h) Any portion of the proceeds of any of the Prior New Money Bonds that was used to pay the cost of acquisition of any real or personal property (or any interest therein) included in the Project was with respect to real or personal property of which FPL was the first user.

(i) (1) No portion of the proceeds of any of the Prior New Money Bonds was used directly or indirectly for the acquisition of land or any interest therein to be used for the purpose of farming.

(2) Less than twenty-five percent (25%) of the proceeds of the Prior New Money Bonds was used directly or indirectly for the acquisition of land or any interest therein to be used for purposes other than farming.

(j) All necessary authorizations, approvals, consents and other orders of any governmental authority or agency for the execution and delivery by FPL of this Agreement have been obtained and are in full force and effect.

(k) The information furnished by FPL and used by the Issuer in preparing the certifications with respect to each of the Prior Bonds pursuant to Section 148 of the Code and in preparing the information statements pursuant to Section 149(e) of the Code was accurate and complete as of the respective dates of issuance of each of the Prior Bonds, and the information furnished by FPL and used by the Issuer in preparing the certification with respect to the Bonds pursuant to Section 148 of the Code and in preparing the information statement pursuant to Section 149(e) of the Code is accurate and complete as of the date of issuance of the Bonds.

(l) The Project does not include any office except for offices (i) located at the site of the Project and (ii) not more than a de minimis amount of the functions to be performed at which is not directly related to the day-to-day operations of the Project.

ARTICLE III

LOAN OF PROCEEDS OF THE BONDS

SECTION 3.1. Amount and Source of Loan. Concurrently with the delivery of the Bonds, the Issuer will, upon the terms and conditions of this Agreement, lend the proceeds of the Bonds to FPL, by deposit thereof in accordance with the provisions of the Indenture. To the extent that accrued interest on the Bonds is received by the Issuer upon the sale of the Bonds and is deposited into the Bond Fund under the Indenture, such accrued interest shall be applied to the first interest payment due on the Bonds.

ARTICLE IV

COMPLETION OF THE PROJECT; ISSUANCE OF THE BONDS

SECTION 4.1. Completion of the Project. FPL represents that it has caused the Project to be acquired, constructed and installed substantially in accordance with the plans and specifications referred to in the respective Original Agreement.

SECTION 4.2. Agreement to Issue Bonds; Application of Bond Proceeds. (a) The Issuer agrees that it will, as promptly as possible, issue, sell and cause to be delivered to the purchasers thereof $78,785,000 aggregate principal amount of Bonds for the purpose of refunding and redeeming the Refunded Bonds. Upon receipt of, and from, the proceeds of the sale of the Bonds, the Issuer will cause to be (i) deposited in the Bond Fund a sum equal to any accrued interest on the Bonds paid by the purchasers of the Bonds, (ii) delivered to the Prior Trustee $5,315,000 of the proceeds received from the sale of the Bonds for deposit to the bond fund under the St. Lucie Series 1992 Indenture to be applied by the Prior Trustee, together with the proceeds of any investments thereof, if any, and any moneys delivered by FPL to the Prior Trustee for such purpose, to redeem on May 2, 2003, $5,315,000 aggregate principal amount of the St. Lucie Series 1992 Bonds at a redemption price of 101% of the principal amount thereof, plus accrued interest to the redemption date, (ii) delivered to the Prior Trustee $65,420,000 of the proceeds received from the sale of the Bonds for deposit to the bond fund under the St. Lucie Series 2000B Indenture to be applied by the Prior Trustee, together with the proceeds of any investments thereof, if any, and any moneys delivered by FPL to the Prior Trustee for such purpose, to pay interest on the St. Lucie Series 2000B Bonds until July 29, 2003, and to redeem on July 29, 2003, $65,420,000 aggregate principal amount of the St. Lucie Series 2000B Bonds at a redemption price of 100% of the principal amount thereof, (iii) delivered to the Prior Trustee $4,000,000 of the proceeds received from the sale of the Bonds for deposit to the bond fund under the Broward Indenture to be applied by the Prior Trustee, together with the proceeds of any investments thereof, if any, and any moneys delivered by FPL to the Prior Trustee for such purpose, to redeem on May 2, 2003, $4,000,000 aggregate principal amount of the Broward Bonds at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, and (iv) delivered to the Prior Trustee $4,050,000 of the proceeds of the Bonds for deposit to the bond fund under the Martin Indenture to be applied by the Prior Trustee, together with the proceeds of any investments thereof, if any, and any moneys delivered by FPL to the Prior Trustee for such purpose, to pay interest on the Martin Bonds until July 29, 2003, and to redeem on July 29, 2003, $4,050,000 aggregate principal amount of the Martin Bonds at a redemption price of 100% of the principal amount thereof.

(b) FPL hereby approves the terms and conditions of the Indenture and the Bonds, and the terms and conditions under which the Bonds have been issued, sold and delivered.

SECTION 4.3. Direction to Redeem Refunded Bonds; Delivery of Additional Funds by FPL. FPL hereby requests the Prior Trustee to call the Refunded Bonds for redemption on the redemption dates and at the redemption prices set forth in Section 4.2 hereof and directs the Prior Trustee to give notice of redemption in the manner provided in the Prior Indenture. FPL agrees that it will cause to be made available to the Prior Trustee, in accordance with the requirements of the Prior Indenture and the Prior Agreement, the full amount of the redemption price of the

Refunded Bonds on or before the date set for redemption, including the premium included therein, if applicable, and the interest accrued to such date.

FPL acknowledges that the proceeds of the Bonds will be insufficient to pay the full costs of refunding the Refunded Bonds and that the Issuer has not made any representation or warranty with respect to the sufficiency thereof. FPL further acknowledges that it is (and will remain after the issuance of the Bonds) obligated to, and hereby confirms that it will, pay on or before the date set for redemption, in accordance with the requirements of the Prior Indenture and the Prior Agreement, the redemption price of the Refunded Bonds (after giving effect to the proceeds of the Bonds delivered to the Prior Trustee and the investment proceeds thereof), together with all costs of refunding, and redeeming the Refunded Bonds, including all expenses of issuance of the Bonds.

SECTION 4.4. Investment of Fund Moneys; Arbitrage Covenant. Any moneys held as part of the Bond Fund shall be invested or reinvested by the Trustee as provided in the Indenture. The Issuer and FPL each hereby covenants that it will restrict that investment and reinvestment and the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code.

FPL shall provide the Issuer with, and the Issuer may base its certificate required under Section 148 of the Code on, a certificate of an appropriate officer, employee or agent of or consultant to FPL for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of FPL on the date of delivery of and payment for the Bonds regarding the amount and use of the proceeds of the Bonds and the facts, estimates and circumstances on which those expectations are based.

SECTION 4.5. FPL and Issuer Not to Adversely Affect Exclusion of Interest on Bonds from Gross Income for Federal Income Tax Purposes. FPL and the Issuer each hereby represents and covenants, for the benefit of the holders of the Bonds, that, to the best of its knowledge, information and belief, respectively, it has taken and caused to be taken and that it shall take and cause to be taken all actions that may be required of it for the interest on the Bonds to be and to remain excluded from the gross income of the owners thereof for federal income tax purposes, and that, to the best of its knowledge, information and belief, respectively, it has not taken or permitted to be taken on its behalf, and that it shall not take, or permit to be taken on its behalf, any action which, if taken, would adversely affect that exclusion for federal income tax purposes. FPL further covenants with the Issuer, for the benefit of the holders of the Bonds, that it shall take all steps necessary to comply with the provisions of Section 148(f) of the Code, relating to rebate payments to the United States of America, to the extent applicable.

SECTION 4.6. No Third Party Beneficiary. It is specifically agreed between the parties executing this Agreement that it is not intended by any of the provisions of any part of this Agreement to create in favor of the public or any member thereof, other than as expressly provided herein or in the Indenture, the rights of a third party beneficiary hereunder, or to authorize anyone not a party to this Agreement, or specifically indemnified hereunder, to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of

this Agreement. The duties, obligations and responsibilities of the parties to this Agreement with respect to third parties shall remain as imposed by law.

ARTICLE V

PAYMENT PROVISIONS

SECTION 5.1. Loan Repayments and Other Amounts Payable. (a) FPL agrees to repay the loan made by the Issuer by paying to the Trustee for the account of the Issuer an amount equal to the principal amount of the Bonds plus the interest accrued thereon and any premium in installments (the "Loan Repayments") due on the dates, in the amounts and in the manner provided in the Indenture for the Issuer to cause payment to be made to the holders of the Bonds of the principal of and interest and any premium on the Bonds, whether at maturity, upon redemption or otherwise, provided that any amount credited under the Indenture against any payment required to be made by the Issuer thereunder shall be credited against the corresponding payment required to be made by FPL hereunder. Notwithstanding anything to the contrary contained herein, FPL covenants that it will pay the Loan Repayments at such times and in such amounts to assure that payment of the principal of and interest and any premium on the Bonds shall be made when due.

(b) FPL agrees to pay to the Trustee promptly upon billing, until the principal of and premium, if any, and interest on all Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture, (i) the reasonable fees and charges of the Trustee, Paying Agent, Registrar, Remarketing Agent, Tender Agent and Indexing Agent and all expenses (including reasonable counsel fees) incurred by such parties under this Agreement, the Indenture or the Pledge Agreement as the same become due, (ii) any expenses incurred in connection with the purchase or redemption of Bonds and (iii) the amounts owed to the Trustee pursuant to Section 902 of the Indenture.

(c) FPL agrees to pay to the Issuer promptly upon billing, an amount equal to the reasonable costs and expenses (including reasonable counsel fees) of the Issuer incurred in connection with this Agreement, the Indenture and the Bonds, until the principal of and premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture.

(d) FPL covenants, for the benefit of the Owners of the Bonds, to pay or cause to be paid, to the Tender Agent for deposit in the Purchase Fund, such amounts as shall be necessary to enable the Tender Agent to pay the purchase price of Bonds delivered to it for purchase, all as more particularly described in Article XIV of the Indenture.

SECTION 5.2. Obligations of FPL Hereunder Unconditional. Until such time as the principal of and premium, if any, and interest on all Bonds shall have been fully paid or deemed to have been paid in accordance with Article XIII of the Indenture, FPL's obligations under this Agreement shall be absolute and unconditional, and FPL (a) will not suspend or discontinue payment of any amounts required to be paid by it pursuant to Section 5.1 hereof, (b) will perform and observe all of its other agreements contained in this Agreement, and (c) except as permitted by this Agreement, will not terminate this Agreement for any cause, including, without limiting the generality of the foregoing, the occurrence of any act or circumstance that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or

any political subdivision of either of them, or any failure of the Issuer to perform or observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement.

Nothing contained in this Section shall be construed to release the Issuer from the performance of any of the agreements on its part herein contained; and in the event the Issuer should willfully fail to perform any such agreement on its part, FPL may institute such action against the Issuer as FPL may deem necessary to compel performance so long as such action shall not violate the agreements on the part of FPL contained in the first sentence of this Section or diminish the amounts required to be paid by FPL pursuant to Section 5.1 hereof. FPL may also, at its own cost and expense and in its own name or in the name of the Issuer, prosecute or defend any action or proceeding or take any other action involving third persons which FPL deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder, and in such event the Issuer hereby agrees to cooperate fully with FPL and to take all action necessary to effect the substitution of FPL for the Issuer in any action or proceeding if FPL shall so request.

SECTION 5.3. First Mortgage Bonds; Other Credit Enhancement. (a) In order to provide collateral security for the payment of principal of and interest on the Bonds, (i) FPL shall, upon adjustment of the Bonds to a Long-Term Interest Rate Period and on or before the commencement of any subsequent Long-Term Interest Rate Period (except as otherwise set forth in subsection (c) below and in Sections 201(f)(ii)(C) and 201(f)(iii) of the Indenture), issue, execute and deliver its First Mortgage Bonds as hereinafter provided; and (ii) FPL may, (A) so long as no default or "event of default" (as defined in the Indenture) has occurred and is continuing under the Indenture, at its sole option, or (B) if a default or "event of default" (as defined in the Indenture) has occurred and is continuing under the Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, at any other times, issue, execute and deliver its First Mortgage Bonds as hereinafter provided.

(b) The First Mortgage Bonds shall:

(i) be issued in an aggregate principal amount equal to the aggregate principal amount of the Bonds then outstanding;

(ii) mature (A) in the event the First Mortgage Bonds are being delivered pursuant to Section 5.3(a)(i) above, on the final day of the applicable Long-Term Interest Rate Period, and (B) in the event the First Mortgage Bonds are being delivered pursuant to Section 5.3(a)(ii) above, on the Maturity Date, and in either event shall be subject to mandatory redemption or prepayment in the same amount or amounts, and at the same price or prices as the Bonds mature or are subject to mandatory redemption, purchase or prepayment;

(iii) require payments of interest equal to, and due on the same dates as, the payments of interest on the Bonds, whether on an Interest Payment Date or a purchase date;

(iv) require prepayments of principal and payments of premium, if any, in the same amounts as, and due on the same dates as, any optional redemption of the Bonds in accordance with the Indenture;

(v) require all such payments and prepayments to be made in immediately available funds on or before the due date therefor to the registered holder of the First Mortgage Bonds at the address set forth in the books kept at the principal office of the First Mortgage Trustee for the registration thereof or at such other address as such holder and FPL and the First Mortgage Trustee shall have agreed upon in writing;

(vi) be in fully registered form as to both principal and interest;

(vii) be nontransferable except as required to effect assignment thereof to the Trustee and any successor trustee under the Indenture or in the exercise of rights and remedies consequent upon an event of default thereunder;

(viii) be marked to indicate clearly the restrictions on the transfer thereof as follows: "This Bond has not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in contravention of said Act and is not transferable except to the Trustee and a successor trustee under the Trust Indenture dated as of May 1, 2003, from St. Lucie County, Florida to The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, or in the exercise of rights and remedies consequent upon an event of default thereunder", and

(ix) be accompanied by (A) an opinion of counsel to FPL satisfactory to the Trustee that such First Mortgage Bonds are (1) valid and binding obligations of FPL in accordance with their terms, except as limited by bankruptcy, insolvency, or other laws affecting mortgagees' and other creditors' rights generally and equitable limitations on the enforceability of specific remedies, (2) in compliance with the requirements of the Indenture and the Loan Agreement and (3) entitled to the benefit of the security afforded by the Mortgage, (B) a Favorable Opinion of Bond Counsel and (C) if not subject to a Pledge Agreement theretofore delivered by FPL, a Pledge Agreement relating to such First Mortgage Bonds.

The First Mortgage Bonds shall be subject to prepayment or redemption prior to maturity as provided in the Mortgage and any supplemental indenture pursuant to which such First Mortgage Bonds are issued. In the event FPL or the First Mortgage Trustee gives notice of the prepayment or redemption of the First Mortgage Bonds or any portion thereof in accordance with the provisions of the Mortgage, the Trustee shall give notice of the prepayment or redemption of an equal principal amount of Bonds and apply the proceeds of any such prepayments or redemptions of the First Mortgage Bonds to the prepayment or redemption of the Bonds so called for prepayment or redemption in accordance with the provisions of the Indenture and shall cancel any Bonds so prepaid or redeemed.

The payment of principal, interest or premium by the Trustee or the Paying Agent on any Bond or Bonds, whether at maturity, acceleration, redemption or otherwise, shall constitute corresponding payment of principal, interest or premium, respectively, of the First Mortgage Bonds. The cancellation by the Trustee or the Registrar of any Bond or Bonds purchased by FPL or the Issuer shall constitute payment on the First Mortgage Bonds held by the Trustee equal to

the principal amount of the Bond or Bonds so canceled. The First Mortgage Bonds shall be held subject to the terms and provisions of the Pledge Agreement.

(c) In lieu of delivering First Mortgage Bonds as provided in subsection (a) above, FPL may elect to deliver, or cause to be delivered, to the Trustee an insurance policy, irrevocable transferable letter of credit, guaranty, surety bond, line of credit, revolving credit agreement or other agreement or device providing for the payment of the principal, interest and redemption premium on, and purchase price of, the Bonds; provided, however, that prior to the delivery of such other credit enhancement, FPL shall cause to be delivered to the Trustee (1) a Favorable Opinion of Bond Counsel, (2) letters from Moody's and S&P, to the extent the same then maintain long-term ratings on the Bonds, to the effect that the use of such credit enhancement will not adversely affect such long-term ratings on the Bonds, and (3) an opinion of counsel to the provider of such credit enhancement with respect to the enforceability of such credit enhancement. Notwithstanding anything to the contrary contained in the Indenture, the Bonds or this Agreement, upon delivery of such credit enhancement, the principal, interest and redemption premium on, and purchase price of, the Bonds shall also be secured by, and payable from, such credit enhancement.

SECTION 5.4. Return of First Mortgage Bonds to FPL. (a) The Issuer agrees that if FPL acquires any Bonds by purchase in the open market or otherwise and surrenders such Bonds to the Trustee or the Registrar for cancellation prior to the maturity of such Bonds, or if the Trustee or the Registrar acquires any Bonds by purchase in the open market or by redemption or otherwise and cancels such Bonds in accordance with the Indenture prior to the maturity of such Bonds, the loan made pursuant to this Agreement shall be deemed discharged to the extent the Bonds are so acquired and canceled by the Trustee or the Registrar, and the Trustee or the Registrar shall be directed in the Indenture to deliver to the First Mortgage Trustee or to FPL without charge, within five (5) Business Days thereafter, the First Mortgage Bonds for cancellation, together with such appropriate instruments of release as may be required in order to release any claim of the Trustee for the payment of the amount of principal of or premium, if any, or interest on the First Mortgage Bonds deemed paid. However, in the case of partial payment, the First Mortgage Trustee shall issue a replacement First Mortgage Bond in an amount equal to the principal amount of the Bonds remaining outstanding.

(b) With respect to First Mortgage Bonds delivered pursuant to Section 5.3(a)(i) hereof, upon adjustment from a Long-Term Interest Rate Period to a Daily, Weekly, Commercial Paper or to another Long-Term Interest Rate Period, pursuant to the provisions of Section 214 of the Indenture, the Trustee shall, in accordance with the provisions of the Indenture, surrender for cancellation to the First Mortgage Trustee or to FPL, within five (5) Business Days thereafter, the First Mortgage Bonds together with such appropriate instruments of release as may be required in order to release any claim of the Trustee for the payment of the amount of principal of or interest on the First Mortgage Bonds.

(c) With respect to First Mortgage Bonds delivered pursuant to Section 5.3(a)(ii) hereof, the Trustee shall, (i) so long as no default or "event of default" (as defined in the Indenture) has occurred and is continuing under the Indenture, at the sole option of FPL, or (ii) if a default or "event of default" (as defined in the Indenture) has occurred and is continuing under the Indenture, with the written consent of the holders of not less than a majority in aggregate

principal amount of the Bonds then outstanding, upon receipt of written instructions of FPL and a Favorable Opinion of Bond Counsel, surrender for cancellation to the First Mortgage Trustee or to FPL, within five (5) Business Days thereafter, the First Mortgage Bonds together with such appropriate instruments of release as may be required in order to release any claim of the Trustee for the payment of the amount of principal of and interest on the First Mortgage Bonds.

ARTICLE VI

MAINTENANCE AND REMOVAL

SECTION 6.1. Maintenance and Modifications of Project by FPL. Subject to the provisions of Section 6.2 hereof, FPL agrees that so long as any Bonds are outstanding it will, at no expense to the Issuer, maintain, repair and operate the Project, or cause the Project to be maintained, repaired and operated, in accordance with the Act. FPL may cause modifications to be made to completed components of the Project.

SECTION 6.2. Removal of Portions of the Project. FPL shall not be under any obligation to cause renewal, repair or replacement of any inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary portion of the Project. In any instance where FPL determines that any portion of the Project has become inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary, FPL may cause such portion of the Project to be removed and cause the sale, trade in, exchange or other disposal of such removed portion of the Project without any responsibility or accountability to the Issuer, the Trustee or the holders of the Bonds.

The removal of any portion of the Project pursuant to the provisions of this Section shall not entitle FPL to any abatement or diminution of the amounts required to be paid pursuant to Section 5.1 hereof.

ARTICLE VII

SPECIAL COVENANTS

SECTION 7.1. No Warranty of Condition or Suitability by the Issuer. The Issuer makes no warranty, either express or implied, as to the condition of the Project or its suitability for FPL's purposes or needs.

SECTION 7.2. FPL to Maintain its Corporate Existence; Conditions Under Which Exceptions Permitted. FPL agrees that, so long as any Bonds are outstanding, it will maintain its corporate existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into one or more other entities or permit one or more other entities to consolidate with or merge into it; provided that FPL may, without violating its agreement contained in this Section, consolidate with or merge into one or more other entities, or permit one or more other entities to consolidate with or merge into it, or sell or otherwise transfer to one or more other entities all or substantially all of its assets as an entirety and thereafter dissolve, provided the surviving, resulting or transferee entity or entities, as the case may be (if other than FPL), assumes or assume in writing all of the obligations of FPL herein, and, if not organized under the laws of the State, is or are qualified to do business in the State.

SECTION 7.3. Indemnification Covenants. (a) FPL hereby agrees to indemnify and hold the Trustee harmless against claims arising out of the construction agreements and the construction or operation of the Project. If any such claim is asserted, or any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges are sought to be imposed, the Trustee shall give prompt notice to FPL, and FPL shall pay the same or bond and assume the defense thereof, with full power to contest, litigate, compromise or settle the same in its sole discretion.

(b) FPL agrees to indemnify the Issuer, its members, officers, employees and agents (the "Issuer Indemnified Parties") against all claims arising out of (1) the breach by FPL of FPL's covenants under Sections 4.4 and 4.5 hereof and (2) the Indenture, this Agreement, the Pledge Agreement, the Interlocal Agreements, construction agreements and the construction or operation of the Project and to pay or bond or discharge and indemnify and hold harmless the Issuer Indemnified Parties from and against (a) any lien or charge upon payments by FPL, to or for the account of the Issuer hereunder, and (b) any taxes, assessments, impositions and other charges of any federal, state or municipal government or political body in respect of the Project; provided, however, FPL shall not indemnify the Issuer Indemnified Parties against claims resulting from any willfully wrongful act of the Issuer. If any such claim is asserted, or any such lien or charge upon payments or any such taxes, assessments, impositions or other charges are sought to be imposed, the Issuer will give prompt notice to FPL, and FPL shall pay the same or bond and assume the defense thereof, with full power to contest, litigate, compromise or settle the same in its sole discretion.

(c) FPL shall at all times protect and hold the Issuer Indemnified Parties harmless against any claims or liability resulting from any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project or the use thereof, including without limitation any assignment of its interest in this Agreement,

such indemnification to include reasonable expenses and attorneys' fees incurred by the Issuer Indemnified Parties in connection therewith, provided that such indemnity shall be effective only to the extent of any loss that may be sustained by the Issuer Indemnified Parties in excess of the net proceeds received by it or them from any insurance carried by FPL with respect to such loss and provided further that the benefits of this Section 7.3(c) shall not inure to any person other than the Issuer Indemnified Parties and provided that FPL shall not indemnify the Issuer Indemnified Parties against any claim or liability resulting from the willfully wrongful act of the Issuer.

(d) FPL further agrees to indemnify and hold harmless the Issuer Indemnified Parties against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any disclosure or offering document prepared in connection with the initial sale of the Bonds or any remarketing of the Bonds, including any documents incorporated into such disclosure or offering document, or the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Issuer agrees promptly to notify FPL of the commencement of any litigation or proceedings against it, any of its aforesaid officials or employees in connection with the issuance and sale or remarketing of the Bonds. The omission so to notify FPL of any such action shall not relieve FPL from any liability which it may have to the Issuer otherwise than on account of the foregoing indemnity. In case such notice of any such action shall be so given, FPL shall be entitled to participate at its own expense in the defense of such action, in which event such defense shall be conducted by counsel chosen by FPL satisfactory to the Issuer and the Issuer shall bear the fees and expenses of any additional counsel retained by it; but if FPL shall elect not to assume the defense of such action, FPL will reimburse the Issuer Indemnified Parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the Issuer Indemnified Parties in any such action include both FPL and the Issuer Indemnified Parties and counsel for FPL shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both FPL and the Issuer Indemnified Party, the Issuer Indemnified Party or Parties shall have the right to select separate counsel, satisfactory to FPL, to participate in the defense of such action on behalf of such Issuer Indemnified Party or Parties (it being understood, however, that FPL shall not be liable for the expenses of more than one separate counsel representing the Issuer Indemnified Parties who are parties to such action).

SECTION 7.4. Limitation of Liability of the Issuer. In the event of any default by the Issuer hereunder, the liability of the Issuer to FPL shall be enforceable only out of its interest under this Agreement and there shall be no other recourse by FPL against the Issuer, its members, officers, agents and employees, past, present or future, or any of the property now or hereafter owned by it or them. No obligation of the Issuer hereunder or under the Bonds shall be deemed to constitute a debt, liability or obligation of the Issuer, Broward, Martin or of the State or any political subdivision thereof.

ARTICLE VIII

ASSIGNMENT, LEASING AND SALE

SECTION 8.1. Assignment, Leasing and Sale by FPL. This Agreement may be assigned, and the Project may be leased or sold as a whole or in part, by FPL without the necessity of obtaining the consent of either the Issuer or the Trustee, subject, however, except as provided in Section 7.2 hereof, to each of the following conditions:

(a) no assignment, lease or sale shall relieve FPL from liability for any of its obligations hereunder, and in the event of any such assignment, lease or sale (unless the Issuer and the Trustee otherwise consent) FPL shall continue to remain primarily liable for the payments required to be made pursuant to Sections 5.1 and 5.3 hereof and for the performance and observance of the other agreements on its part contained herein;

(b) the assignee, lessee or buyer shall assume the obligations of FPL hereunder to the extent of the interest assigned, leased or sold, except, at the option of FPL, FPL may retain its obligations under Sections 5.1 and 5.3 hereof, including without limitation, its obligations with respect to Loan Repayments hereunder; and

(c) FPL shall, not later than 10 days prior to the delivery thereof, furnish or cause to be furnished to the Issuer and to the Trustee a true and complete copy of the form of each such proposed assignment, lease or conveyance, as the case may be.

SECTION 8.2. Assignment of Rights by the Issuer. FPL hereby consents to the pledge and assignment by the Issuer of all of its rights under this Agreement (except its rights under Sections 5.1(c) and 9.4 hereof to payment of certain costs and expenses and under Section 7.3 hereof to indemnification) to the Trustee under the Indenture for the benefit of the holders from time to time of the Bonds, and FPL hereby agrees that by virtue of such assignment the Trustee may enjoy and enforce all such rights of the Issuer hereunder.

The Issuer agrees that, except for such pledge and assignment, it will not pledge, assign, mortgage, encumber, convey or otherwise transfer any of its interests or rights under this Agreement; provided, however, that if the laws of the State at the time shall so permit, nothing contained in this Section shall prevent the consolidation of the Issuer with, or merger of the Issuer into, any public entity the property and income of which are not subject to, or are exempt from, taxation; and provided, further, that upon any such consolidation, merger or transfer, the due and punctual payment of the principal of, premium, if any, and interest on the Bonds according to their tenor, and the due and punctual performance and observance of all the agreements and conditions of this Agreement to be kept and performed by the Issuer, shall be expressly assumed in writing by the entity resulting from such consolidation or surviving such merger.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

SECTION 9.1. Events of Default Defined. The following shall be "events of default" under this Agreement, and the terms "event of default" and "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by FPL to pay or cause to be paid when due the Loan Repayments in the amounts and at the times specified in Section 5.1(a) hereof or the amounts payable under Section 5.1(d) hereof necessary to enable the Tender Agent to pay the purchase price of Bonds delivered to it for purchase, which failure shall have resulted in an event of default under subsection (a), (b) or (c) of Section 801 of the Indenture.

(b) When the Trustee holds First Mortgage Bonds pursuant to Section 211 of the Indenture, a "Default" as defined in Section 65 of the Mortgage.

(c) Failure by FPL to observe or to perform any covenant, condition, representation or agreement in this Agreement on its part to be observed or performed, other than as referred to in clause (a) of this Section, for a period of 90 days after written notice, specifying such failure and requesting that it be remedied, has been given to FPL by the Issuer or the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the holders of not less than 25% in principal amount of the Bonds then outstanding, unless the Issuer and the Trustee, or the Issuer, the Trustee and the holders of a principal amount of Bonds not less than the principal amount of Bonds the holders of which requested such notice, as the case may be, agree in writing to an extension of such period prior to its expiration; provided, however, that the Issuer and the Trustee, or the Issuer, the Trustee and the holders of such principal amount of Bonds, as the case may be, shall be deemed to have agreed to an extension of such period if corrective action has been instituted by FPL within the applicable period and is being diligently pursued.

(d) The expiration of a period of ninety (90) days following:

(1) the adjudication of FPL as a bankrupt by any court of competent jurisdiction;

(2) the entry of an order approving a petition seeking reorganization or arrangement of FPL under the Federal Bankruptcy Laws or any other applicable law or statute of the United States of America, or of any state thereof; or

(3) the appointment of a trustee or a receiver of all or substantially all of the property of FPL;

unless during such period such adjudication, order or appointment of a trustee or receiver shall be vacated or shall be stayed on appeal or otherwise or shall have otherwise ceased to continue in effect.

(e) The filing by FPL of a voluntary petition in bankruptcy or the making of an assignment for the benefit of creditors; the consenting by FPL to the appointment of a receiver or trustee of all or any part of its property; the filing by FPL of a petition or answer seeking reorganization or arrangement under the Federal Bankruptcy Laws, or any other applicable law or statute of the United States of America, or any state thereof; or the filing by FPL of a petition to take advantage of any insolvency act.

The provisions of clause (c) of this Section are subject to the following limitations: If by reason of force majeure FPL is unable as a whole or in part to carry out its agreements herein contained, other than the obligations on the part of FPL contained in Article V and Sections 7.3, 7.4 and 9.4 hereof, FPL shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States or of the State or any of their departments, agencies or officials or any political subdivision thereof, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fire; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery; partial or entire failure of utilities; terrorist activity; or any other cause or event not reasonably within the control of FPL. FPL agrees, however, to use its best efforts to remedy with all reasonable dispatch the cause or causes preventing FPL from carrying out its agreements; provided, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of FPL, and FPL shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of FPL unfavorable to FPL.

SECTION 9.2. Remedies on Default. Upon the occurrence and continuance of an event of default specified in clause (a), (b), (d) or (e) of Section 9.1 hereof, and further upon the condition that all Bonds outstanding under the Indenture shall have become immediately due and payable, all Loan Repayments hereunder shall, without further action, become immediately due and payable.

Any waiver of an event of default under the Indenture or of a "Default" under the Mortgage (if an event of default has occurred under subsection 9.1(b) hereof) and a rescission and annulment of its consequences shall constitute a waiver of the corresponding event of default under this Agreement and a rescission and annulment of the consequences thereof.

Upon the occurrence and continuance of any event of default, the Issuer may take whatever action at law or in equity may appear necessary or desirable to collect the Loan Repayments then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of FPL under this Agreement.

Any amounts collected pursuant to action taken under this Section 9.2 shall, after deducting the costs of collection, be paid into the Bond Fund and applied in accordance with the provisions of the Indenture or, if the Bonds have been fully paid (or deemed to have been paid in accordance with the provisions of Article XIII of the Indenture), to FPL.

In the enforcement of the remedies provided in this Section, the Issuer may treat, and FPL agrees to pay, all expenses of enforcement, including, without limitation, reasonable legal, accounting and advertising expenses and Trustee's fees and expenses, as amounts then due and owing under Section 5.1(b) or (c) hereof.

SECTION 9.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

SECTION 9.4. Agreement to Pay Attorneys' Fees and Expenses. In the event FPL should default under any of the provisions of this Agreement, the First Mortgage Bonds, the Pledge Agreement, the Mortgage or the Interlocal Agreements and the Issuer should employ attorneys or incur other expenses for the collection of the Loan Repayments hereunder or the enforcement of performance or observance of any obligation or agreement of FPL herein or therein contained, FPL agrees that it will on demand therefor pay to the Issuer the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Issuer, to the extent permitted by law.

SECTION 9.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE X

PREPAYMENT

SECTION 10.1. Right to Prepay Loan Repayments. (a) During any Long-Term Interest Rate Period, FPL shall have, and is hereby granted, the option to prepay Loan Repayments due hereunder with respect to the Bonds at any time by taking, or causing the Issuer to take, the actions required by the Indenture for the redemption, or provision therefor, of all Bonds then outstanding, if:

(i) FPL shall have determined that the continued operation of any of the Units or any portion of the Project is impracticable, uneconomical or undesirable; or

(ii) all or substantially all of any of the Units or any portion of the Project shall have been condemned or taken by eminent domain; or

(iii) the operation by FPL of any of the Units or any portion of the Project shall have been enjoined for a period of at least six consecutive months; or

(iv) as a result of any change in the Constitution of the State or the Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after any contest thereof by FPL in good faith, the Indenture, the Agreement or the Bonds shall become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement.

(b) FPL shall have, and is hereby granted, the option to prepay all or any portion of the unpaid Loan Repayments hereunder, together with interest thereon, at any time by taking, or causing the Issuer to take, the actions required by the Indenture (i) to discharge the lien thereof through the redemption, or provision for payment or redemption, of all Bonds then outstanding or (ii) to effect the redemption, or provision for payment or redemption, of less than all Bonds then outstanding.

SECTION 10.2. Procedure for Prepayments. To exercise an option granted in Section 10.1 hereof, FPL shall give written notice to the Issuer and the Trustee which shall designate therein the principal amount and maturities of the Bonds to be redeemed, or for the payment or redemption of which provision is to be made, and, in the case of a redemption of Bonds, shall specify (a) the date of redemption, which shall not be less than 45 days from the date the notice is mailed and (b) the applicable redemption provision of the Indenture. The exercise of an option granted in Section 10.1 hereof is revocable by FPL at any time prior to the time at which the Bonds to be redeemed, or for the payment or redemption of which provision is to be made, are first deemed to have been paid in accordance with Article XIII of the Indenture.

Upon receipt of a notice pursuant to this Section, the Issuer shall forthwith take or cause to be taken all actions required under the Indenture to effect the redemption, or provision for payment or redemption, of Bonds in accordance with such notice and, in the case of a

prepayment of the entire unpaid balance of the Loan Repayments, together with interest thereon, to discharge the lien of the Indenture.

SECTION 10.3. Relative Position of Agreement and Indenture. The rights granted to FPL in this Article shall be and remain prior and superior to the Indenture and may be exercised whether or not FPL is in default hereunder, provided that such default will not result in nonfulfillment of any condition to the exercise of any such right.

SECTION 10.4. Compliance with Indenture. Anything in this Agreement to the contrary notwithstanding, the Issuer and FPL shall take all actions required by this Agreement and the Indenture in order to comply with the provisions of Section 301(d) of the Indenture or any similar provision contained in any indenture supplemental thereto.

ARTICLE XI

PURCHASE AND REMARKETING OF BONDS

SECTION 11.1. Purchase of Bonds. (a) In consideration of the issuance of the Bonds by the Issuer, but for the benefit of the holders of the Bonds, FPL has agreed, and does hereby covenant, to cause the necessary arrangements to be made and to be thereafter continued whereby, from time to time, the Bonds will be purchased from the holders thereof in accordance with the provisions of the Indenture. In furtherance of the foregoing covenant of FPL, the Issuer, at the direction of FPL, has set forth in Section 202 of the Indenture the terms and conditions relating to such purchases and has set forth in Article XIV of the Indenture the duties and responsibilities of the Tender Agent with respect to the purchase of Bonds and of the Remarketing Agent with respect to the remarketing of Bonds. FPL appoints Wachovia Bank, National Association, as the initial Remarketing Agent and The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as the initial Tender Agent and hereby authorizes and directs the Tender Agent and the Remarketing Agent to purchase, offer, sell and deliver Bonds in accordance with the provisions of Section 202 and Article XIV of the Indenture. The Issuer acknowledges that the Remarketing Agent, in undertaking its duties set forth in the Indenture with respect to the determination of the interest rates borne by the Bonds, will be acting as agent for and on behalf of the Issuer.

Without limiting the generality of the foregoing covenant of FPL, and in consideration of the Issuer's having set forth in the Indenture the aforesaid provisions of Section 202 and Article XIV thereof, FPL has covenanted and agreed in Section 5.1(d) hereof, for the benefit of the holders of the Bonds, to pay, or cause to be paid, to the Tender Agent such amounts as shall be necessary to enable the Tender Agent to pay the purchase price of Bonds, all as more particularly described in Section 202 and Article XIV of the Indenture.

(b) The Issuer shall have no obligation or responsibility, financial or otherwise, with respect to the purchase or remarketing of Bonds or the making or continuation of arrangements therefor, except that the Issuer shall generally cooperate with FPL, the Trustee, the Tender Agent and the Remarketing Agent as contemplated in Article XIV of the Indenture.

SECTION 11.2. Optional Purchase of Bonds. Except after the occurrence of an event of default, FPL, at any time and from time to time, may furnish moneys to the Tender Agent accompanied by a notice directing that such moneys be applied to the purchase of Bonds to be purchased pursuant to Section 202 and Article XIV of the Indenture. Bonds so purchased shall be delivered to FPL in accordance with Section 1407(a) of the Indenture.

SECTION 11.3. Determination of Interest Rate Periods. FPL may determine the duration and type of the Interest Rate Periods and certain redemption and other provisions relating to Long-Term Interest Rate Periods as, and to the extent, set forth in Section 201 of the Indenture.

ARTICLE XII

MISCELLANEOUS

SECTION 12.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given on the fifth day following the day on which the same have been mailed by registered mail, postage prepaid, addressed as follows: if to the Issuer, to St. Lucie County, Florida, County Administrative Center, 2300 Virginia Avenue, Fort Pierce, Florida 34982, Attention: Clerk of the Board of County Commissioners with a copy to the County Attorney; if to FPL, to Florida Power & Light Company, c/o FPL Group Inc., 700 Universe Boulevard, Juno Beach, Florida 33408, Attention: Chief Financial Officer; and if to the Trustee, to The Bank of New York Trust Company of Florida, N.A., 10161 Centurion Parkway, Jacksonville, Florida 32256, Attention: Corporate Trust Department. A duplicate copy of each notice, certificate or other communication given hereunder by either the Issuer or FPL to the other shall also be given to the Trustee. The Issuer, FPL and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 12.2. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Issuer, FPL and their respective successors and assigns, subject, however, to the limitations contained in this Agreement and particularly in Sections 7.2, 8.1 and 8.2 hereof.

SECTION 12.3. Severability and Effect of Invalidity. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. In the event any covenant, stipulation, obligation or agreement contained in this Agreement shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement of the Issuer or FPL, as the case may be, shall be enforced to the full extent permitted by law.

SECTION 12.4. Termination. This Agreement shall remain in full force and effect from the date hereof until all of the Bonds shall have been paid or be deemed to have been paid in accordance with Article XIII of the Indenture and the fees, charges, expenses and costs of the Trustee and the Issuer and all other amounts payable by FPL under the Indenture and this Agreement shall have been paid. After such payment or provision for payment has been made, any surplus amounts remaining in the Bond Fund not required for the payment of Bonds and surplus amounts in any other fund created under the Indenture shall belong to and be paid to FPL, as provided in Article XIII of the Indenture.

SECTION 12.5. If Payment or Performance Date a Legal Holiday. If the date for making any payment, or the last date for performance of any act or the exercising of any right, as provided in this Agreement, shall be a legal holiday or a day on which banking institutions in the City of Jacksonville, Florida or the City of New York, New York are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or not a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Agreement, and no interest shall accrue for the period after such nominal date.

SECTION 12.6. Trustee, FPL and Issuer May Rely on Authorized Representatives. Whenever under the provisions of this Agreement the approval of FPL is required or the Issuer or the Trustee is required to take some action at the request of FPL, such approval shall be given or such request shall be made by an Authorized FPL Representative unless otherwise specified in this Agreement and the Issuer and the Trustee shall be authorized to act on any such approval or request and FPL shall have no complaint or recourse against the Issuer or the Trustee as a result of any such action taken. Whenever under the provisions of this Agreement, the approval of the Issuer is required or FPL or the Trustee is required to take some action at the request of the Issuer, such approval shall be given or such request shall be made by an Authorized Issuer Representative unless otherwise specified in this Agreement, FPL and the Trustee shall be authorized to act on any such approval or request and the Issuer shall have no complaint or recourse against FPL or the Trustee as a result of any such action taken.

SECTION 12.7. Agreement Represents Complete Agreement. This Agreement represents the entire agreement between the parties. This Agreement may be modified, supplemented and amended only as provided in the Indenture.

SECTION 12.8. Other Instruments. (a) FPL covenants that it will cause an opinion of counsel, who shall be acceptable to the Trustee, to be filed with the Issuer and the Trustee not more than 120 days or less than 30 days prior to the fifth anniversary date of the original issuance of Bonds, and during the same period in each fifth year thereafter for so long as the Bonds shall be outstanding, to the effect that all financing statements, continuation statements, notices and other instruments required by applicable law have been recorded or filed or re-recorded or refiled in such manner and in such places required by law in order fully to preserve and protect the rights of the holders of the Bonds and the Trustee, in the amount payable to or for the account of the Issuer under this Agreement as against creditors of, or purchasers for value from, the Issuer or FPL. FPL and the Issuer shall execute and deliver all instruments and shall furnish all information and evidence deemed necessary or advisable by such counsel in order to enable it to render such opinion.

(b) FPL shall file and refile and record and re-record or cause to be filed and refiled and recorded and re-recorded all instruments and financing statements required to be filed and refiled and recorded and re-recorded and shall continue or cause to be continued the liens of such instruments for so long as the Bonds shall be outstanding.

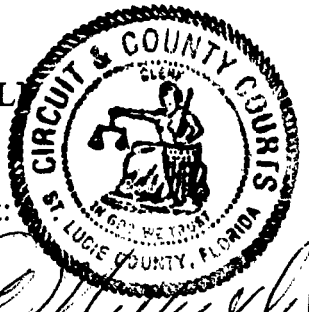
SECTION 12.9. Execution of Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 12.10. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the Issuer and FPL have caused this Agreement to be executed in their respective names by their duly authorized officers and their respective seals to be hereunto affixed and attested by their duly authorized officers for and on their behalves, all as of the date first above written.

ST. LUCIE COUNTY, FLORIDA

[SEAL]



By: _____
Chairman, Board of
County Commissioners

Attest: _____
Deputy Clerk

Approved as to Form:

_____
County Attorney

FLORIDA POWER & LIGHT COMPANY

By: _____
Treasurer

EXHIBIT A

DESCRIPTION OF PROJECT

The Project consists of those solid waste disposal and sewage facilities described below:

1. St. Lucie Units. The solid and radiological waste disposal facilities and components thereof at the St. Lucie Units are the spent fuel pool and related equipment and the fuel handling building and related equipment (including spent fuel cask crane, spent fuel handling machine, fuel transfer system, fuel transfer canal, fuel pool racks, new fuel storage area, cask loading area, cask wash down area, spent fuel pool cooling and cleanup system and component cooling water system), the solid radioactive waste management system (including related equipment and building), the intake structure solid waste disposal facilities, and the solid waste disposal facilities upgrades (including the spent resin storage system).

2. Broward Units. The solid waste disposal and sewage facilities at the Broward Units are the sludge treatment and disposal facility, screen wash debris handling and disposal facility, spent resin disposal facility, combustion turbine inlet air filter solids handling and disposal facility, sanitary collection system piping, sanitary plumbing, lift stations, associated auxiliaries and site preparation.

3. Martin Units. The solid waste disposal and sewage facilities and components thereof at the Martin Units are the waste filtercake treatment and disposal facilities, the spent resin recycling facilities, the screen wash debris handling and disposal facilities, the RCRA solid waste storage facilities and the sanitary sewage facilities.

Exhibit (a)-5A

LOAN AGREEMENT

Between

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

and

FLORIDA POWER & LIGHT COMPANY

$15,000,000
Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

Dated as of June 1, 2003

TABLE OF CONTENTS

(This Table of Contents is not a part of the Loan Agreement
but is for convenience of reference only)

Page

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

SECTION 1.1. Definitions 1
SECTION 1.2. Rules of Construction 4

ARTICLE II

REPRESENTATIONS

SECTION 2.1. Representations by the Issuer 5
SECTION 2.2. Representations by FPL 5

ARTICLE III

LOAN OF PROCEEDS OF THE BONDS

SECTION 3.1. Amount and Source of Loan 7

ARTICLE IV

COMPLETION OF THE PROJECT; ISSUANCE OF THE BONDS

SECTION 4.1. Completion of the Project 8
SECTION 4.2. Agreement to Issue Bonds; Application of Bond Proceeds 8
SECTION 4.3. Direction to Redeem Prior Bonds; Delivery of Additional Funds by FPL 8
SECTION 4.4. Investment of Fund Moneys; Arbitrage Covenant 8
SECTION 4.5. FPL and Issuer Not to Adversely Affect Exclusion of Interest on Bonds from Gross Income for Federal Income Tax Purposes 9
SECTION 4.6. No Third Party Beneficiary 9

ARTICLE V

PAYMENT PROVISIONS

SECTION 5.1. Loan Repayments and Other Amounts Payable 10
SECTION 5.2. Obligations of FPL Hereunder Unconditional 11
SECTION 5.3. First Mortgage Bonds; Other Credit Enhancement 11
SECTION 5.4. Return of First Mortgage Bonds to FPL 13

ARTICLE VI

MAINTENANCE AND REMOVAL

SECTION 6.1. Maintenance and Modifications of Project by FPL 15

SECTION 6.2. Removal of Portions of the Project 15

ARTICLE VII

SPECIAL COVENANTS

SECTION 7.1. No Warranty of Condition or Suitability by the Issuer 16
SECTION 7.2. FPL to Maintain its Corporate Existence; Conditions Under Which Exceptions Permitted 16
SECTION 7.3. Indemnification Covenants 16
SECTION 7.4. Limitation of Liability of the Issuer 17

ARTICLE VIII

ASSIGNMENT, LEASING AND SALE

SECTION 8.1. Assignment, Leasing and Sale by FPL 18
SECTION 8.2. Assignment of Rights by the Issuer 18

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

SECTION 9.1. Events of Default Defined 19
SECTION 9.2. Remedies on Default 20
SECTION 9.3. No Remedy Exclusive 21
SECTION 9.4. Agreement to Pay Attorneys' Fees and Expenses 21
SECTION 9.5. No Additional Waiver Implied by One Waiver 21

ARTICLE X

PREPAYMENT

SECTION 10.1. Right to Prepay Loan Repayments 22
SECTION 10.2. Procedure for Prepayments 22
SECTION 10.3. Relative Position of Agreement and Indenture 23
SECTION 10.4. Compliance with Indenture 23

ARTICLE XI

PURCHASE AND REMARKETING OF BONDS

SECTION 11.1. Purchase of Bonds 24
SECTION 11.2. Optional Purchase of Bonds 24
SECTION 11.3. Determination of Interest Rate Periods 24

ARTICLE XII

MISCELLANEOUS

SECTION 12.1. Notices 25
SECTION 12.2. Binding Effect 25
SECTION 12.3. Severability and Effect of Invalidity 25
SECTION 12.4. Termination 25

SECTION 12.5. If Payment or Performance Date a Legal Holiday 25
SECTION 12.6. Trustee, FPL and Issuer May Rely on Authorized Representatives 26
SECTION 12.7. Agreement Represents Complete Agreement 26
SECTION 12.8. Other Instruments 26
SECTION 12.9. Execution of Counterparts 26
SECTION 12.10. Applicable Law 26

Exhibit A - Description of the Project

LOAN AGREEMENT

This LOAN AGREEMENT, made and entered into as of the 1st day of June, 2003 is by and between MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body corporate and politic and a public instrumentality created and validly existing under the Constitution and laws of the State of Florida (the "Issuer"), and FLORIDA POWER & LIGHT COMPANY ("FPL"), a corporation duly organized and validly existing under the laws of the State of Florida:

W I T N E S S E T H:

In consideration of the respective representations and agreements hereinafter contained, the parties hereto agree as follows (provided that in the performance of the agreements of the Issuer herein contained, any obligation it may thereby incur for the payment of money shall not be a debt, liability or obligation of the Issuer or the State of Florida or any political subdivision thereof, except to the extent that the Bonds hereinafter mentioned shall be a limited obligation of the Issuer, payable solely out of moneys derived from this Loan Agreement, the sale of the bonds referred to in Section 4.2 hereof and from any First Mortgage Bonds or other credit enhancement delivered pursuant to in Section 5.3 hereof):

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

SECTION 1.1. Definitions. In addition to words and terms elsewhere defined in this Loan Agreement or in the Indenture referred to below, the following words and terms shall have the following meanings:

"Act" means Chapter 159, Part II, Florida Statutes, as amended and other applicable provisions of law.

"Agreement" means this Loan Agreement, as amended or supplemented.

"Annual Maintenance Fee" means the fee payable to the Trustee for the account of the Issuer in accordance with the provisions of Section 5.1(d) hereof.

"Authorized FPL Representative" means each person at the time designated to act on behalf of FPL by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of FPL by the Chairman or any Vice Chairman of the Board, the President, any Senior or Administrative Vice President, any Vice President, the Treasurer or any Assistant Treasurer of FPL. Such certificate may designate an alternate or alternates who shall have the same authority, duties and powers as the Authorized FPL Representative.

"Authorized Issuer Representative" means each of the persons at the time designated to act on behalf of the Issuer by written certificate furnished to FPL and the Trustee containing the specimen signatures of such persons and signed on behalf of the Issuer by the Chairman.

"Bond Counsel" means counsel nationally recognized on the subject of, and qualified to render approving legal opinions on the issuance of, municipal bonds and acceptable to FPL, the Trustee and the Issuer.

"Bond Fund" means the fund created by Section 501 of the Indenture.

"Bond Resolutions" mean (i) Resolution No. R-512-03, adopted by the Board of County Commissioners of Miami-Dade County, Florida on May 6, 2003, and (ii) Resolution, adopted by the Issuer on March 25, 2003, each authorizing the issuance of the Bonds.

"Bonds" or "Series 2003 Bonds" means the Bonds authorized to be issued under Section 201 of the Indenture for the purpose of paying a portion of the cost of refunding the Prior Bonds.

"Chairman" means the person at the time occupying the office of Chairman of the Issuer, or his designee, or any successor to the principal functions thereof.

"Code" means the Internal Revenue Code of 1986, as amended from time to time. References to the Code and Sections of the Code include relevant applicable regulations and proposed regulations thereunder and under the Internal Revenue Code of 1954, as amended to the date of enactment of the Tax Reform Act of 1986, and any successor provisions to those Sections, regulations or proposed regulations and, in addition, all revenue rulings, announcements, notices, procedures and judicial determinations under the foregoing applicable to the Bonds.

"Cost" means any item of cost within any proper definition of such word under the Act and as defined for purposes of the Prior Indenture.

"Favorable Opinion of Bond Counsel" means an opinion of Bond Counsel addressed to the Issuer and the Trustee to the effect that the action proposed to be taken is authorized or permitted by the laws of the State and this Agreement and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Bonds.

"First Mortgage Bonds" means any bonds issued from time to time under the Mortgage as required by Section 5.3 hereof.

"FPL" means Florida Power & Light Company, a corporation duly organized and validly existing under the laws of the State of Florida, and its successors or assigns and any surviving, resulting or transferee corporation as provided in Section 7.2 hereof.

"Indenture" means the Trust Indenture, of even date herewith, between the Issuer and The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as Trustee, pursuant to which (i) the Bonds are authorized to be issued and (ii) the Issuer's rights under this Agreement (except the Issuer's rights under Sections 5.1(c) and 9.4 hereof to payment of certain costs and expenses and under Section 7.3 hereof to indemnification), including the Loan Repayments and other revenues and proceeds receivable by the Issuer from the sale, leasing and operation of the Project are pledged and assigned as security for the payment of principal of and premium, if any, and interest on the Bonds, and any amendments or supplements thereto.

"Indexing Agent" means the Indexing Agent appointed and serving pursuant to and in accordance with the Indenture.

"Issuer" means Miami-Dade County Industrial Development Authority, a public body corporate and politic and a public instrumentality created and existing under the Constitution and laws of the State of Florida, and its successors and assigns and any body resulting from or surviving any consolidation or merger to which it or its successors may be a party.

"Loan Repayments" means the payments required by Section 5.1(a) hereof.

"Mortgage" means the Mortgage and Deed of Trust, dated as of January 1, 1944, between FPL and Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as trustee, and The Florida National Bank of Jacksonville, as co-trustee (now resigned), as supplemented and amended.

"Outstanding" has the same meaning as "outstanding" as defined in Section 101 of the Indenture.

"Pledge Agreement" means the Pledge Agreement then in effect by and between FPL and the Trustee, pursuant to which any First Mortgage Bonds delivered pursuant to Section 5.3 hereof will be pledged as collateral security for the payment of the principal of and interest on the Bonds.

"Prior Agreement" means the Loan Agreement, dated as of August 1, 1991, between the Issuer and FPL, relating to the Prior Bonds.

"Prior Bonds" means the $15,000,000 original principal amount Dade County Industrial Development Authority Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991, dated as of August 1, 1991.

"Prior Indenture" means the Trust Indenture, dated as of August 1, 1991, between the Issuer and the Prior Trustee, relating to the Prior Bonds.

"Prior Trustee" means The Bank of New York, in its capacity as successor trustee under the Prior Indenture.

"Project" means certain solid waste disposal and sewage facilities located at the Units, including any structures, machinery, fixtures, improvements and equipment, all as described in Exhibit A attached hereto, as the same may be amended from time to time, together with all additions thereto and substitutions therefor, and less any deletions therefrom, as they may at any time exist.

"State" means the State of Florida.

"Trustee" means the Trustee at the time serving as such under the Indenture.

"Units" means collectively Units 3 and 4 of the Turkey Point Electrical Generating Plant in Miami-Dade County, Florida, and Units 5 and 6 of the Cutler Electrical Generating Plant in

Miami-Dade County, Florida, all owned by FPL, and in each case related support facilities, as they may at any time exist.

SECTION 1.2. Rules of Construction. (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Unless the context shall otherwise indicate, the words "Bond", "owner", "holder" and "person" shall include the plural as well as the singular number; the word "person" shall include any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof; and the word "Holder", "Bondholder" or "Owner" when used herein with respect to Bonds shall mean the registered owner of one or more Bonds at the time issued and outstanding under the Indenture.

(c) Words importing the redemption or calling for redemption of the Bonds shall not be deemed to refer to or to connote the payment of Bonds at their stated maturities.

(d) The captions or headings in this Agreement are for convenience only and in no way limit the scope or intent of any provision or section of this Agreement.

(e) All references herein to particular articles or sections are references to articles or sections of this Agreement unless some other reference is indicated.

ARTICLE II

REPRESENTATIONS

SECTION 2.1. Representations by the Issuer. The Issuer makes the following representations, as of the date of delivery of this Agreement:

(a) The Issuer is duly authorized under the provisions of the Act to enter into, execute and deliver this Agreement, to undertake the transactions contemplated by this Agreement, and to carry out its obligations hereunder, and the Issuer has duly authorized the execution and delivery of this Agreement;

(b) The Issuer proposes to issue under Section 201 of the Indenture $15,000,000 aggregate principal amount of its Bonds for the purpose of refunding through redemption the Prior Bonds; and

(c) By proper action of the Issuer, the officers of the Issuer executing and attesting this Agreement have been duly authorized to execute and deliver this Agreement.

SECTION 2.2. Representations by FPL. FPL makes the following representations, as of the date of delivery of this Agreement:

(a) FPL is a corporation organized and existing under the laws of the State and has power to enter into this Agreement, and by proper corporate action has duly authorized the execution and delivery of this Agreement.

(b) The consummation of the transactions contemplated herein and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other agreement or instrument to which FPL is now a party.

(c) The Project constitutes a "project" within the meaning of the Act.

(d) At least 95% of the proceeds of the Prior Bonds were used to provide "sewage or solid waste disposal facilities" or land, buildings or other property functionally related and subordinate thereto within the meaning of Section 142(a)(5) or (6) of the Code, and the applicable existing and proposed regulations promulgated thereunder, in each case the original use of which facilities commenced with FPL. All of the proceeds of the Prior Bonds have been spent for Costs of the Project or to pay costs of issuance of the Prior Bonds. Less than 3% of the proceeds of the Prior Bonds was, and none of the proceeds of the Bonds will be, used to provide working capital.

(e) Not more than 2% of the proceeds (within the meaning of Section 147(g) of the Code) of the Prior Bonds was used to pay for any costs of issuance of the Prior Bonds.

(f) The proceeds of the Bonds will be used exclusively to refund the Prior Bonds and none of the proceeds (within the meaning of Section 147(g) of the Code) of the Bonds will be used to pay for any costs of issuance of the Bonds. The aggregate principal amount of the Bonds does not exceed the currently outstanding principal amount of the Prior Bonds. The proceeds of the Bonds will be used to retire the Prior Bonds not later than 90 days after the date of issuance of the Bonds.

(g) No portion of the proceeds of the Prior Bonds was used to provide a skybox or other private luxury box, airplane, any health club facility, store the principal business of which is the sale of alcoholic beverages for consumption off premises or facility used primarily for gambling.

(h) Any portion of the proceeds of the Prior Bonds that was used to pay the cost of acquisition of any real or personal property (or any interest therein) included in the Project was with respect to real or personal property of which FPL was the first user.

(i) (1) No portion of the proceeds of the Prior Bonds was used directly or indirectly for the acquisition of land or any interest therein to be used for the purpose of farming.

(2) Less than twenty-five percent (25%) of the proceeds of the Prior Bonds was used directly or indirectly for the acquisition of land or any interest therein to be used for purposes other than farming.

(j) All necessary authorizations, approvals, consents and other orders of any governmental authority or agency for the execution and delivery by FPL of this Agreement have been obtained and are in full force and effect.

(k) The information furnished by FPL and used by the Issuer in preparing the certifications with respect to the Prior Bonds pursuant to Section 148 of the Code and in preparing the information statements pursuant to Section 149(e) of the Code was accurate and complete as of the date of issuance of the Prior Bonds, and the information furnished by FPL and used by the Issuer in preparing the certification with respect to the Bonds pursuant to Section 148 of the Code and in preparing the information statement pursuant to Section 149(e) of the Code is accurate and complete as of the date of issuance of the Bonds.

(l) The Project does not include any office except for offices (i) located at the site of the Project and (ii) not more than a de minimis amount of the functions to be performed at which is not directly related to the day-to-day operations of the Project.

ARTICLE III

LOAN OF PROCEEDS OF THE BONDS

SECTION 3.1. Amount and Source of Loan. Concurrently with the delivery of the Bonds, the Issuer will, upon the terms and conditions of this Agreement, lend the proceeds of the Bonds to FPL, by deposit thereof in accordance with the provisions of the Indenture. To the extent that accrued interest on the Bonds is received by the Issuer upon the sale of the Bonds and is deposited into the Bond Fund under the Indenture, such accrued interest shall be applied to the first interest payment due on the Bonds.

ARTICLE IV

COMPLETION OF THE PROJECT; ISSUANCE OF THE BONDS

SECTION 4.1. Completion of the Project. FPL represents that it has caused the Project to be acquired, constructed and installed substantially in accordance with the plans and specifications referred to in the Prior Agreement.

SECTION 4.2. Agreement to Issue Bonds; Application of Bond Proceeds. (a) The Issuer agrees that it will, as promptly as possible, issue, sell and cause to be delivered to the purchasers thereof $15,000,000 aggregate principal amount of Bonds for the purpose of refunding and redeeming the Prior Bonds. Upon receipt of, and from, the proceeds of the sale of the Bonds, the Issuer will cause to be (i) deposited in the Bond Fund a sum equal to any accrued interest on the Bonds paid by the purchasers of the Bonds, and (ii) delivered to the Prior Trustee $15,000,000 of the proceeds received from the sale of the Bonds for deposit to the bond fund under the Prior Indenture to be applied by the Prior Trustee, together with the proceeds of any investments thereof, if any, and any moneys delivered by FPL to the Prior Trustee for such purpose, to redeem on June 26, 2003, $15,000,000 aggregate principal amount of the Prior Bonds at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

(b) FPL hereby approves the terms and conditions of the Indenture and the Bonds, and the terms and conditions under which the Bonds have been issued, sold and delivered.

SECTION 4.3. Direction to Redeem Prior Bonds; Delivery of Additional Funds by FPL. FPL hereby requests the Prior Trustee to call the Prior Bonds for redemption on the redemption dates and at the redemption prices set forth in Section 4.2 hereof. FPL agrees that it will cause to be made available to the Prior Trustee, in accordance with the requirements of the Prior Indenture and the Prior Agreement, the full amount of the redemption price of the Prior Bonds on or before the date set for redemption, including the premium included therein, if applicable, and the interest accrued to such date.

FPL acknowledges that the proceeds of the Bonds will be insufficient to pay the full costs of refunding the Prior Bonds and that the Issuer has not made any representation or warranty with respect to the sufficiency thereof. FPL further acknowledges that it is (and will remain after the issuance of the Bonds) obligated to, and hereby confirms that it will, pay on or before the date set for redemption, in accordance with the requirements of the Prior Indenture and the Prior Agreement, the redemption price of the Prior Bonds (after giving effect to the proceeds of the Bonds delivered to the Prior Trustee and the investment proceeds thereof), together with all costs of refunding, and redeeming the Prior Bonds, including all expenses of issuance of the Bonds.

SECTION 4.4. Investment of Fund Moneys; Arbitrage Covenant. Any moneys held as part of the Bond Fund shall be invested or reinvested by the Trustee as provided in the Indenture. The Issuer and FPL each hereby covenants that it will restrict that investment and reinvestment and the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code.

FPL shall provide the Issuer with, and the Issuer may base its certificate required under Section 148 of the Code on, a certificate of an appropriate officer, employee or agent of or consultant to FPL for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of FPL on the date of delivery of and payment for the Bonds regarding the amount and use of the proceeds of the Bonds and the facts, estimates and circumstances on which those expectations are based.

SECTION 4.5. FPL and Issuer Not to Adversely Affect Exclusion of Interest on Bonds from Gross Income for Federal Income Tax Purposes. FPL and the Issuer each hereby represents and covenants, for the benefit of the holders of the Bonds, that, to the best of its knowledge, information and belief, respectively, it has taken and caused to be taken and that it shall take and cause to be taken all actions that may be required of it for the interest on the Bonds to be and to remain excluded from the gross income of the owners thereof for federal income tax purposes, and that, to the best of its knowledge, information and belief, respectively, it has not taken or permitted to be taken on its behalf, and that it shall not take, or permit to be taken on its behalf, any action which, if taken, would adversely affect that exclusion for federal income tax purposes. FPL further covenants with the Issuer, for the benefit of the holders of the Bonds, that it shall take all steps necessary to comply with the provisions of Section 148(f) of the Code, relating to rebate payments to the United States of America, to the extent applicable.

SECTION 4.6. No Third Party Beneficiary. It is specifically agreed between the parties executing this Agreement that it is not intended by any of the provisions of any part of this Agreement to create in favor of the public or any member thereof, other than as expressly provided herein or in the Indenture, the rights of a third party beneficiary hereunder, or to authorize anyone not a party to this Agreement, or specifically indemnified hereunder, to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Agreement. The duties, obligations and responsibilities of the parties to this Agreement with respect to third parties shall remain as imposed by law.

ARTICLE V

PAYMENT PROVISIONS

SECTION 5.1. Loan Repayments and Other Amounts Payable. (a) FPL agrees to repay the loan made by the Issuer by paying to the Trustee for the account of the Issuer an amount equal to the principal amount of the Bonds plus the interest accrued thereon and any premium in installments (the "Loan Repayments") due on the dates, in the amounts and in the manner provided in the Indenture for the Issuer to cause payment to be made to the holders of the Bonds of the principal of and interest and any premium on the Bonds, whether at maturity, upon redemption or otherwise, provided that any amount credited under the Indenture against any payment required to be made by the Issuer thereunder shall be credited against the corresponding payment required to be made by FPL hereunder. Notwithstanding anything to the contrary contained herein, FPL covenants that it will pay the Loan Repayments at such times and in such amounts to assure that payment of the principal of and interest and any premium on the Bonds shall be made when due.

(b) FPL agrees to pay to the Trustee promptly upon billing, until the principal of and premium, if any, and interest on all Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture, (i) the reasonable fees and charges of the Trustee, Paying Agent, Registrar, Remarketing Agent, Tender Agent and Indexing Agent and all expenses (including reasonable counsel fees) incurred by such parties under this Agreement, the Indenture or the Pledge Agreement as the same become due, (ii) any expenses incurred in connection with the purchase or redemption of Bonds and (iii) the amounts owed to the Trustee pursuant to Section 902 of the Indenture.

(c) FPL agrees to pay to the Issuer promptly upon billing, an amount equal to the reasonable costs and expenses (including reasonable counsel fees) of the Issuer incurred in connection with this Agreement, the Indenture and the Bonds, until the principal of and premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture.

(d) FPL agrees to pay to the Trustee for the account of the Issuer an Annual Maintenance Fee on February 1st of each year (or the next business day if February 1st does not fall on a Business Day) commencing on February 1, 2004 and continuing until the principal of and premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture. The Annual Maintenance Fee will be an amount equal to 00.10% (10 basis points) of the principal amount of the Bonds outstanding as of the preceding January 31st. If the Trustee has not received the Annual Maintenance Fee on or before February 1st of any year, the Trustee shall provide written notice within five (5) days of such due date to FPL, with a copy to the Issuer, of its failure to make payment of such Annual Maintenance Fee. If FPL has failed to pay the full amount of the Annual Maintenance Fee within forty-five (45) days of the due date, FPL will pay a late charge to the Trustee for the account of the Issuer in an amount equal to 1½% of the overdue Annual Maintenance Fee. The Trustee will not be responsible for payment of the

Annual Maintenance Fee except from the monies received from FPL for payment of such Annual Maintenance Fee.

(e) FPL covenants, for the benefit of the Owners of the Bonds, to pay or cause to be paid, to the Tender Agent for deposit in the Purchase Fund, such amounts as shall be necessary to enable the Tender Agent to pay the purchase price of Bonds delivered to it for purchase, all as more particularly described in Article XIV of the Indenture.

SECTION 5.2. Obligations of FPL Hereunder Unconditional. Until such time as the principal of and premium, if any, and interest on all Bonds shall have been fully paid or deemed to have been paid in accordance with Article XIII of the Indenture, FPL's obligations under this Agreement shall be absolute and unconditional, and FPL (a) will not suspend or discontinue payment of any amounts required to be paid by it pursuant to Section 5.1 hereof, (b) will perform and observe all of its other agreements contained in this Agreement, and (c) except as permitted by this Agreement, will not terminate this Agreement for any cause, including, without limiting the generality of the foregoing, the occurrence of any act or circumstance that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either of them, or any failure of the Issuer to perform or observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement.

Nothing contained in this Section shall be construed to release the Issuer from the performance of any of the agreements on its part herein contained; and in the event the Issuer should willfully fail to perform any such agreement on its part, FPL may institute such action against the Issuer as FPL may deem necessary to compel performance so long as such action shall not violate the agreements on the part of FPL contained in the first sentence of this Section or diminish the amounts required to be paid by FPL pursuant to Section 5.1 hereof. FPL may also, at its own cost and expense and in its own name or in the name of the Issuer, prosecute or defend any action or proceeding or take any other action involving third persons which FPL deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder, and in such event the Issuer hereby agrees to cooperate fully with FPL and to take all action necessary to effect the substitution of FPL for the Issuer in any action or proceeding if FPL shall so request.

SECTION 5.3. First Mortgage Bonds; Other Credit Enhancement. (a) In order to provide collateral security for the payment of principal of and interest on the Bonds, (i) FPL shall, upon adjustment of the Bonds to a Long-Term Interest Rate Period and on or before the commencement of any subsequent Long-Term Interest Rate Period (except as otherwise set forth in subsection (c) below and in Sections 201(f)(ii)(C) and 201(f)(iii) of the Indenture), issue, execute and deliver its First Mortgage Bonds as hereinafter provided; and (ii) FPL may, (A) so long as no default or "event of default" (as defined in the Indenture) has occurred and is continuing under the Indenture, at its sole option, or (B) if a default or "event of default" (as defined in the Indenture) has occurred and is continuing under the Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds

then outstanding, at any other times, issue, execute and deliver its First Mortgage Bonds as hereinafter provided.

(b) The First Mortgage Bonds shall:

(i) be issued in an aggregate principal amount equal to the aggregate principal amount of the Bonds then outstanding;

(ii) mature (A) in the event the First Mortgage Bonds are being delivered pursuant to Section 5.3(a)(i) above, on the final day of the applicable Long-Term Interest Rate Period, and (B) in the event the First Mortgage Bonds are being delivered pursuant to Section 5.3(a)(ii) above, on the Maturity Date, and in either event shall be subject to mandatory redemption or prepayment in the same amount or amounts, and at the same price or prices as the Bonds mature or are subject to mandatory redemption, purchase or prepayment;

(iii) require payments of interest equal to, and due on the same dates as, the payments of interest on the Bonds, whether on an Interest Payment Date or a purchase date;

(iv) require prepayments of principal and payments of premium, if any, in the same amounts as, and due on the same dates as, any optional redemption of the Bonds in accordance with the Indenture;

(v) require all such payments and prepayments to be made in immediately available funds on or before the due date therefor to the registered holder of the First Mortgage Bonds at the address set forth in the books kept at the principal office of the First Mortgage Trustee for the registration thereof or at such other address as such holder and FPL and the First Mortgage Trustee shall have agreed upon in writing;

(vi) be in fully registered form as to both principal and interest;

(vii) be nontransferable except as required to effect assignment thereof to the Trustee and any successor trustee under the Indenture or in the exercise of rights and remedies consequent upon an event of default thereunder;

(viii) be marked to indicate clearly the restrictions on the transfer thereof as follows: "This Bond has not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in contravention of said Act and is not transferable except to the Trustee and a successor trustee under the Trust Indenture dated as of June 1, 2003, from Miami-Dade County Industrial Development Authority to The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, or in the exercise of rights and remedies consequent upon an event of default thereunder", and

(ix) be accompanied by (A) an opinion of counsel to FPL satisfactory to the Trustee that such First Mortgage Bonds are (1) valid and binding obligations of FPL in accordance with their terms, except as limited by bankruptcy, insolvency, or other laws affecting mortgagees' and other creditors' rights generally and equitable limitations on the enforceability of specific remedies, (2) in compliance with the requirements of the Indenture and the Loan Agreement and

(3) entitled to the benefit of the security afforded by the Mortgage, (B) a Favorable Opinion of Bond Counsel and (C) if not subject to a Pledge Agreement theretofore delivered by FPL, a Pledge Agreement relating to such First Mortgage Bonds.

The First Mortgage Bonds shall be subject to prepayment or redemption prior to maturity as provided in the Mortgage and any supplemental indenture pursuant to which such First Mortgage Bonds are issued. In the event FPL or the First Mortgage Trustee gives notice of the prepayment or redemption of the First Mortgage Bonds or any portion thereof in accordance with the provisions of the Mortgage, the Trustee shall give notice of the prepayment or redemption of an equal principal amount of Bonds and apply the proceeds of any such prepayments or redemptions of the First Mortgage Bonds to the prepayment or redemption of the Bonds so called for prepayment or redemption in accordance with the provisions of the Indenture and shall cancel any Bonds so prepaid or redeemed.

The payment of principal, interest or premium by the Trustee or the Paying Agent on any Bond or Bonds, whether at maturity, acceleration, redemption or otherwise, shall constitute corresponding payment of principal, interest or premium, respectively, of the First Mortgage Bonds. The cancellation by the Trustee or the Registrar of any Bond or Bonds purchased by FPL or the Issuer shall constitute payment on the First Mortgage Bonds held by the Trustee equal to the principal amount of the Bond or Bonds so canceled. The First Mortgage Bonds shall be held subject to the terms and provisions of the Pledge Agreement.

(c) In lieu of delivering First Mortgage Bonds as provided in subsection (a) above, FPL may elect to deliver, or cause to be delivered, to the Trustee an insurance policy, irrevocable transferable letter of credit, guaranty, surety bond, line of credit, revolving credit agreement or other agreement or device providing for the payment of the principal, interest and redemption premium on, and purchase price of, the Bonds; provided, however, that prior to the delivery of such other credit enhancement, FPL shall cause to be delivered to the Trustee (1) a Favorable Opinion of Bond Counsel, (2) letters from Moody's and S&P, to the extent the same then maintain long-term ratings on the Bonds, to the effect that the use of such credit enhancement will not adversely affect such long-term ratings on the Bonds, and (3) an opinion of counsel to the provider of such credit enhancement with respect to the enforceability of such credit enhancement. Notwithstanding anything to the contrary contained in the Indenture, the Bonds or this Agreement, upon delivery of such credit enhancement, the principal, interest and redemption premium on, and purchase price of, the Bonds shall also be secured by, and payable from, such credit enhancement.

SECTION 5.4. Return of First Mortgage Bonds to FPL. (a) The Issuer agrees that if FPL acquires any Bonds by purchase in the open market or otherwise and surrenders such Bonds to the Trustee or the Registrar for cancellation prior to the maturity of such Bonds, or if the Trustee or the Registrar acquires any Bonds by purchase in the open market or by redemption or otherwise and cancels such Bonds in accordance with the Indenture prior to the maturity of such Bonds, the loan made pursuant to this Agreement shall be deemed discharged to the extent the Bonds are so acquired and canceled by the Trustee or the Registrar, and the Trustee or the Registrar shall be directed in the Indenture to deliver to the First Mortgage Trustee or to FPL without charge, within five (5) Business Days thereafter, the First Mortgage Bonds for

cancellation, together with such appropriate instruments of release as may be required in order to release any claim of the Trustee for the payment of the amount of principal of or premium, if any, or interest on the First Mortgage Bonds deemed paid. However, in the case of partial payment, the First Mortgage Trustee shall issue a replacement First Mortgage Bond in an amount equal to the principal amount of the Bonds remaining outstanding.

(b) With respect to First Mortgage Bonds delivered pursuant to Section 5.3(a)(i) hereof, upon adjustment from a Long-Term Interest Rate Period to a Daily, Weekly, Commercial Paper or to another Long-Term Interest Rate Period, pursuant to the provisions of Section 214 of the Indenture, the Trustee shall, in accordance with the provisions of the Indenture, surrender for cancellation to the First Mortgage Trustee or to FPL, within five (5) Business Days thereafter, the First Mortgage Bonds together with such appropriate instruments of release as may be required in order to release any claim of the Trustee for the payment of the amount of principal of or interest on the First Mortgage Bonds.

(c) With respect to First Mortgage Bonds delivered pursuant to Section 5.3(a)(ii) hereof, the Trustee shall, (i) so long as no default or "event of default" (as defined in the Indenture) has occurred and is continuing under the Indenture, at the sole option of FPL, or (ii) if a default or "event of default" (as defined in the Indenture) has occurred and is continuing under the Indenture, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, upon receipt of written instructions of FPL and a Favorable Opinion of Bond Counsel, surrender for cancellation to the First Mortgage Trustee or to FPL, within five (5) Business Days thereafter, the First Mortgage Bonds together with such appropriate instruments of release as may be required in order to release any claim of the Trustee for the payment of the amount of principal of and interest on the First Mortgage Bonds.

ARTICLE VI

MAINTENANCE AND REMOVAL

SECTION 6.1. Maintenance and Modifications of Project by FPL. Subject to the provisions of Section 6.2 hereof, FPL agrees that so long as any Bonds are outstanding it will, at no expense to the Issuer, maintain, repair and operate the Project, or cause the Project to be maintained, repaired and operated, in accordance with the Act. FPL may cause modifications to be made to completed components of the Project.

SECTION 6.2. Removal of Portions of the Project. FPL shall not be under any obligation to cause renewal, repair or replacement of any inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary portion of the Project. In any instance where FPL determines that any portion of the Project has become inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary, FPL may cause such portion of the Project to be removed and cause the sale, trade in, exchange or other disposal of such removed portion of the Project without any responsibility or accountability to the Issuer, the Trustee or the holders of the Bonds.

The removal of any portion of the Project pursuant to the provisions of this Section shall not entitle FPL to any abatement or diminution of the amounts required to be paid pursuant to Section 5.1 hereof.

ARTICLE VII

SPECIAL COVENANTS

SECTION 7.1. No Warranty of Condition or Suitability by the Issuer. The Issuer makes no warranty, either express or implied, as to the condition of the Project or its suitability for FPL's purposes or needs.

SECTION 7.2. FPL to Maintain its Corporate Existence; Conditions Under Which Exceptions Permitted. FPL agrees that, so long as any Bonds are outstanding, it will maintain its corporate existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into one or more other entities or permit one or more other entities to consolidate with or merge into it; provided that FPL may, without violating its agreement contained in this Section, consolidate with or merge into one or more other entities, or permit one or more other entities to consolidate with or merge into it, or sell or otherwise transfer to one or more other entities all or substantially all of its assets as an entirety and thereafter dissolve, provided the surviving, resulting or transferee entity or entities, as the case may be (if other than FPL), assumes or assume in writing all of the obligations of FPL herein, and, if not organized under the laws of the State, is or are qualified to do business in the State.

SECTION 7.3. Indemnification Covenants. (a) FPL hereby agrees to indemnify and hold the Trustee harmless against claims arising out of the construction agreements and the construction or operation of the Project. If any such claim is asserted, or any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges are sought to be imposed, the Trustee shall give prompt notice to FPL, and FPL shall pay the same or bond and assume the defense thereof, with full power to contest, litigate, compromise or settle the same in its sole discretion.

(b) FPL agrees to indemnify the Issuer, its members, officers, employees and agents (the "Issuer Indemnified Parties") against all claims arising out of (1) the breach by FPL of FPL's covenants under Sections 4.4 and 4.5 hereof and (2) the Indenture, this Agreement, the Pledge Agreement, the Interlocal Agreements, construction agreements and the construction or operation of the Project and to pay or bond or discharge and indemnify and hold harmless the Issuer Indemnified Parties from and against (a) any lien or charge upon payments by FPL, to or for the account of the Issuer hereunder, and (b) any taxes, assessments, impositions and other charges of any federal, state or municipal government or political body in respect of the Project; provided, however, FPL shall not indemnify the Issuer Indemnified Parties against claims resulting from any willfully wrongful act of the Issuer. If any such claim is asserted, or any such lien or charge upon payments or any such taxes, assessments, impositions or other charges are sought to be imposed, the Issuer will give prompt notice to FPL, and FPL shall pay the same or bond and assume the defense thereof, with full power to contest, litigate, compromise or settle the same in its sole discretion.

(c) FPL shall at all times protect and hold the Issuer Indemnified Parties harmless against any claims or liability resulting from any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project or the use thereof, including without limitation any assignment of its interest in this Agreement,

such indemnification to include reasonable expenses and attorneys' fees incurred by the Issuer Indemnified Parties in connection therewith, provided that such indemnity shall be effective only to the extent of any loss that may be sustained by the Issuer Indemnified Parties in excess of the net proceeds received by it or them from any insurance carried by FPL with respect to such loss and provided further that the benefits of this Section 7.3(c) shall not inure to any person other than the Issuer Indemnified Parties and provided that FPL shall not indemnify the Issuer Indemnified Parties against any claim or liability resulting from the willfully wrongful act of the Issuer.

(d) FPL further agrees to indemnify and hold harmless the Issuer Indemnified Parties against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any disclosure or offering document prepared in connection with the initial sale of the Bonds or any remarketing of the Bonds, including any documents incorporated into such disclosure or offering document, or the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Issuer agrees promptly to notify FPL of the commencement of any litigation or proceedings against it, any of its aforesaid officials or employees in connection with the issuance and sale or remarketing of the Bonds. The omission so to notify FPL of any such action shall not relieve FPL from any liability which it may have to the Issuer otherwise than on account of the foregoing indemnity. In case such notice of any such action shall be so given, FPL shall be entitled to participate at its own expense in the defense of such action, in which event such defense shall be conducted by counsel chosen by FPL satisfactory to the Issuer and the Issuer shall bear the fees and expenses of any additional counsel retained by it; but if FPL shall elect not to assume the defense of such action, FPL will reimburse the Issuer Indemnified Parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the Issuer Indemnified Parties in any such action include both FPL and the Issuer Indemnified Parties and counsel for FPL shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both FPL and the Issuer Indemnified Party, the Issuer Indemnified Party or Parties shall have the right to select separate counsel, satisfactory to FPL, to participate in the defense of such action on behalf of such Issuer Indemnified Party or Parties (it being understood, however, that FPL shall not be liable for the expenses of more than one separate counsel representing the Issuer Indemnified Parties who are parties to such action).

SECTION 7.4. Limitation of Liability of the Issuer. In the event of any default by the Issuer hereunder, the liability of the Issuer to FPL shall be enforceable only out of its interest under this Agreement and there shall be no other recourse by FPL against the Issuer, its members, officers, agents and employees, past, present or future, or any of the property now or hereafter owned by it or them. No obligation of the Issuer hereunder or under the Bonds shall be deemed to constitute a debt, liability or obligation of the Issuer or of the State or any political subdivision thereof.

ARTICLE VIII

ASSIGNMENT, LEASING AND SALE

SECTION 8.1. Assignment, Leasing and Sale by FPL. This Agreement may be assigned, and the Project may be leased or sold as a whole or in part, by FPL without the necessity of obtaining the consent of either the Issuer or the Trustee, subject, however, except as provided in Section 7.2 hereof, to each of the following conditions:

(a) no assignment, lease or sale shall relieve FPL from liability for any of its obligations hereunder, and in the event of any such assignment, lease or sale (unless the Issuer and the Trustee otherwise consent) FPL shall continue to remain primarily liable for the payments required to be made pursuant to Sections 5.1 and 5.3 hereof and for the performance and observance of the other agreements on its part contained herein;

(b) the assignee, lessee or buyer shall assume the obligations of FPL hereunder to the extent of the interest assigned, leased or sold, except, at the option of FPL, FPL may retain its obligations under Sections 5.1 and 5.3 hereof, including without limitation, its obligations with respect to Loan Repayments hereunder; and

(c) FPL shall, not later than 10 days prior to the delivery thereof, furnish or cause to be furnished to the Issuer and to the Trustee a true and complete copy of the form of each such proposed assignment, lease or conveyance, as the case may be.

SECTION 8.2. Assignment of Rights by the Issuer. FPL hereby consents to the pledge and assignment by the Issuer of all of its rights under this Agreement (except its rights under Sections 5.1(c) and 9.4 hereof to payment of certain costs and expenses and under Section 7.3 hereof to indemnification) to the Trustee under the Indenture for the benefit of the holders from time to time of the Bonds, and FPL hereby agrees that by virtue of such assignment the Trustee may enjoy and enforce all such rights of the Issuer hereunder.

The Issuer agrees that, except for such pledge and assignment, it will not pledge, assign, mortgage, encumber, convey or otherwise transfer any of its interests or rights under this Agreement; provided, however, that if the laws of the State at the time shall so permit, nothing contained in this Section shall prevent the consolidation of the Issuer with, or merger of the Issuer into, any public entity the property and income of which are not subject to, or are exempt from, taxation; and provided, further, that upon any such consolidation, merger or transfer, the due and punctual payment of the principal of, premium, if any, and interest on the Bonds according to their tenor, and the due and punctual performance and observance of all the agreements and conditions of this Agreement to be kept and performed by the Issuer, shall be expressly assumed in writing by the entity resulting from such consolidation or surviving such merger.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

SECTION 9.1. Events of Default Defined. The following shall be "events of default" under this Agreement, and the terms "event of default" and "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by FPL to pay or cause to be paid when due the Loan Repayments in the amounts and at the times specified in Section 5.1(a) hereof or the amounts payable under Section 5.1(d) hereof necessary to enable the Tender Agent to pay the purchase price of Bonds delivered to it for purchase, which failure shall have resulted in an event of default under subsection (a), (b) or (c) of Section 801 of the Indenture.

(b) When the Trustee holds First Mortgage Bonds pursuant to Section 211 of the Indenture, a "Default" as defined in Section 65 of the Mortgage.

(c) Failure by FPL to observe or to perform any covenant, condition, representation or agreement in this Agreement on its part to be observed or performed, other than as referred to in clause (a) of this Section, for a period of 90 days after written notice, specifying such failure and requesting that it be remedied, has been given to FPL by the Issuer or the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the holders of not less than 25% in principal amount of the Bonds then outstanding, unless the Issuer and the Trustee, or the Issuer, the Trustee and the holders of a principal amount of Bonds not less than the principal amount of Bonds the holders of which requested such notice, as the case may be, agree in writing to an extension of such period prior to its expiration; provided, however, that the Issuer and the Trustee, or the Issuer, the Trustee and the holders of such principal amount of Bonds, as the case may be, shall be deemed to have agreed to an extension of such period if corrective action has been instituted by FPL within the applicable period and is being diligently pursued.

(d) The expiration of a period of ninety (90) days following:

(1) the adjudication of FPL as a bankrupt by any court of competent jurisdiction;

(2) the entry of an order approving a petition seeking reorganization or arrangement of FPL under the Federal Bankruptcy Laws or any other applicable law or statute of the United States of America, or of any state thereof; or

(3) the appointment of a trustee or a receiver of all or substantially all of the property of FPL;

unless during such period such adjudication, order or appointment of a trustee or receiver shall be vacated or shall be stayed on appeal or otherwise or shall have otherwise ceased to continue in effect.

(e) The filing by FPL of a voluntary petition in bankruptcy or the making of an assignment for the benefit of creditors; the consenting by FPL to the appointment of a receiver or trustee of all or any part of its property; the filing by FPL of a petition or answer seeking reorganization or arrangement under the Federal Bankruptcy Laws, or any other applicable law or statute of the United States of America, or any state thereof; or the filing by FPL of a petition to take advantage of any insolvency act.

The provisions of clause (c) of this Section are subject to the following limitations: If by reason of force majeure FPL is unable as a whole or in part to carry out its agreements herein contained, other than the obligations on the part of FPL contained in Article V and Sections 7.3, 7.4 and 9.4 hereof, FPL shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States or of the State or any of their departments, agencies or officials or any political subdivision thereof, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fire; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery; partial or entire failure of utilities; terrorist activity; or any other cause or event not reasonably within the control of FPL. FPL agrees, however, to use its best efforts to remedy with all reasonable dispatch the cause or causes preventing FPL from carrying out its agreements; provided, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of FPL, and FPL shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of FPL unfavorable to FPL.

SECTION 9.2. Remedies on Default. Upon the occurrence and continuance of an event of default specified in clause (a), (b), (d) or (e) of Section 9.1 hereof, and further upon the condition that all Bonds outstanding under the Indenture shall have become immediately due and payable, all Loan Repayments hereunder shall, without further action, become immediately due and payable.

Any waiver of an event of default under the Indenture or of a "Default" under the Mortgage (if an event of default has occurred under subsection 9.1(b) hereof) and a rescission and annulment of its consequences shall constitute a waiver of the corresponding event of default under this Agreement and a rescission and annulment of the consequences thereof.

Upon the occurrence and continuance of any event of default, the Issuer may take whatever action at law or in equity may appear necessary or desirable to collect the Loan Repayments then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of FPL under this Agreement.

Any amounts collected pursuant to action taken under this Section 9.2 shall, after deducting the costs of collection, be paid into the Bond Fund and applied in accordance with the provisions of the Indenture or, if the Bonds have been fully paid (or deemed to have been paid in accordance with the provisions of Article XIII of the Indenture), to FPL.

In the enforcement of the remedies provided in this Section, the Issuer may treat, and FPL agrees to pay, all expenses of enforcement, including, without limitation, reasonable legal, accounting and advertising expenses and Trustee's fees and expenses, as amounts then due and owing under Section 5.1(b) or (c) hereof.

SECTION 9.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

SECTION 9.4. Agreement to Pay Attorneys' Fees and Expenses. In the event FPL should default under any of the provisions of this Agreement, the First Mortgage Bonds, the Pledge Agreement, the Mortgage or the Interlocal Agreements and the Issuer should employ attorneys or incur other expenses for the collection of the Loan Repayments hereunder or the enforcement of performance or observance of any obligation or agreement of FPL herein or therein contained, FPL agrees that it will on demand therefor pay to the Issuer the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Issuer, to the extent permitted by law.

SECTION 9.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE X

PREPAYMENT

SECTION 10.1. Right to Prepay Loan Repayments. (a) During any Long-Term Interest Rate Period, FPL shall have, and is hereby granted, the option to prepay Loan Repayments due hereunder with respect to the Bonds at any time by taking, or causing the Issuer to take, the actions required by the Indenture for the redemption, or provision therefor, of all Bonds then outstanding, if:

(i) FPL shall have determined that the continued operation of any of the Units or any portion of the Project is impracticable, uneconomical or undesirable; or

(ii) all or substantially all of any of the Units or any portion of the Project shall have been condemned or taken by eminent domain; or

(iii) the operation by FPL of any of the Units or any portion of the Project shall have been enjoined for a period of at least six consecutive months; or

(iv) as a result of any change in the Constitution of the State or the Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after any contest thereof by FPL in good faith, the Indenture, the Agreement or the Bonds shall become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement.

(b) FPL shall have, and is hereby granted, the option to prepay all or any portion of the unpaid Loan Repayments hereunder, together with interest thereon, at any time by taking, or causing the Issuer to take, the actions required by the Indenture (i) to discharge the lien thereof through the redemption, or provision for payment or redemption, of all Bonds then outstanding or (ii) to effect the redemption, or provision for payment or redemption, of less than all Bonds then outstanding.

SECTION 10.2. Procedure for Prepayments. To exercise an option granted in Section 10.1 hereof, FPL shall give written notice to the Issuer and the Trustee which shall designate therein the principal amount and maturities of the Bonds to be redeemed, or for the payment or redemption of which provision is to be made, and, in the case of a redemption of Bonds, shall specify (a) the date of redemption, which shall not be less than 45 days from the date the notice is mailed and (b) the applicable redemption provision of the Indenture. The exercise of an option granted in Section 10.1 hereof is revocable by FPL at any time prior to the time at which the Bonds to be redeemed, or for the payment or redemption of which provision is to be made, are first deemed to have been paid in accordance with Article XIII of the Indenture.

Upon receipt of a notice pursuant to this Section, the Issuer shall forthwith take or cause to be taken all actions required under the Indenture to effect the redemption, or provision for payment or redemption, of Bonds in accordance with such notice and, in the case of a

prepayment of the entire unpaid balance of the Loan Repayments, together with interest thereon, to discharge the lien of the Indenture.

SECTION 10.3. Relative Position of Agreement and Indenture. The rights granted to FPL in this Article shall be and remain prior and superior to the Indenture and may be exercised whether or not FPL is in default hereunder, provided that such default will not result in nonfulfillment of any condition to the exercise of any such right.

SECTION 10.4. Compliance with Indenture. Anything in this Agreement to the contrary notwithstanding, the Issuer and FPL shall take all actions required by this Agreement and the Indenture in order to comply with the provisions of Section 301(d) of the Indenture or any similar provision contained in any indenture supplemental thereto.

ARTICLE XI

PURCHASE AND REMARKETING OF BONDS

SECTION 11.1. Purchase of Bonds. (a) In consideration of the issuance of the Bonds by the Issuer, but for the benefit of the holders of the Bonds, FPL has agreed, and does hereby covenant, to cause the necessary arrangements to be made and to be thereafter continued whereby, from time to time, the Bonds will be purchased from the holders thereof in accordance with the provisions of the Indenture. In furtherance of the foregoing covenant of FPL, the Issuer, at the direction of FPL, has set forth in Section 202 of the Indenture the terms and conditions relating to such purchases and has set forth in Article XIV of the Indenture the duties and responsibilities of the Tender Agent with respect to the purchase of Bonds and of the Remarketing Agent with respect to the remarketing of Bonds. FPL appoints Wachovia Bank, National Association, as the initial Remarketing Agent and The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as the initial Tender Agent and hereby authorizes and directs the Tender Agent and the Remarketing Agent to purchase, offer, sell and deliver Bonds in accordance with the provisions of Section 202 and Article XIV of the Indenture. The Issuer acknowledges that the Remarketing Agent, in undertaking its duties set forth in the Indenture with respect to the determination of the interest rates borne by the Bonds, will be acting as agent for and on behalf of the Issuer.

Without limiting the generality of the foregoing covenant of FPL, and in consideration of the Issuer's having set forth in the Indenture the aforesaid provisions of Section 202 and Article XIV thereof, FPL has covenanted and agreed in Section 5.1(d) hereof, for the benefit of the holders of the Bonds, to pay, or cause to be paid, to the Tender Agent such amounts as shall be necessary to enable the Tender Agent to pay the purchase price of Bonds, all as more particularly described in Section 202 and Article XIV of the Indenture.

(b) The Issuer shall have no obligation or responsibility, financial or otherwise, with respect to the purchase or remarketing of Bonds or the making or continuation of arrangements therefor, except that the Issuer shall generally cooperate with FPL, the Trustee, the Tender Agent and the Remarketing Agent as contemplated in Article XIV of the Indenture.

SECTION 11.2. Optional Purchase of Bonds. Except after the occurrence of an event of default, FPL, at any time and from time to time, may furnish moneys to the Tender Agent accompanied by a notice directing that such moneys be applied to the purchase of Bonds to be purchased pursuant to Section 202 and Article XIV of the Indenture. Bonds so purchased shall be delivered to FPL in accordance with Section 1407(a) of the Indenture.

SECTION 11.3. Determination of Interest Rate Periods. FPL may determine the duration and type of the Interest Rate Periods and certain redemption and other provisions relating to Long-Term Interest Rate Periods as, and to the extent, set forth in Section 201 of the Indenture.

ARTICLE XII

MISCELLANEOUS

SECTION 12.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given on the fifth day following the day on which the same have been mailed by registered mail, postage prepaid, addressed as follows: if to the Issuer, to Miami-Dade County Industrial Development Authority, Brickell BayView Centre, 80 S.W. 8th Street, Suite 2801, Miami, Florida 33130, Attention: Executive Director; if to FPL, to Florida Power & Light Company, c/o FPL Group Inc., 700 Universe Boulevard, Juno Beach, Florida 33408, Attention: Chief Financial Officer; and if to the Trustee, to The Bank of New York Trust Company of Florida, N.A., 10161 Centurion Parkway, Jacksonville, Florida 32256, Attention: Corporate Trust Division. A duplicate copy of each notice, certificate or other communication given hereunder by either the Issuer or FPL to the other shall also be given to the Trustee. The Issuer, FPL and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 12.2. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Issuer, FPL and their respective successors and assigns, subject, however, to the limitations contained in this Agreement and particularly in Sections 7.2, 8.1 and 8.2 hereof.

SECTION 12.3. Severability and Effect of Invalidity. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. In the event any covenant, stipulation, obligation or agreement contained in this Agreement shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement of the Issuer or FPL, as the case may be, shall be enforced to the full extent permitted by law.

SECTION 12.4. Termination. This Agreement shall remain in full force and effect from the date hereof until all of the Bonds shall have been paid or be deemed to have been paid in accordance with Article XIII of the Indenture and the fees, charges, expenses and costs of the Trustee and the Issuer and all other amounts payable by FPL under the Indenture and this Agreement shall have been paid. After such payment or provision for payment has been made, any surplus amounts remaining in the Bond Fund not required for the payment of Bonds and surplus amounts in any other fund created under the Indenture shall belong to and be paid to FPL, as provided in Article XIII of the Indenture.

SECTION 12.5. If Payment or Performance Date a Legal Holiday. If the date for making any payment, or the last date for performance of any act or the exercising of any right, as provided in this Agreement, shall be a legal holiday or a day on which banking institutions in the City of Jacksonville, Florida or the City of New York, New York are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or not a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Agreement, and no interest shall accrue for the period after such nominal date.

SECTION 12.6. Trustee, FPL and Issuer May Rely on Authorized Representatives. Whenever under the provisions of this Agreement the approval of FPL is required or the Issuer or the Trustee is required to take some action at the request of FPL, such approval shall be given or such request shall be made by an Authorized FPL Representative unless otherwise specified in this Agreement and the Issuer and the Trustee shall be authorized to act on any such approval or request and FPL shall have no complaint or recourse against the Issuer or the Trustee as a result of any such action taken. Whenever under the provisions of this Agreement, the approval of the Issuer is required or FPL or the Trustee is required to take some action at the request of the Issuer, such approval shall be given or such request shall be made by an Authorized Issuer Representative unless otherwise specified in this Agreement, FPL and the Trustee shall be authorized to act on any such approval or request and the Issuer shall have no complaint or recourse against FPL or the Trustee as a result of any such action taken.

SECTION 12.7. Agreement Represents Complete Agreement. This Agreement represents the entire agreement between the parties. This Agreement may be modified, supplemented and amended only as provided in the Indenture.

SECTION 12.8. Other Instruments. (a) FPL covenants that it will cause an opinion of counsel, who shall be acceptable to the Trustee, to be filed with the Issuer and the Trustee not more than 120 days or less than 30 days prior to the fifth anniversary date of the original issuance of Bonds, and during the same period in each fifth year thereafter for so long as the Bonds shall be outstanding, to the effect that all financing statements, continuation statements, notices and other instruments required by applicable law have been recorded or filed or re-recorded or refiled in such manner and in such places required by law in order fully to preserve and protect the rights of the holders of the Bonds and the Trustee, in the amount payable to or for the account of the Issuer under this Agreement as against creditors of, or purchasers for value from, the Issuer or FPL. FPL and the Issuer shall execute and deliver all instruments and shall furnish all information and evidence deemed necessary or advisable by such counsel in order to enable it to render such opinion.

(b) FPL shall file and refile and record and re-record or cause to be filed and refiled and recorded and re-recorded all instruments and financing statements required to be filed and refiled and recorded and re-recorded and shall continue or cause to be continued the liens of such instruments for so long as the Bonds shall be outstanding.

SECTION 12.9. Execution of Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 12.10. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the Issuer and FPL have caused this Agreement to be executed in their respective names by their duly authorized officers and their respective seals to be hereunto affixed and attested by their duly authorized officers for and on their behalves, all as of the date first above written.

[SEAL]

Attest:

Secretary Ex-Officio

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman

Approved as to Form:

_____
County Attorney

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

IN WITNESS WHEREOF, the Issuer and FPL have caused this Agreement to be executed in their respective names by their duly authorized officers and their respective seals to be hereunto affixed and attested by their duly authorized officers for and on their behalves, all as of the date first above written.

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

[SEAL]

By: _____
Chairman

Attest:

_____
Secretary Ex-Officio

Approved as to Form:

_____
County Attorney

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

EXHIBIT A

DESCRIPTION OF PROJECT

The solid waste disposal facilities and components thereof at the Turkey Point Electrical Generating Plant are spent fuel facilities and low level solid radwaste facilities upgrades, spent fuel pool cooling system upgrades, auxiliary/emergency power supply upgrade and security system upgrades. The sewage disposal facilities and components thereof at the Cutler Electrical Generating Plant include three sewage lift stations, gravity and forced sewer mains, sewage piping, associated electrical and mechanical auxiliaries, controls and instrumentation and related structures.

Exhibit (a)-9

GUARANTY

THIS GUARANTY (this "*Guaranty*"), dated as of June 11, 2003, is made by FLORIDA POWER & LIGHT COMPANY, a Florida corporation ("*Guarantor*") in favor of each Beneficiary (as defined below).

WITNESSETH:

WHEREAS, FPL Fuels, Inc., a Delaware corporation ("*FPL Fuels*"), and Guarantor have entered into that certain Note Purchase Agreement, dated June 11, 2003 (the "*FPL Fuels Note Purchase Agreement*"), with the Note Purchasers party thereto (collectively, the "*FPL Fuels Note Purchasers*"), pursuant to which FPL Fuels issued and the Note Purchasers purchased Senior Secured Guaranteed Notes (the "*FPL Fuels Term Notes*") in two series, Series A Notes and Series B Notes in the aggregate principal amount of $135,000,000;

WHEREAS, FPL Fuels, Inc. and Guarantor intend to enter into that certain Credit Agreement, to be dated as of June 1, 2003 (the "*FPL Fuels Credit Agreement*"), with Bank One, NA, as administrative agent, and the lenders party thereto from time to time (collectively, the "*FPL Fuels Credit Agreement Parties*"), pursuant to which such lenders shall agree to make revolving loans to FPL Fuels in an aggregate principal amount at any one time outstanding of not to exceed $65,000,000;

WHEREAS, Guarantor will derive substantial direct and indirect economic and other benefit from the making by the FPL Fuels Note Purchasers and the FPL Fuels Credit Agreement Parties of the financial and other accommodations contemplated by, respectively, the FPL Fuels Note Purchase Agreement and the FPL Fuels Credit Agreement;

WHEREAS, it is a condition precedent to the FPL Fuels Note Purchasers' and the FPL Fuels Credit Agreement Parties' respective obligations to provide the financial and other accommodations contemplated pursuant to the FPL Fuels Note Purchase Agreement and the FPL Fuels Credit Agreement, that Guarantor enter into this Guaranty, which Guarantor has agreed so to do in satisfaction of such condition and as an inducement to the FPL Fuels Note Purchasers and the FPL Fuels Credit Agreement Parties to provide such financial and other accommodations;

WHEREAS, it is contemplated that this Guaranty may be extended to benefit additional parties in respect of other obligation as identified in writing by Guarantor;

NOW, THEREFORE, in consideration of the foregoing and other valuable consideration, Guarantor hereby agrees as follows:

1. Definitions. In addition to terms defined elsewhere in this Guaranty, the following terms shall have the meanings defined below:

"*Beneficiary*" means (i) each of the FPL Fuels Note Purchasers and the FPL Fuels Credit Agreement Parties and (ii) each other person that Guarantor identifies in writing as entitled to the benefits of this Guaranty as a Beneficiary, and in each case only with respect the Guaranteed Obligations relating to such party.

"*Guaranteed Obligations*" shall mean (i) with respect to the FPL Fuels Note Purchasers, all payment obligations under the FPL Fuels Note Purchase Agreement and the FPL Fuels Term Notes, whether for principal, interest, make-whole payments, additional amounts, indemnification, cost reimbursement or otherwise, (ii) with respect to the FPL Fuels Credit Agreement Parties, all payment obligations of FPL Fuels under the FPL Fuels Credit Agreement, whether for principal, interest, fees, additional amounts, indemnification, cost reimbursement or otherwise, and (iii) with respect to any other Beneficiary, such obligations that are specifically identified in writing by Guarantor as being Guaranteed Obligations hereunder.

"*Obligor*" means (i) in respect to the Guaranteed Obligations identified in clause (i) or clause (ii) of the definition thereof, FPL Fuels and (ii) in respect of any other Guaranteed Obligation, the person specifically identified in writing by Guarantor as being the Obligor of such Guaranteed Obligations.

2. Guaranty. Guarantor hereby unconditionally guarantees to each Beneficiary the prompt payment when due, whether at stated maturity, by acceleration or otherwise, of the payment obligations of each Obligor of the Guaranteed Obligations relating to such Beneficiary; *provided*, that Guarantor shall not be obligated to pay any such amounts until five (5) days following the date on which a Beneficiary shall have first made written demand upon the related Obligor (with a copy being delivered concurrently to Guarantor) for payment of such amounts that sets forth the amounts required to be paid and the basis therefor in reasonable detail; and *provided further*, that no such demand (or copy thereof) shall be required if the making of such demand (or the delivery of such copy) is prevented by stay, injunction or other legal process (including but not limited to any stay pursuant to 11 U.S.C. Section 362 or any successor provision) or is impossible in the circumstances. This Guaranty is a guaranty of payment and not of collection. Guarantor further agrees to make all payments in respect of any Guaranteed Obligations described in clauses (i) and (ii) of the definition thereof (other than indemnity payments owed to a specific Beneficiary) directly to the trustee under the applicable Indenture (as such term in defined in the FPL Fuels Note Purchase Agreement and the FPL Fuels Credit Agreement), to be applied in accordance therewith.

3. Guaranty Continuing; Reinstatement. This Guaranty shall be a continuing guaranty of payment and shall remain in full force and effect with respect to each Beneficiary until the date upon which all of the Guaranteed Obligations relating to such Beneficiary shall have been indefeasibly paid in full and such Beneficiary shall have no further obligation in respect of the applicable Obligor to make advances or otherwise under agreements relating to the applicable Guaranteed Obligations. If claim is ever made upon any Beneficiary for repayment or recovery of any amount received by such Beneficiary in payment or on account of any of the Guaranteed Obligations owed to such Beneficiary, and if such Beneficiary repays all or part of said amount by reason of (i) any judgment, decree or order of any court or administrative body having jurisdiction over such Beneficiary or any of its property or (ii) any settlement or

compromise of any such claim effected by such Beneficiary with any such claimant (including without limitation the applicable Obligor or a trustee, conservator or receiver for such Obligor), then and in such event Guarantor shall be and remain liable to such Beneficiary hereunder for the amount so repaid or recovered to the same extent as if such amount had never originally been paid to such Beneficiary and Guarantor's obligations and liabilities under this Guaranty in respect of the Guaranteed Obligations owed to such Beneficiary shall be reinstated to such extent and this Guaranty shall remain in full force and effect (or shall be reinstated) to such extent.

4. Waivers and Consents. Guarantor hereby waives (i) notice of acceptance of this Guaranty by any Beneficiary; (ii) notice of the amount of the Guaranteed Obligations outstanding from time to time, subject, however, to Guarantor's right to make inquiry of any Beneficiary at reasonable intervals to ascertain the amount of Guaranteed Obligations then outstanding in respect of such Beneficiary; (iii) except as expressly set forth herein, notice of any default or event of default with respect to any of the Guaranteed Obligations or notice of any other adverse change in any Obligor's financial condition or means or ability to pay or perform any of the Guaranteed Obligations; (iv) except as expressly set forth herein, notice of presentment, demand, protest, and notice of dishonor or nonpayment as to any instrument; and (v) except as expressly set forth herein, notice of any acceleration or other demand for payment of any of the Guaranteed Obligations.

Guarantor consents and agrees that, without notice to or consent by Guarantor and without affecting or impairing the liability of Guarantor under this Guaranty, any Beneficiary may compromise or settle, extend the period of duration or the time for the payment, discharge or performance of any of the Guaranteed Obligations relating to such Beneficiary, and/or may refuse to enforce or may release all or any parties to any or all of such Guaranteed Obligations (including without limitation any other guarantor thereof) or any collateral therefor, and/or may grant other indulgences to the applicable Obligor, or such other parties in respect thereof, and/or may waive, amend or supplement in any manner the provisions of any document, instrument or agreement relating to or securing any of such Guaranteed Obligations (provided that the same does not have the effect of increasing the principal amount of such Guaranteed Obligations), and/or may release, surrender, exchange, modify, or compromise any and all collateral securing any of such Guaranteed Obligations or in which such Beneficiary may at any time have a lien, and/or may refuse to enforce its rights or may make any compromise or settlement or agreement therefor, in respect of any and all of such collateral, or with any party to any of such Guaranteed Obligations, or with any other person, and/or may release or substitute any one or more of the other endorsers or guarantors of such Guaranteed Obligations whether parties to this Guaranty or not, and/or may exchange, enforce, waive or release any collateral for any guaranty of any of such Guaranteed Obligations.

5. Subrogation. Upon (but at no time prior to) indefeasible payment in full of all Guaranteed Obligations owed in respect of any Beneficiary and provided such Beneficiary shall have no further obligation in respect of the applicable Obligor to make advances or otherwise under agreements relating to the applicable Guaranteed Obligations, Guarantor shall be subrogated in full to all rights of such Beneficiary against the applicable Obligor in respect of such Guaranteed Obligation.

6. Guarantor Due Diligence and Benefit. Guarantor is executing and delivering this Guaranty based solely upon Guarantor's own independent investigation of the financial condition, assets and prospects of each Obligor and in no part upon any representation, warranty or statement of any Beneficiary with respect to the financial condition, assets or prospects of any Obligor. Guarantor is in a position to and hereby assumes full responsibility for obtaining any and all information concerning the financial condition, assets and prospects of each Obligor as Guarantor may now or hereafter deem material to Guarantor's decision to enter into and become liable under this Guaranty and Guarantor is not relying upon, nor does Guarantor expect any Beneficiary to furnish Guarantor with any information which may now or hereafter be in any such Beneficiary's possession concerning the financial condition, assets or prospects of any Obligor.

7. Notices. All notices, requests, demands and other communications provided for hereunder shall be in writing and mailed by registered or certified mail, postage prepaid, or telecopied or delivered to an Obligor, Guarantor and each Beneficiary at their respective addresses set forth below:

If to the Obligor at:

At the addresss provided in the documentation for the respective Guaranteed Obligation.

In the case of FPL Fuels, Inc:

FPL Fuels, Inc.
c/o J H Management Corporation
One International Place, Suite 520
Boston, Massachusetts 02110
Attention: R. Douglas Donaldson
Telephone: (617) 951-7690
Facsimile: (617) 951-7050

If to Guarantor at:

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Treasurer
Telephone: (561) 694-6204
Facsimile (561) 694-3707

If to any Beneficiary:

At the address provided in the documentation for the respective Guaranteed Obligation.

or, as to any such party, at such other address as shall be designated by such party in a written notice to the other party complying as to delivery with the terms of this Section. All such notices, requests, demands and other communications shall be deemed to have been duly given or made, in the case of telecopied or delivered notice, when telecopied or actually delivered, or, in the case of registered or certified mail, on the third business day after the day on which mailed.

8. Assignment and Transfer. This Guaranty shall be binding upon Guarantor and Guarantor's successors and assigns and shall inure to the benefit of and be enforceable by each Beneficiary and their respective successors and permitted assigns in respect of the Guaranteed Obligations relating to such Beneficiary; provided that no Beneficiary may assign or grant participations in all or any part of such Guaranteed Obligations except as permitted by the agreements or other documentation evidencing such Guaranteed Obligation.

9. Miscellaneous.

(a) This Guaranty, together with, in the case of the FPL Fuels Credit Agreement Parties, the FPL Fuels Credit Agreement, and in the case of the FPL Fuels Note Purchasers, the FPL Fuels Note Purchase Agreement, constitutes the sole and entire agreement between Guarantor and each Beneficiary with respect to the subject matter hereof and supersedes and replaces any and all prior agreements, understandings, negotiations or correspondence between them with respect thereto, including without limitation any and all prior guaranty agreements executed by Guarantor in favor of such Beneficiary with respect to any or all of the Guaranteed Obligations relating to such Beneficiary.

(b) Words importing the singular number hereunder shall include the plural number and vice versa and any pronouns used herein shall be deemed to cover all genders. The term "person" as used herein means any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated association, or government (or any agency or political subdivision thereof).

(c) Wherever possible, any provision in this Guaranty that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any one jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(d) No amendment or waiver of any provision of this Guaranty, nor consent to any departure by Guarantor therefrom, shall be effective or binding upon any Beneficiary unless such Beneficiary shall first have given written consent thereto in accordance with the agreements or other documentation evidencing the related Guaranteed Obligation. Any such amendment, waiver or consent which is so granted by any Beneficiary shall apply only to the specific occasion which is the subject of such amendment, waiver or consent and shall not apply to the occurrence of the same or any similar event on any future occasion. No failure on the part of any Beneficiary to exercise, and no delay by any Beneficiary in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder

preclude any other or further exercise thereof or the exercise of any other right by such Beneficiary. No notice to or demand on Guarantor in any case by any Beneficiary hereunder shall entitle Guarantor to any further notice or demand in any similar or other circumstances or constitute a waiver of the rights of such Beneficiary to take any other or future action in any circumstances without notice or demand. The remedies provided to each Beneficiary in this Guaranty are cumulative and not exclusive of any other remedies provided by law.

(e) All Section headings herein are for convenience of reference only and shall not limit or otherwise affect the meaning or interpretation of the provisions of this Guaranty.

10. Representations and Warranties. Guarantor represents and warrants that:

(a) it is a corporation, duly organized or created and validly existing under the laws of the State of Florida, and has the power and authority to execute, deliver and perform the terms and provisions of this Guaranty;

(b) other than the order of the Florida Public Service Commission granting approval for the Guarantor to guarantee obligations comprising the applicable Guaranteed Obligations (which order (x) with respect to the Guaranteed Obligations described in clauses (i) and (ii) of the definition thereof, was granted prior to the date hereof and (y) with respect to any other Guaranteed Obligation, will be in effect prior to the effectiveness of this Guaranty in respect thereto), no authorization, approval, consent or order of, or registration or filing with, any court or other governmental body having jurisdiction over Guarantor is required on the part of Guarantor for the execution, delivery or performance of this Guaranty; and

(c) this Guaranty constitutes the legal, valid and binding obligation of Guarantor, enforceable in accordance with its terms, except as such enforcement may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws affecting the rights of creditors generally and by general principles of equity.

11. GOVERNING LAW. THIS GUARANTY AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE, AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA. GUARANTOR AGREES THAT ANY SUIT FOR THE ENFORCEMENT OF THIS GUARANTY MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR ANY FEDERAL COURT SITTING IN THE BOROUGH OF MANHATTAN, NEW YORK, AND CONSENTS TO THE NONEXCLUSIVE JURISDICTION OF SUCH COURTS AND THE SERVICE OF PROCESS IN ANY SUCH SUIT BEING MADE UPON THE BORROWER BY MAIL AT THE ADDRESS SPECIFIED IN SECTION 7. GUARANTOR HEREBY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH SUIT OR ANY SUCH COURT OR THAT SUCH SUIT IS BROUGHT IN AN INCONVENIENT FORUM.

12. WAIVER OF JURY TRIAL. EACH OF GUARANTOR, AND EACH BENEFICIARY BY ITS ACCEPTANCE OF THIS GUARANTY, HEREBY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS GUARANTY, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS. GUARANTOR (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY BENEFICIARY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT ANY BENEFICIARY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT EACH BENEFICIARY HAS BEEN INDUCED TO ENTER INTO THE AGREEMENTS EVIDENCING THE GUARANTEED OBLIGATIONS RELATING SO SUCH BENEFICIARY BY, AMONG OTHER THINGS, THE WAIVER AND CERTIFICATIONS CONTAINED IN THIS SECTION.

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be executed and delivered this Guaranty by its duly authorized officer as of the date first above written.

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

By: _____

Paul I. Cutler
Treasurer and Assistant Secretary

Thelen Reid & Priest LLP
Attorneys At Law

875 Third Avenue
New York, NY 10022-6225

Tel. 212.603.2000
Fax 212.603.2001

www.thelenreid.com

June 11, 2003

To each of the Purchasers named
in Schedule I hereto

Ladies and Gentlemen:

We have acted as counsel for Florida Power & Light Company (the "Guarantor") in connection with (i) the Note Purchase Agreement, dated as of June 11, 2003 (the "Note Purchase Agreement"), among FPL Fuels, Inc. (the "Company"), the Guarantor, and the Purchasers named on Schedule A thereto, (ii) the Guaranty dated as of June 11, 2003 (the "Guaranty") made by the Guarantor in favor of the Beneficiaries named therein. In connection with the foregoing, we have reviewed (i) a letter from the Guarantor dated June 25, 1997 (the "Consent") confirming consent to the assignment by the Company of the Fuel Leases (as defined below) to the Trustee (as defined in the Fuel Leases), (ii) the St. Lucie Fuel Lease dated April 2, 1991, as amended by Amendment No. 1 thereto, dated June 25, 1997 (as so amended, the "St. Lucie Fuel Lease"), between the Company, as lessor, and the Guarantor, as lessee, (iii) the Turkey Point Fuel Lease dated April 2, 1991, as amended by Amendment No. 1 thereto, dated June 25, 1997 (as so amended, the "Turkey Point Fuel Lease", and, together with the St. Lucie Fuel Lease, the "Fuel Leases"), between the Company, as lessor, and the Guarantor, as lessee, (iv) the Indenture of Trust, dated April 2, 1991 between the Company and JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank, formerly known as Chemical Bank, successor by merger to Manufacturers Hanover Trust Company, as trustee (the "Trustee") relating to the St. Lucie Fuel Lease, as amended by the First Supplemental Indenture of Trust, dated June 11, 2003 (the "St. Lucie Supplemental Indenture") between the Company and the Trustee relating to the St. Lucie Fuel Lease (such Indenture of Trust, as so supplemented, being hereinafter referred to as the "St. Lucie Indenture"), and (v) the Indenture of Trust, dated April 2, 1991 between the Company and the Trustee, as amended by the First Supplemental Indenture of Trust, dated June 11, 2003 (the "Turkey Point Supplemental Indenture") between the Company and the Trustee, relating to the Turkey Point Fuel Lease (such Indenture of Trust, as so supplemented, being hereinafter referred to as the "Turkey Point Indenture" and, together with the St. Lucie Indenture, the "Indentures"). The Note Purchase Agreement, the Guaranty, the Consent and the Fuel Leases are collectively referred to herein as the "FPL Documents".

Capitalized terms used herein which are defined in the Note Purchase Agreement or the Fuel Leases, either specifically or by reference to another document or instrument, shall have the same meanings herein as in the Note Purchase Agreement or the Fuel Leases, respectively.

In so acting, we have examined an original (or copies thereof certified to our satisfaction) of each of the FPL Documents and have examined and relied upon such corporate and other documents, records and papers and certificates of public officials and of officers of the Guarantor and the Company as we have deemed relevant and necessary in order to give the opinions hereinafter set forth. In conducting our examination, we have assumed, without investigation, the authenticity of each document submitted to us as an original, the conformity with the original of each document submitted to us as a copy, the authenticity of the original of each such copy and the genuineness of all signatures.

Based upon the foregoing and subject to the qualifications set forth below, we are of the opinion that:

(i) The Guarantor is duly organized and validly existing as a Florida corporation and its status is active. The Guarantor has all requisite corporate power and authority to enter into the Note Purchase Agreement and the Guaranty and has taken all corporate action necessary to execute, deliver and perform each of the Note Purchase Agreement and the Guaranty.

(ii) Each of the Note Purchase Agreement and the Guaranty have been duly authorized, executed and delivered by the Guarantor and constitute a legal, valid and binding obligation of the Guarantor enforceable in accordance with their respective terms and the Fuel Leases are in full force and effect and are legal, valid and binding obligations of the Guarantor and the Company enforceable in accordance with their respective terms and the Consent is in full force and effect and is a legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms.

(iii) Each of the Note Purchase Agreement, the Notes, the Fuel Leases, and the Indentures constitute a legal, valid and binding obligation of the Company, enforceable in accordance with their respective terms.

(iv) The execution, delivery and performance by the Guarantor of the Note Purchase Agreement and the Guaranty and the performance by the Guarantor of the Fuel Leases and the Consent do not and will not result (a) in any violation of any term of the Restated Articles of Incorporation, as amended, or the By-Laws of the Guarantor, (b) to the best of our knowledge, in any violation of any material agreement, indenture or similar instrument, license, judgment, decree or order applicable to the Guarantor or (c) in any violation of a provision of any law, statute, ordinance or governmental rule or regulation applicable to the Guarantor.

(v) The FPL Guaranty, to the extent that it relates to the indebtedness evidenced by the Notes, is being executed and delivered pursuant to the authority contained in the Final Order Granting Approval for Authority to Issue and Sell Securities issued by the Florida Public Service Commission on December 6, 2002, as Order No. PSC-02-1704-FOF-EI, which authority is adequate to permit such action. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of, the giving of notice to, or the registration with, any public board or body or governmental authority is legally required for the performance of the Guarantor's obligations under the FPL Guaranty to the extent that it relates to the indebtedness evidenced by the Notes;

and subject to the foregoing, only with respect to the Guaranty to the extent it relates to the indebtedness evidenced by the Notes, the Guarantor has the corporate power and authority to execute, deliver and perform the FPL Documents, and the execution, delivery and performance of the FPL Documents does not require the consent or approval of, the giving of notice to, or the registration with, or the taking of any action in respect of, or under, any law, statute, ordinance or governmental rule or regulation applicable to the Guarantor, provided, that the Guarantor, if it issues and sells and/or exchanges any debt or equity securities to satisfy its obligations under the Fuel Leases, must file with the Florida Public Service Commission a consummation report in compliance with Rule 25-8.009, Florida Administrative Code.

(vi) To the best of our knowledge, except as may be disclosed in or contemplated by the Guarantor's Annual Report on Form 10-K for the year ended December 31, 2002 or the Guarantor's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003, there is no action, suit, proceeding or investigation at law or in equity or by or before any governmental instrumentality or other agency now pending or threatened against or affecting the Guarantor or any property or rights of the Guarantor which questions the validity of the FPL Documents or which is reasonably likely to be determined adversely and, if adversely determined would materially adversely affect the ability of the Guarantor to perform its obligations thereunder or have a material adverse effect on the business or financial condition of the Guarantor.

(vii) The execution, delivery and performance by the Company of the Note Purchase Agreement, the Notes, the Fuel Leases and the Indentures do not and will not result in (a) to the best of our knowledge, in any violation of any material agreement, indenture or similar instrument, license, judgment, decree or order applicable to the Company, or (b) in any violation of a provision of any law, statute, ordinance or governmental rule or regulation of the State of New York applicable to the Company and do not require the consent or approval of, the giving of notice to, or the registration with, or the taking of any action in respect of, or under, any law, statute, ordinance or governmental rule or regulation of the State of New York applicable to the Company.

(viii) The issuance, sale and delivery of the Notes under the circumstances contemplated by the Note Purchase Agreement does not under existing law require the registration of the Notes under the Securities Act of 1933, as amended, or the qualification of an indenture under the Trust Indenture Act of 1939, as amended.

(ix) The issuance of the Notes and the use of proceeds from the sale of such Notes by the Company in accordance with the provisions of the Note Purchase Agreement does not violate or conflict with Regulations U, T or X of the Board of Governors of the Federal Reserve System.

(x) The Guarantor is not an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended. The Guarantor is not a "public utility company", a "holding company", an "affiliate" of a "holding company", or a "subsidiary company" of a "holding company" within the meaning of the Public Utility Holding Company Act of 1935, as amended. The Guarantor is not a "public utility" within the meaning of the Federal Power Act, as amended.

In addition to the other qualifications set forth herein, our opinions set forth in paragraphs (ii) and (iii) above is qualified to the extent that the validity, binding effect, enforceability and performance of any agreement may be limited or otherwise affected by:

(a) limitations imposed by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally and laws relating to fraudulent transfers, conveyances, preferences and equitable subordination;

(b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), including, without limitation, an implied covenant of good faith and fair dealing; and

(c) the unenforceability under certain circumstances of waivers of (i) broadly or vaguely stated rights or duties owed (or which do not describe the right or duty waived with reasonable specificity), (ii) the benefits of statutory, regulatory or constitutional rights, unless and to the extent the statute, regulation, constitution or applicable case law allows such waivers, (iii) certain rights of a debtor, including a guarantor, under the Uniform Commercial Code, and (iv) rights to damages.

For purposes of this opinion, the phrase "to the best of our knowledge" refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to the representation of the Guarantor in connection with the Guaranty and the transactions contemplated by the Note Purchase Agreement. Such phrase further means that such attorneys have no knowledge of any fact or circumstance which contradicts the statement to which such phrase is applied but does not imply that we know that statement to be correct; and such phrase does not include constructive notice or imputed knowledge of matters or information. The phrase does not imply that our firm has undertaken any independent investigation within the firm, with the Guarantor or with any other persons.

We are members of the New York Bar and do not purport to express an opinion on any laws other than those of the State of New York, the General Corporation Law of the State of Delaware and the federal laws of the United States of America. We are not members of the bar of the State of Delaware and our knowledge of the General Corporation Law of the State of Delaware and the Delaware Uniform Commercial Code is derived from a reading of such statutes without consideration of any judicial or administrative interpretations thereof. We render no opinion with respect to the blue sky laws of any jurisdiction. As to all matters of Florida law, we have relied, with your consent, upon an opinion of even date herewith addressed to you by Steel Hector & Davis LLP, Miami, Florida. As to all matters of Massachusetts law, we

have relied, with your consent, upon an opinion of even date herewith addressed to you by Ropes & Gray LLP, Boston, Massachusetts. This opinion is rendered to you in connection with the above-described transaction. This opinion may not be relied upon by you for any other purpose, or relied upon by, or furnished to, any other person, firm or corporation without our prior written consent, except that Steel Hector & Davis LLP is hereby authorized to rely upon this opinion as to all matters of New York and Federal law as though it were rendered to it.

Very truly yours,

Thelen Reid & Priest LLP

THELEN REID & PRIEST LLP

SCHEDULE I

PURCHASERS OF THE NOTES

American Express Certificate Company
Employers Reinsurance Corporation
Medical Protective Company
Westport Insurance Corporation
GE Reinsurance Corporation
GE Life and Annuity Assurance Company
Nationwide Life Insurance Company
The Prudential Assurance Company Limited
Principal Life Insurance Company
TIAA Global Markets, Inc.

STEEL HECTOR & DAVIS
LIMITED LIABILITY PARTNERSHIP

Steel Hector & Davis LLP
200 South Biscayne Boulevard
Miami, Florida 33131-2398
305.577.7000
305.577.7001 Fax
www.steelhector.com

June 11, 2003

To: Each of the Purchasers Listed in the attached Schedule A hereto (each, a "Purchaser" and collectively, the "Purchasers")

Ladies and Gentlemen:

This opinion is furnished to you pursuant to that certain Note Purchase Agreement, dated as of June 11, 2003 (the "Note Purchase Agreement"), by and among FPL Fuels, Inc., a Delaware corporation (the "Company"), Florida Power & Light Company, a Florida corporation (the "Guarantor") and the Purchasers, pursuant to which the Company will issue and sell its $72,500,000 2.34% Series A Senior Notes due June 11, 2006 and $62,500,000 2.34% Series B Senior Notes due June 11, 2006 (collectively, the "Notes").

We have acted as special Florida counsel to the Guarantor in connection with the following documents (the "Operative Documents"):

1. the Note Purchase Agreement; and

2. the Guaranty, dated as of June 11, 2003 (the "FPL Guaranty"), from the Guarantor to the beneficiaries referred to therein.

We have made such examinations of the laws of the State of Florida as we have deemed relevant for purposes of this opinion, and have not made any independent review of the law of any other state or other jurisdiction; *provided however,* we have made no investigation as to, and we express no opinion with respect to, any securities or blue sky laws, any tax laws, or the rules and regulations under any of the foregoing, and, additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "Excluded Laws"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the law of the State of Florida.

We have reviewed only the Operative Documents and the other documents and instruments described in Schedule I attached hereto and made a part hereof (together with the Operative Documents, the "Documents") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in the representations made by the Guarantor in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(a) the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(b) that there are no agreements or understandings among the parties, written or oral, and there is no usage of trade or course of prior dealing among the parties that would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(c) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge" refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to the Guarantor in connection with the transaction contemplated pursuant to the Note Purchase Agreement (the "Transaction") and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. The Guarantor is duly organized and validly existing as a corporation under the laws of the State of Florida and its status is active. The Guarantor has all requisite corporate power and authority to enter into the Note Purchase Agreement and the FPL Guaranty and has taken all corporate action necessary to execute, deliver and perform the Note Purchase Agreement and the FPL Guaranty.

2. Each of the Note Purchase Agreement and the FPL Guaranty have been duly and validly authorized by the Guarantor.

3. The execution, delivery and performance by the Guarantor of the FPL Guaranty will not result (a) in any violation of any term of the Restated Articles of Incorporation, as amended, or the By-Laws of the Guarantor, (b) to our knowledge, in any violation of any material agreement, indenture or similar instrument, license, judgment, decree or order applicable to the Guarantor or (c) to our knowledge, in any violation of a provision of any Florida law, statute, ordinance or governmental rule or regulation applicable to the Guarantor.

4. The FPL Guaranty, to the extent that it relates to the indebtedness evidenced by the Notes, is being executed and delivered pursuant to the authority contained in FPSC Financing Order (as defined in Schedule I hereto), which authority is adequate to permit such action. To our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of, the giving of notice to, or the registration with, any public board or body or governmental authority is legally required for the performance of the Guarantor's obligations under the FPL Guaranty to the extent that it relates to the indebtedness evidenced by the Notes.

5. The Company is qualified to do business as a foreign corporation in the State of Florida and its status is active.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the Purchasers in accordance with the provisions of the Note Purchase Agreement, and is provided only in connection with the Transaction and may not be relied upon in any respect by any other person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any person or entity.

Very truly yours,

Steel Hector & Davis LLP

STEEL HECTOR & DAVIS LLP

SCHEDULE A
TO
OPINION OF STEEL HECTOR & DAVIS LLP

List of Purchasers

American Express Certificate Company
Employers Reinsurance Corporation
Medical Protective Company
Westport Insurance Corporation
GE Reinsurance Corporation
GE Life and Annuity Assurance Company
Nationwide Life Insurance Company
The Prudential Assurance Company Limited
Principal Life Insurance Company
TIAA Global Markets, Inc.

SCHEDULE I
TO
OPINION OF STEEL HECTOR & DAVIS LLP

List of Supporting Documents

(1) Constituent Documents - Florida Power & Light Company:

(a) Restated Articles of Incorporation of Florida Power & Light Company, certified by the Secretary of State of Florida as of June 5, 2003.

(b) Certificate of the Secretary of State of Florida, dated as of May 29, 2003, with respect to the active status of Florida Power & Light Company in the State of Florida.

(c) Certificate of the Secretary of Florida Power & Light Company, with respect to (i) the Restated Articles of Incorporation of Florida Power & Light Company, (ii) the Bylaws of Florida Power & Light Company, as amended, and (iii) the resolutions of the Board of Directors of Florida Power & Light Company approving the transactions contemplated pursuant to the Operative Documents.

(d) Certificate of the Secretary of State of Florida, dated as of June 6, 2003, with respect to the qualification and active status of FPL Fuels, Inc. in the State of Florida.

(2) Final Order Granting Approval for Authority to Issue and Sell Securities issued by the Florida Public Service Commission on December 6, 2002, as Order No. PSC-02-1704-FOF-EI (the "FPSC Financing Order").

(3) Certificate of an officer of Florida Power & Light Company, dated as of June 11, 2003, in substantially the form of Exhibit A attached hereto and made a part hereof.

EXHIBIT A
TO SCHEDULE I OF
OPINION OF STEEL HECTOR & DAVIS LLP

Guarantor's Officer's Certificate

OFFICER'S CERTIFICATE

The undersigned, Dennis P. Coyle, hereby certifies that he is the duly elected and qualified General Counsel and Secretary of Florida Power & Light Company, a Florida corporation (the "Guarantor") and hereby further certifies in connection with that certain Note Purchase Agreement, dated as of June 11, 2003 (the "Note Purchase Agreement"), by and among FPL Fuels, Inc., a Delaware corporation (the "Company"), Florida Power & Light Company, a Florida corporation (the "Guarantor") and the Purchasers named therein, pursuant to which the Company will issue and sell its $72,500,000 2.34% Series A Senior Notes due June 11, 2006 and $62,500,000 2.34% Series B Senior Notes due June 11, 2006 (collectively, the "Notes"), that, as of the date hereof:

1. After giving effect to the consummation of the issuance and sale of the Notes by the Company pursuant to the provisions of the Note Purchase Agreement and the incurrence of the "Guaranteed Obligations" in respect thereof pursuant to the provisions of the FPL Guaranty (as defined in Schedule I hereto):

(a) the Guarantor will maintain a ratio of (i) Funded Debt (as defined in Appendix A attached hereto and made a part hereof) as of the end of the most recently ended fiscal quarter to (ii) Total Capitalization (as defined in Appendix A) as of the end of the most recently ended fiscal quarter of not greater than 0.65:1.00. Notwithstanding anything herein to the contrary, for the purpose of calculating "Funded Debt" and "Total Capitalization", (i) Funded Debt of the Guarantor or any of its Subsidiaries (as defined in Appendix A), recourse for which is limited to specific assets of the Guarantor and/or any of its Subsidiaries ("Nonrecourse Indebtedness"), and the specific assets securing such Nonrecourse Indebtedness (to the extent of such Nonrecourse Indebtedness) shall not be taken into effect, and (ii) Funded Debt shall not include any Equity - Preferred Securities (as defined in Appendix A) of the Guarantor or any of its Subsidiaries; provided that the aggregate amount of Equity - Preferred Securities excluded from Funded Debt for the purposes hereof shall not exceed fifteen percent (15%) of Total Capitalization as of the date of any determination thereof;

(b) the aggregate principal amount of all long term debt and equity securities issued by, and liabilities and obligations as guarantor, endorser or surety assumed by, the Guarantor in 2003 does not exceed the applicable limits set forth in the Final Order Granting Approval for Authority to Issue and Sell Securities issued by the Florida Public Service Commission on December 6, 2002, as Order No. PSC-02-1704-FOF-EI; and

(c) the aggregate principal amount of all unsecured notes, debentures and other securities representing unsecured indebtedness of the Guarantor outstanding does not exceed the applicable limits set forth in the Restated Articles of Incorporation of the Guarantor, as amended.

2. The issuance and sale of the Notes by the Company pursuant to the provisions of the Note Purchase Agreement and the incurrence of the "Guaranteed Obligations" in respect thereof pursuant to the provisions of the FPL Guaranty benefit the utility operations of the Guarantor.

3. Neither the making nor the performance by the Guarantor of the documents described on Schedule I attached hereto (the "Operative Documents"), or any of them, violates or will violate any writ, order or decree of any court or governmental authority or agency.

4. The Guarantor (i) has not failed to file any annual report or to pay any annual reporting fee within the time period required by the Florida Business Corporation Act (the "Corporation Act"); (ii) is not without a registered agent or registered office in the State of Florida for an amount of time which would be violative of the provisions of the Corporation Act; (iii) has not failed to notify the Department of State of the State of Florida that its registered agent or registered office has been changed, that its registered agent has resigned or that its registered office has been discontinued and obtain and designate a new registered agent within thirty (30) days; and (iv) has not failed to answer truthfully and fully, within the time period prescribed by the Corporation Act or any other Florida law, interrogatories propounded by the Department of State of the State of Florida. No other reason or grounds exist for the administrative dissolution of the Guarantor and the Guarantor has received no notice (oral or written) that the Secretary of State of the State of Florida is seeking to administratively dissolve the Guarantor.

5. No action has been proposed or taken by the shareholders or directors of the Guarantor to dissolve the Guarantor.

6. The Guarantor maintains or causes to be maintained all necessary records, and provides or causes to be provided all necessary information to the agencies or departments having regulatory authority over the Guarantor.

7. The undersigned hereby certifies that he is not aware of any facts that could render any of the foregoing statements untrue.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the 11th day of June, 2003.

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

By: _____
Dennis P. Coyle:
General Counsel and Secretary

SCHEDULE I

"Operative Documents"

1. Note Purchase Agreement, dated as of June 11, 2003 (the "Note Purchase Agreement"), by and among FPL Fuels, Inc., a Delaware corporation (the "Company"), Florida Power & Light Company, a Florida corporation (the "Guarantor") and the Purchasers named therein; and

2. Guaranty, dated as of June 11, 2003 (the "FPL Guaranty"), from the Guarantor to the beneficiaries referred to therein.

APPENDIX A

Definitions

"Equity - Preferred Securities" means (i) debt or preferred equity securities (however designated or denominated) of the Guarantor or any of its Subsidiaries that are mandatorily convertible into common or preferred shares of the Guarantor or any of its Subsidiaries; provided that such shares do not constitute Mandatorily Redeemable Stock, (ii) other debt or preferred equity securities (however designated or denominated) of the Guarantor or any of its Subsidiaries issued in connection with one or more outstanding purchase agreements for common or preferred shares of the Guarantor or any of its Subsidiaries; provided that such shares do not constitute Mandatorily Redeemable Stock, and (iii) any other securities (however designated or denominated), that are (A) issued by the Guarantor or any of its Subsidiaries, (B) not subject to mandatory redemption or mandatory prepayment, and (C) the indebtedness, if any, issued in connection with which, including any guaranty, is subordinate in right of payment to the unsecured and unsubordinated indebtedness of the issuer of such indebtedness or guaranty.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

"Funded Debt" shall mean, as of the date of any determination thereof, the following (without duplication) with respect to the Guarantor and its Subsidiaries, determined on a consolidated basis in accordance with generally accepted accounting principles:

(i) all indebtedness for borrowed money (other than trade liabilities incurred in the ordinary course of business and payable in accordance with customary practices);

(ii) all obligations evidenced by bonds, indentures, notes and other similar instruments;

(iii) all obligations with respect to the deferred purchase price of property (other than as described in clause (iv) below and other than trade liabilities incurred in the ordinary course of business and payable in accordance with customary practices) to the extent that such obligations are absolute and fixed and not subject to any right of cancellation by the Guarantor and/or any of its Subsidiaries;

(iv) all obligations with respect to construction services to be performed, but only to the extent such obligations have become due and owing as of the date of any such determination pursuant to the provisions of the specific agreement evidencing such obligations;

(v) all obligations of the Guarantor and its Subsidiaries as lessee under (a) leases that have been or should be, in accordance with generally accepted accounting principles, recorded as capital leases, and (b) Synthetic Lease Obligations;

(vi) all liabilities secured by any Lien on any property owned by the Guarantor or any of its Subsidiaries;

(vii) all obligations, contingent or otherwise, of the Guarantor and its Subsidiaries in respect of acceptances, letters of credit or similar extensions of credit, to the extent such obligations exceed $200,000,000 in the aggregate;

(viii) all net obligations under Swap Contracts in an amount equal to the Swap Termination Value thereof;

(ix) any Mandatorily Redeemable Stock of the Guarantor and its Subsidiaries (the amount of such Mandatorily Redeemable Stock to be determined for this purpose as the higher of the liquidation preference and the amount payable upon redemption of such Mandatorily Redeemable Stock);

(x) any liabilities in respect of unfunded vested benefits under plans covered by Title IV of ERISA; and

guarantees of obligations of the type described in clause (i), (ii), (iii), (iv), (v), (vi), (vii), (viii), (ix) or (x) above, but only to the extent of the indebtedness guaranteed thereby which is then outstanding as of the date of any such determination pursuant to the provisions of the agreement in respect of which such obligation exists or arises.

"Lien" shall mean any mortgage, pledge, lien, security interest or other charge or encumbrance with respect to any present or future assets of the Person referred to in the context in which the term is used.

"Mandatorily Redeemable Stock" shall mean, with respect to any Person, any share of such Person's capital stock to the extent that it is (i) redeemable, payable or required to be purchased or otherwise retired or extinguished, or convertible into any indebtedness or other liability of such Person, (A) at a fixed or determinable date, whether by operation of a sinking fund or otherwise, (B) at the option of any Person other than such Person, or (C) upon the occurrence of a condition not solely within the control of such Person, such as a redemption required to be made out of future earnings, or (ii) presently convertible into Mandatorily Redeemable Stock.

"Person" shall mean any individual, corporation, partnership, trust, unincorporated association, business, or other legal entity, and any government or any governmental agency or political subdivision thereof.

"Subsidiary" shall mean any corporation, association, trust, or other business entity of which the Guarantor shall at any time own directly or indirectly through a Subsidiary or Subsidiaries at least a majority (by number of votes) of the outstanding Voting Stock.

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc. or any International Foreign Exchange Master Agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a) the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts.

"Synthetic Lease Obligation" means the monetary obligation of the Guarantor or any of its Subsidiaries under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

"Total Capitalization" means the sum of Funded Debt plus equity appearing on the consolidated balance sheet of the Guarantor and its consolidated subsidiaries (including, without limitation, common equity, preferred stock and any such other equity classifications as may be permitted by generally accepted accounting principles), prepared as of the end of a fiscal quarter in accordance with generally accepted accounting principles consistent with those applied in the preparation of the Guarantor's financial statements.

"Voting Stock" shall mean stock or similar interest, of any class or classes (however designated), the holders of which are at the time entitled, as such holders, to vote for the election of a majority of the directors (or persons performing similar functions) of the corporation, association, trust or other business entity involved, whether or not the right so to vote exists by reason of the happening of a contingency.

Exhibit (b)-1

STEEL
HECTOR
&DAVIS
LIMITED LIABILITY PARTNERSHIP

Steel Hector & Davis LLP
200 South Biscayne Boulevard
Miami, Florida 33131-2398
305.577.7000
305.577.7001 Fax
www.steelhector.com

March 26, 2004

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408

Re: Florida Power & Light Company (the "Company") - Loan Agreement with St. Lucie County, Florida, relating to $78,785,000 Principal Amount of its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (Florida Public Service Commission Docket No. 021084-EI)

Ladies and Gentlemen:

This opinion relates to: (a) the application which was filed by you with the Florida Public Service Commission (the "Commission") on October 24, 2002; (b) Order No. PSC-02-1704-FOF-EI issued by the Commission on December 6, 2002 (the "Order"); and (c) the Loan Agreement between the Company and St. Lucie County, Florida, dated as of May 1, 2003, relating to the loan to the Company of the proceeds from the issuance and sale by the County of $78,785,000 principal amount of its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003, due May 1, 2024 (the "Loan Agreement"), which Loan Agreement is authorized to be entered into and performed by the Order.

The Loan Agreement has been duly and validly authorized by all necessary corporate action on the part of the Board of Directors of the Company, has been duly executed and delivered and is a legal, valid and binding agreement of the Company in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

We are members of the Florida Bar and do not hold ourselves out as experts on the laws of any other jurisdiction, and accordingly, this opinion is limited to the laws of the State of Florida insofar as they bear on matters covered hereby.

STEEL
HECTOR
& DAVIS
LIMITED LIABILITY PARTNERSHIP

We hereby consent to the delivery of this opinion to the Florida Public Service Commission.

Very truly yours,

Steel Hector & Davis LLP

Steel Hector & Davis LLP

MIA 2001: 273265

Exhibit (b)-1A

STEEL
HECTOR
&DAVIS
LIMITED LIABILITY PARTNERSHIP

Steel Hector & Davis LLP
200 South Biscayne Boulevard
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305.577.7000
305.577.7001 Fax
www.steelhector.com

March 26, 2004

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408

Re: Florida Power & Light Company (the "Company") - Loan Agreement with Miami-Dade County Industrial Development Authority, relating to $15,000,000 Principal Amount of its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (Florida Public Service Commission Docket No. 021084-EI)

Ladies and Gentlemen:

This opinion relates to: (a) the application which was filed by you with the Florida Public Service Commission (the "Commission") on October 24, 2002; (b) Order No. PSC-02-1704-FOF-EI issued by the Commission on December 6, 2002 (the "Order"); and (c) the Loan Agreement between the Company and Miami-Dade County Industrial Development Authority, dated as of June 1, 2003, relating to the loan to the Company of the proceeds from the issuance and sale by the Authority of $15,000,000 principal amount of its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003, due February 1, 2023 (the "Loan Agreement"), which Loan Agreement is authorized to be entered into and performed by the Order.

The Loan Agreement has been duly and validly authorized by all necessary corporate action on the part of the Board of Directors of the Company, has been duly executed and delivered and is a legal, valid and binding agreement of the Company in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

We are members of the Florida Bar and do not hold ourselves out as experts on the laws of any other jurisdiction, and accordingly, this opinion is limited to the laws of the State of Florida insofar as they bear on matters covered hereby.

STEEL
HECTOR
& DAVIS
LIMITED LIABILITY PARTNERSHIP

We hereby consent to the delivery of this opinion to the Florida Public Service Commission.

Very truly yours,

Steel Hector & Davis LLP

Steel Hector & Davis LLP

MIA 2001: 273269

Exhibit (b)-1B

STEEL
HECTOR
&DAVIS
LIMITED LIABILITY PARTNERSHIP

Steel Hector & Davis LLP
200 South Biscayne Boulevard
Miami, Florida 33131-2398
305.577.7000
305.577.7001 Fax
www.steelhector.com

March 26, 2004

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408

Re: Issuance and sale by Florida Power & Light Company (the "Company") of $500,000,000 Principal Amount of First Mortgage Bonds, 5 5/8% Series due April 1, 2034 (Florida Public Service Commission Docket No. 021084-EI)

Ladies and Gentlemen:

This opinion relates to: (a) the application which was filed by you with the Florida Public Service Commission (the "Commission") on October 24, 2002; (b) Order No. PSC-02-1704-FOF-EI issued by the Commission on December 6, 2002 (the "Order"); and (c) the issuance and sale by the Company of $500,000,000 principal amount of its First Mortgage Bonds, 5 5/8% Series due April 1, 2034 (the "Bonds"), authorized to be issued by the Order.

The Bonds have been duly and validly authorized by all necessary corporate action on the part of the Board of Directors of the Company, have been duly issued for value and are valid and binding obligations of the Company in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

In rendering the foregoing opinion, we have assumed that the Bonds conform to specimens examined by us and have been duly authenticated by Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), the Trustee under the Mortgage and Deed of Trust dated as of January 1, 1944, as the same is supplemented by one hundred and five indentures supplemental thereto, and that the signatures on all documents examined by us are genuine, assumptions which we have not independently verified.

We are members of the Florida Bar and do not hold ourselves out as experts on the laws of any other state, and accordingly, this opinion is limited to the laws of Florida and the federal laws of the United States insofar as they bear on matters covered hereby. As to all matters of New York law, we have relied, with your consent, upon an opinion dated as of April 4, 2003 by Thelen Reid & Priest LLP, New York, New York addressed to the underwriters of the initial sale of the Bonds.

STEEL
HECTOR
& DAVIS
LIMITED LIABILITY PARTNERSHIP

We hereby consent to the delivery of this opinion to the Florida Public Service Commission.

Very truly yours,

Steel Hector & Davis LLP

Steel Hector & Davis LLP

MIA 2001: 273246

Exhibit (b)-1C

STEEL HECTOR & DAVIS
LIMITED LIABILITY PARTNERSHIP

Steel Hector & Davis LLP
200 South Biscayne Boulevard
Miami, Florida 33131-2398
305.577.7000
305.577.7001 Fax
www.steelhector.com

March 26, 2004

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408

Re: Issuance and sale by Florida Power & Light Company (the "Company") of $300,000,000 Principal Amount of First Mortgage Bonds, 5.95% Series due October 1, 2033 (Florida Public Service Commission Docket No. 021084-EI)

Ladies and Gentlemen:

This opinion relates to: (a) the application which was filed by you with the Florida Public Service Commission (the "Commission") on October 24, 2002; (b) Order No. PSC-02-1704-FOF-EI issued by the Commission on December 6, 2002 (the "Order"); and (c) the issuance and sale by the Company of $300,000,000 principal amount of its First Mortgage Bonds, 5.95% Series due October 1, 2033 (the "Bonds"), authorized to be issued by the Order.

The Bonds have been duly and validly authorized by all necessary corporate action on the part of the Board of Directors of the Company, have been duly issued for value and are valid and binding obligations of the Company in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

In rendering the foregoing opinion, we have assumed that the Bonds conform to specimens examined by us and have been duly authenticated by Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), the Trustee under the Mortgage and Deed of Trust dated as of January 1, 1944, as the same is supplemented by one hundred and five indentures supplemental thereto, and that the signatures on all documents examined by us are genuine, assumptions which we have not independently verified.

We are members of the Florida Bar and do not hold ourselves out as experts on the laws of any other state, and accordingly, this opinion is limited to the laws of Florida and the federal laws of the United States insofar as they bear on matters covered hereby. As to all matters of New York law, we have relied, with your consent, upon an opinion dated as of October 15, 2003 by Thelen Reid & Priest LLP, New York, New York addressed to the underwriters of the initial sale of the Bonds.

STEEL
HECTOR
& DAVIS
LIMITED LIABILITY PARTNERSHIP

We hereby consent to the delivery of this opinion to the Florida Public Service Commission.

Very truly yours,

Steel Hector & Davis LLP

Steel Hector & Davis LLP

MIA 2001: 273246

Exhibit (b)-1D

REID & PRIEST
40 WEST 57TH STREET
NEW YORK, N.Y. 10019-4097
212 603-2000

WASHINGTON OFFICE
MARKET SQUARE
701 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20004
202 508-4000
TELEX: 440630 RP WASH
FACSIMILE: 202 508-4321

NEW YORK OFFICE
CABLE ADDRESS: "REIDAPT"
TELEX: 710581578; REPT NYK
ERC534 REPT UR
FACSIMILE: 212 603-2598
DIRECT DIAL NUMBER

New York, New York
July 22, 1994

First Chicago Capital Markets, Inc.
One First National Plaza
Suite 0595
Chicago, Illinois 60670-0595

Ladies and Gentlemen:

We are counsel to Florida Power & Light Company (the "Company") and have represented the Company in connection with the proposed issuance of short-term notes (the "Notes") by the Company pursuant to (i) the Commercial Paper Dealer Agreement dated July 22, 1994 (the "Dealer Agreement"), between the Company and First Chicago Capital Markets, Inc., as dealer and (ii) the Depositary Agreement, dated January 25, 1984, as amended as of May 28, 1987 and as further amended by a letter dated July 19, 1994 (the "Depositary Agreement"), between the Company and Chemical Bank, as issuing and paying agent. We have reviewed (a) the Dealer Agreement, (b) the Depositary Agreement, (c) the form of Note, (d) the Company's Application to the Florida Public Service Commission for the authorization, among other things, of the issuance and sale of short-term securities during 1994 and 1995, including the Notes, (e) the Company's no-action letters dated July 12, 1974 and July 30, 1974, received from the Securities and Exchange Commission, copies of which are attached hereto (the "No-action Letters"), (f) the Offering Circular, dated July 1, 1994 (the "Offering Circular"), and (g) all corporate proceedings with respect to the authorization, issuance and sale of the Notes. This opinion is furnished to you pursuant to Section 5(A)(iv) of the Dealer Agreement.

Based upon the foregoing, we are of the opinion that:

1. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Florida and has all requisite power and authority, corporate or otherwise, to conduct its business, to own its properties and to execute and deliver, and to perform all of its obligations under, the Dealer Agreement, the Depositary Agreement and the Notes.

2. The Dealer Agreement and the Depositary Agreement have each been duly and validly authorized, executed and delivered by the Company.

3. The issuance of the Notes has been duly authorized by the Company; and each of the Notes, when executed, authenticated and delivered in accordance with the terms of the Depositary Agreement and the order of the Florida Public Service Commission referred to below, will constitute a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights generally and equitable limitations on the enforceability of specific remedies.

4. The Notes are being issued and sold pursuant to the authority contained in the order of the Florida Public Service Commission dated October 19, 1993, as amended November 4, 1993, which authority is adequate to permit the issuance and sale of the Notes during 1994 and 1995 in an amount outstanding at the time of sale, when aggregated with all other short-term securities issued by the Company, not to exceed 25% of the Company's gross revenues during the preceding twelve months of operation. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body (other than in connection or in compliance with the provisions of the blue sky laws of any jurisdiction, as to which we express no opinion) is legally required for the authorization of the issuance and sale of the Notes during 1994 and 1995.

5. Provided that the sale of the Notes is made for the purposes stated in and in compliance with the limitations set forth in the No-action Letters, the Notes may be issued and sold in the manner contemplated by the Dealer Agreement, without registration thereof under the Securities Act of 1933, as amended.

We have not ourselves checked the accuracy or completeness of, or otherwise verified, the information furnished in the Offering Circular. We have generally reviewed and discussed with certain officers and employees of FPL the information furnished, whether or not subject to our check and verification. On the basis of such review and discussion, but without independent check or verification, nothing has come to our attention that would lead us to believe that the Offering Circular (except as to the financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), at the date hereof, contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We are members of the New York Bar and do not hold ourselves out as experts on, or express any opinion herein concerning, any law other than the laws of the State of New York and the federal law of the United States.

Very truly yours,

Reid & Priest

REID & PRIEST

Exhibit (b)-1E

Thelen Reid & Priest LLP
Attorneys At Law

875 Third Avenue
New York, NY 10022-6225

Tel. 212.603.2000
Fax 212.603.2001

www.thelenreid.com

March 26, 2004

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408

Re: Guarantee by Florida Power & Light Company (the "Company") of the following obligations of FPL Fuels, Inc.: $72,500,000 Principal Amount of Series A Senior Notes due June 11, 2006, $62,500,000 Principal Amount of Series B Senior Notes due June 11, 2006 and Credit Agreement, dated as of June 1, 2003, with Bank One, NA, as administrative agent and the lenders party thereto (Florida Public Service Commission Docket No. 021084-EI)

Ladies and Gentlemen:

This opinion relates to: (a) the application which was filed by the Company with the Florida Public Service Commission (the "Commission") on October 24, 2002; (b) Order No. PSC-02-1704-FOF-EI issued by the Commission on December 6, 2002 (the "Order"); and (c) the guarantee by the Company pursuant to the Guaranty, dated as of June 11, 2003 (the "Guaranty"), of certain obligations of FPL Fuels, Inc. (the "Fuel Company") under the Fuel Company's (i) $72,500,000 principal amount of Series A Senior Notes due June 11, 2006 ("Series A Notes"), (ii) $62,500,000 principal amount of Series B Senior Notes due June 11, 2006 ("Series B Notes", and together with the Series A Notes, the "Senior Notes"), and (ii) Credit Agreement, dated as of June 1, 2003, with Bank One, NA, as administrative agent and the lenders party thereto, authorized to be issued by the Order.

The Guaranty has been duly authorized, executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company enforceable in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium or other laws affecting creditors' rights and remedies generally and general principles of equity (whether considered in a proceeding in equity or at law).

In rendering the foregoing opinion, we have assumed that the signatures on all documents examined by us are genuine, an assumption which we have not independently verified.

We are members of the New York Bar and do not purport to express an opinion on any laws other than those of the States of New York and Florida and the federal laws of the United States of America. As to all matters of Florida law, we have relied, with your consent, upon opinions by Steel Hector & Davis LLP, Miami, Florida, dated June 11, 2003, addressed to the initial purchasers of the Senior Notes, and dated June 18, 2003, addressed to Banc One Capital Markets, Inc., as lead arranger and sole book runner, Bank One, NA, as administrative agent, and the lenders party thereto, and we have assumed that there have no changes in fact or law since the date of such opinions that would impact the conclusions of law contained therein.

We hereby consent to the delivery of this opinion to the Commission.

Very truly yours,

Thelen Reid & Priest LLP

THELEN REID & PRIEST LLP

NY #587047 v2

Exhibit (c)-1

As filed with the Securities and Exchange Commission on December 23, 2002
Registration Statement No. 333-102172

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

FLORIDA POWER & LIGHT COMPANY

(Exact name of registrant as specified in its charter)

Florida	59-0247775
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

700 Universe Boulevard
Juno Beach, Florida 33408
(561) 694-4000

(Address, including zip code, and telephone number, including area code, of registrant's principal executive office)

Dennis P. Coyle, Esq.	Thomas R. McGuigan, P.A.	Robert J. Reger, Jr., Esq.
General Counsel and Secretary	Steel Hector & Davis LLP	Thelen Reid & Priest LLP
Florida Power & Light Company	200 South Biscayne Boulevard	875 Third Avenue
700 Universe Boulevard	Suite 4000	New York, New York 10022
Juno Beach, Florida 33408	Miami, Florida 33131	(212) 603-2000
(561) 694-4000	(305) 577-7000	

(Names and addresses, including zip codes, and telephone numbers, including area codes, of agents for service)

It is respectfully requested that the Commission also send copies of all notices, orders and communications to:

Richard L. Harden, Esq.
Hunton & Williams
200 Park Avenue
New York, New York 10166
(212) 309-1000

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement as determined by market conditions and other factors.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price (*)	Amount of Registration Fee
First Mortgage Bonds	$1,000,000,000	$92,000

* Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended (the "Securities Act").

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. Florida Power & Light Company may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated December 23, 2002

PROSPECTUS

$1,000,000,000

Florida Power & Light Company

First Mortgage Bonds

Florida Power & Light Company may offer from time to time up to $1,000,000,000 of its first mortgage bonds.

Florida Power & Light Company will provide specific terms of these securities, including their offering prices, in supplements to this prospectus. The supplements may also add, update or change information contained in this prospectus. You should read this prospectus and any supplements carefully before you invest.

Florida Power & Light Company may offer these securities directly or through underwriters, agents or dealers. The supplements to this prospectus will describe the terms of any particular plan of distribution, including any underwriting arrangements. The "Plan of Distribution" section beginning on page 10 of this prospectus also provides more information on this topic.

See "Cautionary Statements and Risk Factors that May Affect Future Results" beginning on page 3 of this prospectus to read about certain factors you should consider before making an investment in these securities.

Florida Power & Light Company's principal executive offices are located at 700 Universe Boulevard, Juno Beach, Florida 33408, telephone number (561) 694-4000, and its mailing address is P.O. Box 14000, Juno Beach, Florida 33408-0420.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

_____, ____

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that Florida Power & Light Company ("FPL") has filed with the Securities and Exchange Commission ("SEC") using a "shelf" registration process. Under this shelf registration process, FPL may sell the securities described in this prospectus in one or more offerings up to a total dollar amount of $1,000,000,000. This prospectus provides you with a general description of the securities that FPL may offer. Each time FPL sells securities, FPL will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under the headings "Where You Can Find More Information" and "Incorporation by Reference."

For more detailed information about the securities, you can read the exhibits to the registration statement. Those exhibits have been either filed with the registration statement or incorporated by reference to earlier SEC filings listed in the registration statement.

WHERE YOU CAN FIND MORE INFORMATION

FPL files annual, quarterly and other reports and other information with the SEC. You can read and copy any information filed by FPL with the SEC at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. You can obtain additional information about the Public Reference Room by calling the SEC at 1-800-SEC-0330.

In addition, the SEC maintains an Internet site (http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including FPL. FPL also maintains an Internet site (http://www.fpl.com).

INCORPORATION BY REFERENCE

The SEC allows FPL to "incorporate by reference" the information that FPL files with the SEC, which means that FPL may, in this prospectus, disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus. Information that FPL files in the future with the SEC will automatically update and supersede this information. FPL is incorporating by reference the documents listed below and any future filings FPL makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, until FPL sells all of these securities:

(1) FPL's Annual Report on Form 10-K for the year ended December 31, 2001;

(2) FPL's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2002, June 30, 2002 and September 30, 2002; and

(3) FPL's Current Reports on Form 8-K, filed with the SEC on April 5, 2002 (excluding that portion furnished under Item 9), September 27, 2002 and September 30, 2002.

You may request a copy of these documents, at no cost to you, by writing or calling Robert J. Reger, Jr., Esq., Thelen Reid & Priest LLP, 875 Third Avenue, New York, New York, 10022, (212) 603-2000.

CAUTIONARY STATEMENTS AND RISK FACTORS THAT MAY AFFECT FUTURE RESULTS

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, FPL is hereby filing cautionary statements identifying important factors that could cause FPL's actual results to differ materially from those projected in forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) made by or on behalf of FPL in this prospectus or any supplement to this prospectus, in presentations, in response to questions or otherwise. Any statements that express, or involve discussions as to expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through

the use of words or phrases such as "will likely result," "are expected to," "will continue," "is anticipated," "estimated," "projection," "target," "outlook") are not statements of historical facts and may be forward-looking. Forward-looking statements involve estimates, assumptions and uncertainties. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the following important factors (in addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements) that could cause FPL's actual results to differ materially from those contained in forward-looking statements made by or on behalf of FPL.

Any forward-looking statement speaks only as of the date on which that statement is made, and FPL undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which that statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for management to predict all of those factors, nor can it assess the impact of each of those factors on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

The following are some important factors that could have a significant impact on FPL's operations and financial results, and could cause FPL's actual results or outcomes to differ materially from those discussed in the forward-looking statements:

- FPL is subject to changes in laws or regulations, including the Public Utility Regulatory Policies Act of 1978 and the Public Utility Holding Company Act of 1935, changing governmental policies and regulatory actions, including those of the Federal Energy Regulatory Commission, the Florida Public Service Commission, and the U.S. Nuclear Regulatory Commission, with respect to, among other things, allowed rates of return, industry and rate structure, operation of nuclear power facilities, operation and construction of plant facilities, operation and construction of transmission facilities, acquisition, disposal, depreciation and amortization of assets and facilities, recovery of fuel and purchased power costs, decommissioning costs, return on common equity and equity ratio limits, and present or prospective wholesale and retail competition (including but not limited to retail wheeling and transmission costs). The Florida Public Service Commission has the authority to disallow recovery of costs that it considers excessive or imprudently incurred.

- The regulatory process generally restricts FPL's ability to grow earnings and does not provide any assurance as to achievement of earnings levels.

- FPL is subject to extensive federal, state and local environmental statutes, rules and regulations relating to air quality, water quality, waste management, natural resources and health and safety that could, among other things, restrict or limit the use of certain fuels required for the production of electricity. There are significant capital, operating and other costs associated with compliance with these environmental statutes, rules and regulations, and those costs could be even more significant in the future.

- FPL operates in a changing market environment influenced by various legislative and regulatory initiatives regarding deregulation, regulation or restructuring of the energy industry, including deregulation of the production and sale of electricity. FPL will need to adapt to these changes and may face increasing competitive pressure.

- The operation of power generation facilities involves many risks, including start up risks, breakdown or failure of equipment, transmission lines, pipelines, the dependence on a specific fuel source or the impact of unusual or adverse weather conditions (including natural disasters such as hurricanes), as well as the risk of performance below expected levels of output or efficiency. This could result in lost revenues and/or increased expenses. Insurance, warranties or performance guarantees may not cover any or all of the lost revenues or increased expenses, including the cost of replacement power. In addition to these risks, FPL's nuclear units face certain risks that are unique to the nuclear industry including additional regulatory actions up to and including shut down of the units stemming from public safety concerns both at FPL's plants, as well as at the plants of other nuclear operators.

- FPL's ability to successfully and timely complete its power generation facilities currently under construction, those projects yet to begin construction or capital improvements to existing facilities is contingent upon many variables and subject to substantial risks. Should any such efforts be unsuccessful, FPL could be subject to additional costs, termination payments under committed contracts and/or the write off of its investment in the project or improvement.

- FPL uses derivative instruments, such as swaps, options, futures and forwards to manage its commodity and financial market risks, and to a lesser extent, engages in limited trading activities. FPL could recognize financial losses as a result of volatility in the market values of these contracts, or if a counterparty fails to perform. In addition, FPL's use of such instruments could be subject to prudency challenges by the Florida Public Service Commission and if found imprudent, cost disallowance.

- FPL as well as FPL Group, Inc., which owns all of the common stock of FPL, rely on access to capital markets as a significant source of liquidity for capital requirements not satisfied by operating cash flows. The inability to raise capital on favorable terms, particularly during times of uncertainty in the capital markets, could impact FPL's ability to grow its businesses and would likely increase its interest costs.

- FPL is subject to costs and other effects of legal and administrative proceedings, settlements, investigations and claims; as well as the effect of new, or changes in, tax rates or policies, rates of inflation or accounting standards.

- FPL is subject to direct and indirect effects of terrorist threats and activities. Generation and transmission facilities, in general, have been identified as potential targets. The effects of terrorist threats and activities include, among other things, actions or responses to such actions or threats, the inability to generate, purchase or transmit power, the risk of a significant slowdown in growth or a decline in the U.S. economy, delay in economic recovery in the U.S., and the increased cost and adequacy of security and insurance.

- FPL's ability to obtain insurance, and the cost of and coverage provided by such insurance, could be affected by national events as well as company-specific events.

- FPL is subject to employee workforce factors, including loss or retirement of key executives, availability of qualified personnel, collective bargaining agreements with union employees or work stoppage.

The issues and associated risks and uncertainties described above are not the only ones FPL may face. Additional issues may arise or become material as the energy industry evolves. The risks and uncertainties associated with these additional issues could impair FPL's businesses in the future.

FPL

FPL was incorporated under the laws of Florida in 1925 and is engaged in the generation, transmission, distribution and sale of electric energy. FPL supplies electric service throughout most of the east and lower west coasts of the State of Florida, serving a population of nearly 8 million. At September 30, 2002, FPL served approximately 4.0 million customer accounts. FPL Group, Inc. owns all of FPL's common stock.

USE OF PROCEEDS

Unless otherwise stated in a prospectus supplement, FPL will add the net proceeds from the sale of these securities to its general funds. FPL uses its general funds for corporate purposes, including to repay, redeem or purchase outstanding debt and preferred stock, to repay short-term borrowings and to finance the acquisition or construction of additional electric facilities. FPL will temporarily invest any proceeds that it does not need to use immediately in short-term instruments.

RATIO OF EARNINGS TO FIXED CHARGES

The following table shows FPL's ratio of earnings to fixed charges for each of its last five fiscal years:

Years Ended December 31,				
2001	2000	1999	1998	1997
6.44	6.02	6.26	5.69	4.95

FPL's ratio of earnings to fixed charges for the nine months ended September 30, 2002 was 8.28.

DESCRIPTION OF THE BONDS

General. FPL will issue these securities, in one or more series, under its Mortgage and Deed of Trust dated as of January 1, 1944, with Deutsche Bank Trust Company Americas, as Trustee, which has been amended and supplemented in the past and which will be supplemented again by one or more supplemental indentures relating to these securities. This Mortgage and Deed of Trust, as amended and supplemented, is referred to in this prospectus as the "Mortgage." These securities are referred to in this prospectus as the "Bonds." All first mortgage bonds issued or to be issued under the Mortgage, including the Bonds, are referred to herein as "First Mortgage Bonds."

This section briefly summarizes some of the provisions of the Mortgage and uses some terms that are not defined in this prospectus but that are defined in the Mortgage. This summary is not complete. The Mortgage is on file with the SEC and is incorporated by reference in this prospectus. You should read the Mortgage for a complete understanding of the provisions that may be important to you and for the definitions of some terms used in this summary.

Each series of Bonds may have different terms. FPL will include some or all of the following information about a specific series of Bonds in the prospectus supplement relating to those Bonds:

(1) the designation and series of those Bonds,

(2) the aggregate principal amount of those Bonds,

(3) the offering price of those Bonds,

(4) the date(s) on which those Bonds will mature,

(5) the interest rate(s) for those Bonds, or how the interest rate(s) will be determined,

(6) the dates on which FPL will pay the interest on those Bonds,

(7) the denominations in which FPL may issue those Bonds, if other than denominations of $1,000 or multiples of $1,000,

(8) the place where the principal of and interest on those Bonds will be payable, if other than at Deutsche Bank Trust Company Americas in New York City,

(9) the currency or currencies in which payment of the principal of and interest on those Bonds may be made, if other than U.S. dollars,

(10) the terms pursuant to which FPL may redeem any of those Bonds,

(11) whether all or a portion of those Bonds will be in global form, and

(12) any other terms or provisions relating to those Bonds that are not inconsistent with the provisions of the Mortgage.

FPL will issue the Bonds in fully registered form without coupons, unless otherwise stated in a prospectus supplement. A holder of Bonds may exchange those Bonds, without charge, for an equal aggregate principal amount of Bonds of the same series, having the same issue date and with identical terms and provisions, unless otherwise stated in a prospectus supplement. A holder of Bonds may transfer those Bonds without cost to the holder, other than for applicable stamp taxes or other governmental charges, unless otherwise stated in a prospectus supplement. FPL may issue all or some of the Bonds in "book-entry" form, which means that they will be represented by global notes, instead of certificates. If FPL issues global notes representing any Bonds, then a depository selected by FPL will keep a record of the beneficial interests in those global notes and record any transfers of those beneficial interests and the depository, or its custodian, will hold those global notes. Any additional requirements as to the form and method of exchange of Bonds will be described in a prospectus supplement.

Special Provisions for Retirement of Bonds. If, during any 12 month period, any governmental body orders FPL to dispose of mortgaged property, or buys mortgaged property from FPL, and FPL receives $10 million or more from the sale or disposition, then, in most cases, FPL must use that money to redeem First Mortgage Bonds. If this occurs, FPL may redeem First Mortgage Bonds of any series that are redeemable at the redemption prices applicable to those First Mortgage Bonds. If any Bonds are redeemable, the redemption prices applicable to those Bonds will be set forth in a prospectus supplement.

Security. The Mortgage secures the Bonds as well as all other First Mortgage Bonds already issued under the Mortgage and still outstanding. FPL may issue more First Mortgage Bonds in the future and those First Mortgage Bonds will also be secured by the Mortgage. The Mortgage constitutes a first mortgage lien on all of the properties and franchises that FPL owns, except as discussed below.

The lien of the Mortgage is or may be subject to the following:

(1) leases of minor portions of FPL's property to others for uses that do not interfere with FPL's business,

(2) leases of certain property that is not used in FPL's electric business,

(3) Excepted Encumbrances, which include certain tax and real estate liens, and specified rights, easements, restrictions and other obligations, and

(4) vendors' liens, purchase money mortgages and liens on property that already exist at the time FPL acquires that property.

The Mortgage does not create a lien on the following "excepted property":

(1) cash and securities,

(2) certain equipment, materials or supplies and fuel (including nuclear fuel unless it is expressly subjected to the lien of the Mortgage),

(3) automobiles and other vehicles,

(4) receivables, contracts, leases and operating agreements,

(5) materials or products, including electric energy, that FPL generates, produces or purchases for sale or use by FPL, and

(6) timber, minerals, mineral rights and royalties.

The Mortgage will generally also create a lien on property that FPL acquires after the date of this prospectus, other than "excepted property". However, if FPL consolidates or merges with, or sells substantially all of its assets to, another corporation, the lien created by the Mortgage will generally not cover the property of the successor company, other than the property that it acquires from FPL and improvements, replacements and additions to that property.

The Mortgage provides that the Trustee has a lien on the mortgaged property for the payment of its reasonable compensation and expenses and for indemnity against certain liabilities. This lien takes priority over the lien securing the Bonds.

Issuance of Additional Bonds. FPL may issue an unlimited amount of First Mortgage Bonds under the Mortgage so long as it meets the issuance tests set forth in the Mortgage, which are generally described below. FPL may issue Bonds from time to time in an amount equal to:

(1) 60% of unfunded Property Additions after adjustments to offset retirements,

(2) the amount of retired First Mortgage Bonds or Qualified Lien Bonds, and

(3) the amount of cash that FPL deposits with the Trustee.

Property Additions generally include the following:

(1) plants, lines, pipes, mains, cables, machinery, boilers, transmission lines, pipe lines, distribution systems, service systems and supply systems,

(2) nuclear fuel that has been expressly subjected to the lien of the Mortgage,

(3) railroad cars, barges and other transportation equipment (other than trucks) for the transportation of fuel, and

(4) other property, real or personal, and improvements, extensions, additions, renewals or replacements located within the United States of America or its coastal waters.

FPL may use any property of the type described in (1) through (4) above as Property Additions whether or not that property is in operation and prior to obtaining permits or licenses relating to that property. Securities, fuel (including nuclear fuel unless expressly subjected to the lien of the Mortgage), automobiles or other vehicles, or property used principally for the production or gathering of natural gas will not qualify as Property Additions. The Mortgage contains restrictions on the issuance of First Mortgage Bonds based on Property Additions that are subject to other liens and upon the increase of the amount of those liens.

In most cases, FPL may not issue Bonds unless it meets the "net earnings" test set forth in the Mortgage, which requires, generally, that FPL's adjusted net earnings (before income taxes) for 12 consecutive months out of the 15 months preceding the issuance must have been either:

(1) at least twice the annual interest requirements on all First Mortgage Bonds at the time outstanding, including the Bonds that FPL proposes to issue at the time, and all indebtedness of FPL that ranks prior or equal to the First Mortgage Bonds, or

(2) at least 10% of the principal amount of all First Mortgage Bonds at the time outstanding, including the Bonds that FPL proposes to issue at the time, and all indebtedness of FPL that ranks prior or equal to the First Mortgage Bonds.

The Mortgage requires FPL to replace obsolete or worn out property and specifies certain deductions to FPL's adjusted net earnings for property repairs, retirement, additions and maintenance. With certain exceptions, FPL does not need to meet the "net earnings" test to issue Bonds if the issuance is based on retired First Mortgage Bonds or Qualified Lien Bonds.

As of December 31, 2001, FPL could issue under the Mortgage approximately $4.8 billion of additional First Mortgage Bonds based on unfunded Property Additions and $5.0 billion of additional First Mortgage Bonds based on retired First Mortgage Bonds.

Release and Substitution of Property. FPL may release property from the lien of the Mortgage if it does any of the following in an aggregate amount equal to the fair value of the property to be released:

(1) deposits with the Trustee, cash or, to a limited extent, purchase money mortgages,

(2) uses unfunded Property Additions acquired by FPL in the last five years, or

(3) waives its right to issue First Mortgage Bonds

in each case without satisfying any net earnings requirement.

If FPL deposits cash so that it may release property from the lien of the Mortgage or so that it may issue additional First Mortgage Bonds, it may withdraw that cash if it uses unfunded Property Additions or waives its right to issue First Mortgage Bonds without satisfying any net earnings requirement in an amount equal to the cash that FPL seeks to withdraw.

When property released from the lien of the Mortgage is not Funded Property, then, if FPL acquires new Property Additions within two years:

(1) Property Additions used for the release of that property will not (subject to some exceptions) be considered Funded Property, and

(2) any waiver by FPL of its right to issue First Mortgage Bonds, which is used for the release of that property, will cease to be an effective waiver and FPL will regain the right to issue those First Mortgage Bonds.

The Mortgage contains provisions relating to cash proceeds of property that is not Funded Property that are similar to the provisions relating to release of that property. The Mortgage contains special provisions relating to pledged Qualified Lien Bonds and the disposition of money received on those Qualified Lien Bonds.

FPL does not need a release from the Mortgage in order to use its nuclear fuel even if that nuclear fuel has been expressly subjected to the lien and operation of the Mortgage.

Dividend Restrictions. In some cases, the Mortgage restricts the amount of retained earnings that FPL can use to pay cash dividends on its common stock. The restricted amount may change depending on factors set out in the Mortgage. Other than this restriction on the payment of common stock dividends, the Mortgage does not restrict FPL's use of retained earnings. As of October 31, 2002, no retained earnings were restricted by these provisions of the Mortgage.

Modification of the Mortgage. Generally the rights of all of the holders of First Mortgage Bonds may be modified with the consent of the holders of 66-2/3% of the principal amount of all of the outstanding First Mortgage Bonds. However, if less than all series of First Mortgage Bonds are affected by a modification, that modification also requires the consent of the holders of 66-2/3% of the principal amount of all of the outstanding First Mortgage Bonds of each series affected.

FPL has reserved the right to amend the Mortgage without the consent of the holders of any series of First Mortgage Bonds created after April 30, 1992 (including the Bonds) to permit modification of the Mortgage generally with the consent of the holders of only a majority of the First Mortgage Bonds affected by the modification.

In most cases, the following modifications will not be effective against any holder of First Mortgage Bonds affected by the modification unless that holder consents:

(1) modification of the terms of payment of principal and interest payable to that holder,

(2) modification creating an equal or prior lien on the mortgaged property or depriving that holder of the benefit of the lien of the Mortgage, and

(3) modification reducing the percentage vote required for modification (except as described above).

Default and Notice Thereof. The following are defaults under the Mortgage:

(1) failure to pay the principal of any First Mortgage Bond,

(2) failure to pay interest on any First Mortgage Bond for 60 days after that interest is due,

(3) failure to pay principal of or interest on any Qualified Lien Bond beyond any applicable grace period for the payment of that principal or interest,

(4) failure to pay any installments of funds for retirement of First Mortgage Bonds for 60 days after that installment is due,

(5) certain events in bankruptcy, insolvency or reorganization, and

(6) the expiration of 90 days following notice by the Trustee or the holders of 15% of the First Mortgage Bonds relating to other covenants of FPL.

Except in the case of failure to pay principal, interest or any installment for retirement of First Mortgage Bonds, the Trustee may withhold notice of default if it believes that withholding the notice is in the interests of the holders of First Mortgage Bonds.

Holders of 25% of the First Mortgage Bonds may declare the principal and the interest due on default. A majority of the holders of First Mortgage Bonds may annul that declaration if the default has been cured. No holder of First Mortgage Bonds may enforce the lien of the Mortgage unless the following things have occurred:

(1) the holder has given the Trustee written notice of a default,

(2) the holders of 25% of the First Mortgage Bonds have requested the Trustee to act and offered it reasonable opportunity to act and indemnity satisfactory to the Trustee for the costs, expenses and liabilities that the Trustee may incur by acting, and

(3) the Trustee has failed to act.

Notwithstanding the foregoing, a holder of First Mortgage Bonds has the right to sue FPL if FPL fails to pay, when due, interest or principal on those First Mortgage Bonds, unless that holder gives up that right.

The Trustee is not required to risk its funds or incur personal liability if there is reasonable ground for believing that the repayment is not reasonably assured. The holders of a majority of the First Mortgage Bonds may direct the time, method, and place of conducting any proceedings for any remedy available to the Trustee, or exercising any of the Trustee's powers.

Satisfaction and Discharge of Mortgage. The Mortgage may be satisfied and discharged if and when FPL provides for the payment of all of the First Mortgage Bonds and all other sums due under the Mortgage.

Evidence to be Furnished to the Trustee. FPL furnishes written statements of FPL's officers, or persons selected or paid by FPL, annually (and when certain events occur) to the Trustee to show that FPL is in compliance with Mortgage provisions and that there are no defaults under the Mortgage. In some cases, these written statements must be provided by an independent accountant, appraiser, engineer or counsel.

Concerning the Trustee. In the regular course of business, FPL may obtain short-term funds from several banks, including Deutsche Bank Trust Company Americas.

PLAN OF DISTRIBUTION

FPL may sell the Bonds:

(1) through underwriters or dealers,

(2) through agents, or

(3) directly to one or more purchasers.

Through Underwriters or Dealers. If FPL uses underwriters in the sale of the Bonds, the underwriters will acquire the Bonds for their own account. The underwriters may resell the Bonds in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The underwriters may sell the Bonds directly or through underwriting syndicates represented by managing underwriters. Unless otherwise stated in the prospectus supplement relating to the Bonds, the obligations of the underwriters to purchase those Bonds will be subject to certain conditions, and the underwriters will be obligated to purchase all of those Bonds if they purchase any of them. If FPL uses a dealer in the sale, FPL will sell the Bonds to the dealer as principal. The dealer may then resell those Bonds at varying prices determined at the time of resale.

Any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers may be changed from time to time.

Through Agents. FPL may designate one or more agents to sell the Bonds. Unless otherwise stated in a prospectus supplement, the agents will agree to use their best efforts to solicit purchases for the period of their appointment.

Directly. FPL may sell the Bonds directly to one or more purchasers. In this case, no underwriters, dealers or agents would be involved.

General Information. A prospectus supplement will state the name of any underwriter, dealer or agent and the amount of any compensation, underwriting discounts or concessions paid, allowed or reallowed to them. A prospectus supplement will also state the proceeds to FPL from the sale of the Bonds, any initial public offering price and other terms of the offering of those Bonds.

FPL may authorize underwriters, dealers or agents to solicit offers by certain institutions to purchase the Bonds from FPL at the public offering price and on the terms described in the related prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future.

FPL may have agreements to indemnify underwriters, dealers and agents against, or to contribute to payments which the underwriters, dealers and agents may be required to make in respect of, certain civil liabilities, including liabilities under the Securities Act of 1933.

EXPERTS

The consolidated financial statements incorporated by reference in this prospectus from FPL's Annual Report on Form 10-K have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated by reference herein, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

Legal conclusions and opinions specifically attributed to counsel, if any, in the documents incorporated by reference in this prospectus have been reviewed by Steel Hector & Davis LLP, Miami, Florida, counsel to FPL, and are set forth on the authority of that firm as experts.

LEGAL OPINIONS

Steel Hector & Davis LLP, Miami, Florida, and Thelen Reid & Priest LLP, New York, New York, co-counsel to FPL, will pass upon the legality of the Bonds for FPL. Hunton & Williams, New York, New York, will pass upon the legality of the Bonds for any underwriter, dealer or agent. Thelen Reid & Priest LLP and Hunton & Williams may rely as to all matters of Florida law upon the opinion of Steel Hector & Davis LLP. Steel Hector & Davis LLP may rely as to all matters of New York law upon the opinion of Thelen Reid & Priest LLP.

You should rely only on the information incorporated by reference or provided in this prospectus or any prospectus supplement. FPL has not authorized anyone else to provide you with additional or different information. FPL is not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of those documents or that the information incorporated by reference is accurate as of any date other than the date of the document incorporated by reference.

PART II. INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. ***Other Expenses of Issuance and Distribution.***

The expenses in connection with the issuance and distribution of the securities being registered, other than underwriting and/or agents compensation, are:

Filing Fee for Registration Statement	$92,000
Legal and Accounting Fees	$500,000*
Printing (S-3, prospectus, prospectus supplement, etc.)	$50,000*
Fees of Trustee	$25,000*
Florida Taxes	$4,000,000*
Rating Agencies' Fees	$300,000*
Miscellaneous	$13,000*
Total	$4,980,000*

* Estimated

Item 15. ***Indemnification of Directors and Officers.***

Section 607.0850 of the Florida Statutes generally permits FPL to indemnify its directors, officers, employees or other agents who are subject to any third-party actions because of their service to FPL if such persons acted in good faith and in a manner they reasonably believed to be in, or not opposed to, the best interests of FPL. If the proceeding is a criminal one, such person must also have had no reasonable cause to believe his conduct was unlawful. In addition, FPL may indemnify its directors, officers, employees or other agents who are subject to derivative actions against expenses and amounts paid in settlement which do not exceed, in the judgment of the board of directors, the estimated expense of litigating the proceeding to conclusion, including any appeal thereof, actually and reasonably incurred in connection with the defense or settlement of such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the best interests of FPL. To the extent that a director, officer, employee or other agent is successful on the merits or otherwise in defense of a third-party or derivative action, such person will be indemnified against expenses actually and reasonably incurred in connection therewith. This Section also permits FPL to further indemnify such persons by other means unless a judgment or other final adjudication establishes that such person's actions or omissions which were material to the cause of action constitute (1) a crime (unless such person had reasonable cause to believe his conduct was lawful or had no reasonable cause to believe it unlawful), (2) a transaction from which he derived an improper personal benefit, (3) an action in violation of Florida Statutes Section 607.0834 (unlawful distributions to shareholders), or (4) willful misconduct or a conscious disregard for the best interests of the corporation in a proceeding by or in the right of the corporation to procure a judgment in its favor or in a proceeding by or in the right of a shareholder.

Furthermore, Florida Statutes Section 607.0831 provides, in general, that no director shall be personally liable for monetary damages to FPL or any other person for any statement, vote, decision, or failure to act, regarding corporate management or policy, unless: (a) the director breached or failed to perform his duties as a director; and (b) the director's breach of, or failure to perform, those duties constitutes (i) a violation of criminal law, unless the director had reasonable cause to believe his conduct was lawful or had no reasonable cause to believe his conduct was unlawful, (ii) a transaction from which the director derived an improper personal benefit, either directly or indirectly, (iii) a circumstance under which the liability provisions of Florida Statutes Section 607.0834 are applicable, (iv) in a proceeding by or in the right of FPL to procure a judgment in its favor or by or in the right of a shareholder, conscious disregard for the best interest of FPL, or willful misconduct, or (v) in a proceeding by or in the right of someone other than FPL or a shareholder, recklessness or an act or omission which was committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property. The term "recklessness," as used above, means the action, or omission to act, in conscious disregard of a risk: (a) known, or so obvious that it should have been known, to the director; and (b) known to the director, or so obvious that it should have been known, to be so great as to make it highly probable that harm would follow from such action or omission.

FPL's bylaws provide generally that FPL shall, to the fullest extent permitted by law, indemnify all directors and officers of FPL, directors, officers, or other employees serving as a fiduciary of an employee benefit plan of FPL, as well as any employees or agents of FPL or other persons serving at the request of FPL in any capacity with any entity or enterprise other than FPL to whom FPL has agreed to grant indemnification (each, an "Indemnified Person") to the extent that any such person is made a party or threatened to be made a party or called as a witness or is otherwise involved in any action, suit, or proceeding in connection with his status as an Indemnified Person. Such indemnification covers all expenses incurred by any Indemnified Person (including attorneys' fees) and all liabilities and losses (including judgments, fines and amounts to be paid in settlement) incurred thereby in connection with any such action, suit or proceeding.

In addition, FPL carries insurance permitted by the laws of Florida on behalf of directors, officers, employees or agents which may cover, among other things, liabilities under the Securities Act.

Item 16. ***Exhibits.***

1(a) - Form of Underwriting Agreement.

1(b) - Form of Distribution Agreement.

*4(a) - Restated Articles of Incorporation of FPL dated March 23, 1992 (filed as Exhibit 3(i)a to Form 10-K for the year ended December 31, 1993, File No. 1-3545).

*4(b) - Amendment to FPL's Restated Articles of Incorporation dated March 23, 1992 (filed as Exhibit 3(i)b to Form 10-K for the year ended December 31, 1993, File No. 1-3545).

*4(c) - Amendment to FPL's Restated Articles of Incorporation dated May 11, 1992 (filed as Exhibit 3(i)c to Form 10-K for the year ended December 31, 1993, File No. 1-3545).

*4(d) - Amendment to FPL's Restated Articles of Incorporation dated March 12, 1993 (filed as Exhibit 3(i)d to Form 10-K for the year ended December 31, 1993, File No. 1-3545).

*4(e) - Amendment to FPL's Restated Articles of Incorporation dated June 16, 1993 (filed as Exhibit 3(i)e to Form 10-K for the year ended December 31, 1993, File No. 1-3545).

*4(f) - Amendment to FPL's Restated Articles of Incorporation dated August 31, 1993 (filed as Exhibit 3(i)f to Form 10-K for the year ended December 31, 1993, File No. 1-3545).

*4(g) - Amendment to FPL's Restated Articles of Incorporation dated November 30, 1993 (filed as Exhibit 3(i)g to Form 10-K for the year ended December 31, 1993, File No. 1-3545).

*4(h) - Bylaws of FPL dated May 11, 1992 (filed as Exhibit 3 to Form 8-K dated May 1, 1992, File No. 1-3545).

*4(i) - Mortgage and Deed of Trust dated as of January 1, 1944, and One hundred-two Supplements thereto, between FPL and Deutsche Bank Trust Company Americas, Trustee (the "Mortgage") (filed as Exhibit B-3, File No. 2-4845; Exhibit 7(a), File No. 2-7126; Exhibit 7(a), File No. 2-7523; Exhibit 7(a), File No. 2-7990; Exhibit 7(a), File No. 2-9217; Exhibit 4(a)-5, File No. 2-10093; Exhibit 4(c), File No. 2-11491; Exhibit 4(b)-1, File No. 2-12900; Exhibit 4(b)-1, File No. 2-13255; Exhibit 4(b)-1, File No. 2-13705; Exhibit 4(b)-1, File No. 2-13925; Exhibit 4(b)-1, File No. 2-15088; Exhibit 4(b)-1, File No. 2-15677; Exhibit 4(b)-1, File No. 2-20501; Exhibit 4(b)-1, File No. 2-22104; Exhibit 2(c), File No. 2-23142; Exhibit 2(c), File No. 2-24195; Exhibit 4(b)-1, File No. 2-25677; Exhibit 2(c), File No. 2-27612; Exhibit 2(c), File No. 2-29001; Exhibit 2(c), File No. 2-30542; Exhibit 2(c), File No. 2-33038; Exhibit 2(c), File No. 2-37679; Exhibit 2(c), File No. 2-39006; Exhibit 2(c), File No. 2-41312; Exhibit 2(c), File No. 2-44234; Exhibit 2(c), File No. 2-46502; Exhibit 2(c), File No. 2-48679; Exhibit 2(c), File No. 2-49726; Exhibit 2(c), File No. 2-50712; Exhibit 2(c), File

No. 2-52826; Exhibit 2(c), File No. 2-53272; Exhibit 2(c), File No. 2-54242; Exhibit 2(c), File No. 2-56228; Exhibits 2(c) and 2(d), File No. 2-60413; Exhibits 2(c) and 2(d), File No. 2-65701; Exhibit 2(c), File No. 2-66524; Exhibit 2(c), File No. 2-67239; Exhibit 4(c), File No. 2-69716; Exhibit 4(c), File No. 2-70767; Exhibit 4(b), File No. 2-71542; Exhibit 4(b), File No. 2-73799; Exhibits 4(c), 4(d) and 4(e), File No. 2-75762; Exhibit 4(c), File No. 2-77629; Exhibit 4(c), File No. 2-79557; Exhibit 99(a) to Post-Effective Amendment No. 5 to Form S-8, File No. 33-18669; Exhibit 99(a) to Post-Effective Amendment No. 1 to Form S-3, File No. 33-46076; Exhibit 4(b) to Form 10-K for the year ended December 31, 1993, File No. 1-3545; Exhibit 4(i) to Form 10-Q for the quarter ended June 30, 1994, File No. 1-3545; Exhibit 4(b) to Form 10-Q for the quarter ended June 30, 1995, File No. 1-3545; Exhibit 4(a) to Form 10-Q for the quarter ended March 31, 1996, File No. 1-3545; Exhibit 4 to Form 10-Q for the quarter ended June 30, 1998, File No. 1-3545; Exhibit 4 to Form 10-Q for the quarter ended March 31, 1999, File No. 1-3545; Exhibit 4(f) to Form 10-K for the year ended December 31, 2000, File No. 1-3545; Exhibit 4(g) to Form 10-K for the year ended December 31, 2000, File No. 1-3545; and Exhibit 4(o), File No. 333-102169.

4(j) - Form of Supplemental Indenture relating to First Mortgage Bonds.

5(a) - Opinion and Consent of Steel Hector & Davis LLP, counsel to FPL.

5(b) - Opinion and Consent of Thelen Reid & Priest LLP, co-counsel to FPL.

*12 - Computation of Ratio of Earnings to Fixed Charges (filed as Exhibit 12(b) to Form 10-K for the year ended December 31, 2001, File No. 1-3545 and Exhibit 12(b) to Form 10-Q for the quarter September 30, 2002, File No. 1-3545).

23(a) - Independent Auditors' Consent of Deloitte & Touche LLP.

23(b) - Consent of Steel Hector & Davis LLP (included in opinion, attached hereto as Exhibit 5(a)).

23(c) - Consent of Thelen Reid & Priest LLP (included in opinion, attached hereto as Exhibit 5(b)).

24 - Power of Attorney (included on the signature page of this registration statement).

25 - Statement of Eligibility on Form T-1 of Deutsche Bank Trust Company Americas with respect to the Mortgage.

*Incorporated herein by reference as indicated.

Item 17. ***Undertakings.***

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that the registrant need not file a post-effective amendment to include the information required to be included by subsection (i) or (ii) if such information is contained in periodic reports filed by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934, which are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for purposes of determining any liability under the Securities Act, each filing of the registrant's Annual Report pursuant to Section 13(a) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described under Item 15 above, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

POWER OF ATTORNEY

Each director and/or officer of the registrant whose signature appears below hereby appoints the agents for service named in this registration statement, and each of them severally, as his attorney-in-fact to sign in his name and behalf, in any and all capacities stated below and to file with the Securities and Exchange Commission, any and all amendments, including post-effective amendments, to this registration statement, and the registrant hereby also appoints each such agent for service as its attorney-in-fact with like authority to sign and file any such amendments in its name and behalf.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Juno Beach, State of Florida on the 23rd day of December, 2002.

FLORIDA POWER & LIGHT COMPANY

By: /s/ Paul J. Evanson
Paul J. Evanson
President and Director

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Lewis Hay III Lewis Hay III	Chairman of the Board, Chief Executive Officer and Director (Principal Executive Officer)	December 23, 2002
/s/ Moray P. Dewhurst Moray P. Dewhurst	Senior Vice President, Finance and Chief Financial Officer and Director (Principal Financial Officer)	December 23, 2002
/s/ K. Michael Davis K. Michael Davis	Vice President, Accounting, Controller and Chief Accounting Officer (Principal Accounting Officer)	December 23, 2002
/s/ Dennis P. Coyle Dennis P. Coyle	Director	December 23, 2002
/s/ Paul J. Evanson Paul J. Evanson	Director	December 23, 2002
/s/ Lawrence J. Kelleher Lawrence J. Kelleher	Director	December 23, 2002
/s/ Armando J. Olivera Armando J. Olivera	Director	December 23, 2002
/s/ Antonio Rodriguez Antonio Rodriguez	Director	December 23, 2002
/s/ John Stall John Stall	Director	December 23, 2002

Exhibit Index

1(a)	Form of Underwriting Agreement.
1(b)	Form of Distribution Agreement.
4(j)	Form of Supplemental Indenture relating to First Mortgage Bonds.
5(a)	Opinion and Consent of Steel Hector & Davis LLP, counsel to FPL.
5(b)	Opinion and Consent of Thelen Reid & Priest LLP, co-counsel to FPL.
23(a)	Independent Auditors' Consent of Deloitte & Touche LLP.
23(b)	Consent of Steel Hector & Davis LLP (included in opinion, attached hereto as Exhibit 5(a)).
23(c)	Consent of Thelen Reid & Priest LLP (included in opinion, attached hereto as Exhibit 5(b)).
24	Power of Attorney (included on the signature page of this registration statement).
25	Statement of Eligibility on Form T-1 of Deutsche Bank Trust Company Americas with respect to the Mortgage.

EXHIBIT 1(a)

Exhibit 1(a)

FLORIDA POWER & LIGHT COMPANY

FIRST MORTGAGE BONDS

UNDERWRITING AGREEMENT

[Date]

To the Representatives named in Schedule I
hereto of the Underwriters
named in Schedule II hereto

Ladies and Gentlemen:

1. Introductory. Florida Power & Light Company, a Florida corporation ("FPL"), proposes to issue and sell its First Mortgage Bonds of the series designation[s], with the terms and in the principal amount[s] specified in Schedule I hereto (the "Bonds"). FPL hereby confirms its agreement with the several Underwriters (as defined below) as set forth herein.

The term "Underwriters" as used herein shall be deemed to mean the entity or several entities named in Schedule II hereto and any underwriter substituted as provided in Section 5 hereof and the term "Underwriter" shall be deemed to mean one of such Underwriters. If the entity or entities listed in Schedule I hereto (the "Representatives") are the same as the entity or entities listed in Schedule II hereto, then the terms "Underwriters" and "Representatives," as used herein, shall each be deemed to refer to such entity or entities. The Representatives represent that they have been authorized by each Underwriter to enter into this agreement on behalf of such Underwriter and to act for it in the manner herein provided. All obligations of the Underwriters hereunder are several and not joint. If more than one entity is named in Schedule I hereto, any action under or in respect of this agreement may be taken by such entities jointly as the Representatives or by one of the entities acting on behalf of the Representatives and such action will be binding upon all the Underwriters.

2. Description of the Bonds. The Bonds [of each series] will be a series of first mortgage bonds ("First Mortgage Bonds") issued by FPL under its Mortgage and Deed of Trust, dated as of January 1, 1944, to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as Trustee (the "Mortgage Trustee"), and The Florida National Bank of Jacksonville (now resigned), as heretofore supplemented and as it will be further supplemented by a supplemental indenture relating to the Bonds ("Supplemental Indenture") in substantially the form heretofore delivered to the Representatives. Such Mortgage and Deed of Trust as it has been and will be so supplemented is hereinafter called the "Mortgage."

3. Representations and Warranties of FPL. FPL represents and warrants to the several Underwriters that:

(a) FPL has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3, including a prospectus ("Registration Statement No. 333-_____"), for the registration under the Securities Act of 1933, as amended (the "Securities Act"), of $_____ aggregate principal amount of its First Mortgage Bonds. Such registration statement has been declared effective by the Commission and no stop order suspending such effectiveness has been issued under the Securities Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of FPL, threatened by the Commission. References herein to the term "Registration Statement" as of any given date shall mean Registration Statement No. 333-_____, as amended or supplemented to such date, including all documents incorporated by reference therein as of such date pursuant to Item 12 of Form S-3 ("Incorporated Documents"); provided that if FPL files a registration statement pursuant to Rule 462(b) under the Securities Act (the "Rule 462(b) Registration Statement"), then after such filing, all references to "Registration Statement" shall be deemed to include the Rule 462(b) Registration Statement. References herein to the term "Prospectus" as of any given date shall mean the prospectus forming a part of Registration Statement No. 333-_____, as supplemented by a prospectus supplement relating to the Bonds proposed to be filed pursuant to Rule 424 of the general rules and regulations of the Securities Act ("Rule 424"), and as further amended or supplemented as of such date (other than amendments or supplements relating to First Mortgage Bonds other than the Bonds), including all Incorporated Documents. References herein to the term "Effective Date" shall be deemed to refer to the later of the time and date that Registration Statement No. 333-_____ was declared effective and the time and date of the filing thereafter of FPL's most recent Annual Report on Form 10-K, if such filing is made prior to the Closing Date (as hereinafter defined). Prior to the termination of the offering of the Bonds, FPL will not file any amendment to the Registration Statement or any amendment or supplement to the Prospectus without prior notice to the Representatives and to Hunton & Williams, who are acting as counsel for the several Underwriters ("Counsel for the Underwriters"), or any such amendment or supplement to which the Representatives shall reasonably object in writing, or which shall be unsatisfactory to Counsel for the Underwriters.

(b) The Registration Statement, at the Effective Date, fully complied and the Prospectus both on the date it is filed with the Commission pursuant to Rule 424 (such date, the "424 Date") and at the Closing Date, and the Registration Statement and the Mortgage at the Closing Date, will fully comply, in all material respects with the applicable provisions of the Securities Act and the Trust Indenture Act of 1939, as amended (the "1939 Act"), respectively, and, in each case, the applicable instructions, rules and regulations of the Commission thereunder; the Registration Statement at the Effective Date, did not, and at the Closing Date, will not, contain any untrue statement of a material fact, or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the Prospectus, on the 424 Date and at the Closing Date, will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of

the circumstances under which they were made, not misleading; and the Incorporated Documents, when filed with the Commission, fully complied or will fully comply in all material respects with the applicable provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder; provided, that the foregoing representations and warranties in this subsection (b) shall not apply to statements or omissions made in reliance upon and in conformity with information furnished in writing to FPL by or on behalf of any Underwriter through the Representatives expressly for use in connection with the preparation of the Registration Statement or the Prospectus, or to any statements in or omissions from the Statement of Eligibility on Form T-1, or amendments thereto, of the Mortgage Trustee or to any statements or omissions made in the Registration Statement or Prospectus relating to The Depository Trust Company ("DTC") Book-Entry Only System that are based solely on information contained in published reports of DTC.

(c) The financial statements included as part of or incorporated by reference in the Registration Statement present fairly the financial condition and results of operations of FPL at the respective dates or for the respective periods to which they apply; such financial statements have been prepared in each case in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as otherwise indicated in the Registration Statement; and Deloitte & Touche LLP, who have audited the audited financial statements, are independent public accountants as required by the Securities Act and the Exchange Act and the rules and regulations of the Commission thereunder.

(d) Except as reflected in or contemplated by the Registration Statement and the Prospectus, since the respective most recent dates as of which information is given in the Registration Statement and Prospectus, there has not been any material adverse change in the business, properties or financial condition of FPL, whether or not in the ordinary course of business, nor has any transaction been entered into by FPL that is material to FPL, other than changes and transactions contemplated by the Registration Statement and Prospectus, and transactions in the ordinary course of business. FPL has no material contingent obligation which is not disclosed in or contemplated by the Registration Statement and Prospectus.

(e) The execution and delivery of this agreement, the consummation of the transactions herein contemplated and the fulfillment of the terms hereof on the part of FPL to be fulfilled have been duly authorized by all necessary corporate action of FPL in accordance with the provisions of its Restated Articles of Incorporation, as amended (the "Charter"), by-laws and applicable law, and the Bonds when issued and delivered as provided herein will constitute valid and binding obligations of FPL enforceable in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

(f) The execution and delivery of this agreement, the consummation of the transactions herein contemplated, the fulfillment of the terms hereof and the compliance by FPL with all the terms and provisions of the Mortgage will not result in a breach of

any of the terms or provisions of, or constitute a default under, FPL's Charter or by-laws, or any indenture, mortgage, deed of trust or other agreement or instrument to which FPL is now a party, or violate any law or any order, rule, decree or regulation applicable to FPL of any federal or state court, regulatory board or body or administrative agency having jurisdiction over FPL or any of its property, except where such breach, default or violation would not have a material adverse effect on the business, properties or financial condition of FPL.

(g) All the property to be subjected to the lien of the Mortgage will be adequately described therein.

(h) FPL is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

4. Purchase and Sale. On the basis of the representations and warranties herein contained, and subject to the terms and conditions in this agreement, FPL agrees to sell to the respective Underwriters named in Schedule II hereto, severally and not jointly, and the respective Underwriters agree, severally and not jointly, to purchase from FPL, the respective principal amounts of the Bonds set forth opposite their respective names in Schedule II hereto at the purchase prices for those Bonds set forth in Schedule I hereto.

The Underwriters agree to make a *bona fide* public offering of the Bonds as set forth in the Prospectus, such public offering to be made as soon after the execution of this agreement as practicable, subject, however, to the terms and conditions of this agreement. The Underwriters have advised FPL that the Bonds will be offered to the public at the amount per Bond as set forth in Schedule I hereto and to certain dealers selected by the Representatives at a price which represents a concession not in excess of the amount per Bond under the public offering price as set forth in Schedule I hereto.

5. Time, Date and Place of Closing, Default of Underwriter. Delivery of the Bonds [of each series] and payment therefor by wire transfer in federal funds shall be made at the time, date and place set forth in Schedule I hereto, or at such other time, date or place as may be agreed upon in writing by FPL and the Representatives. The time and date of such delivery and payment are herein called the "Closing Date."

The Bonds shall be delivered to the Representatives for the respective accounts of the Underwriters against payment by the several Underwriters through the Representatives of the purchase price therefor. Delivery of the Bonds shall be made through the facilities of DTC unless FPL and the Representatives shall otherwise agree. For the purpose of expediting the checking of the Bonds by the Representatives on behalf of the Underwriters, FPL agrees to make such Bonds available to the Representatives for such purpose at the offices of Thelen Reid & Priest LLP, 875 Third Avenue, New York, New York 10022, not later than 2:00 P.M., New York City time, on the business day preceding the Closing Date, or at such other time, date or place as may be agreed upon by FPL and the Representatives.

If any Underwriter shall fail to purchase and pay for the principal amount of the Bonds [of any series] which such Underwriter has agreed to purchase and pay for hereunder (otherwise

than by reason of any failure on the part of FPL to comply with any of the provisions contained herein), the non-defaulting Underwriters shall be obligated to purchase and pay for (in addition to the respective principal amount of the Bonds set forth opposite their respective names in Schedule II hereto) the principal amount of the Bonds [of each series] which such defaulting Underwriter or Underwriters failed to purchase and pay for, up to a principal amount thereof equal to, in the case of each such remaining Underwriter, ten percent (10%) of the aggregate principal amount of the Bonds [of each series] as to which there is a default and which are set forth opposite the name of such remaining Underwriter in said Schedule II, and such remaining Underwriters shall have the right, within 24 hours of receipt of such notice, either to (i) purchase and pay for (in such proportion as may be agreed upon among them) the remaining principal amount of the Bonds [of each series] which the defaulting Underwriter or Underwriters agreed but failed to purchase, or (ii) substitute another Underwriter or Underwriters, satisfactory to FPL, to purchase and pay for the remaining principal amount of the Bonds [of each series] which the defaulting Underwriter or Underwriters agreed but failed to purchase. If any of the Bonds would still remain unpurchased, then FPL shall be entitled to a further period of 24 hours within which to procure another party or other parties, members of the National Association of Securities Dealers, Inc. (or, if not members of such Association, who are not eligible for membership in said Association and who agree (i) to make no sales within the United States, its territories or its possessions or to persons who are citizens thereof or residents therein and (ii) in making sales to comply with said Association's Conduct Rules) and satisfactory to the Representatives to purchase such Bonds on the terms herein set forth. In the event that, within the respective prescribed periods, (i) the non-defaulting Underwriters notify FPL that they have arranged for the purchase of such Bonds or (ii) FPL notifies the non-defaulting Underwriters that it has arranged for the purchase of such Bonds, the non-defaulting Underwriters or FPL shall have the right to postpone the Closing Date for a period of not more than three full business days beyond the expiration of the respective prescribed periods in order to effect whatever changes may thus be made necessary in the Registration Statement, the Prospectus or in any other documents or arrangements. In the event that neither the non-defaulting Underwriters nor FPL has arranged for the purchase of such Bonds by another party or parties as above provided, then this agreement shall terminate without any liability on the part of FPL or any Underwriter (other than an Underwriter which shall have failed or refused, otherwise than for some reason sufficient to justify, in accordance with the terms hereof, the cancellation or termination of its obligations hereunder, to purchase and pay for the Bonds which such Underwriter has agreed to purchase as provided in Section 4 hereof), except as otherwise provided in Section 9 and subsections (c) and (e) of Section 6 hereof.

6. Covenants of FPL. FPL agrees with the several Underwriters that:

(a) FPL will promptly file the Prospectus with the Commission pursuant to Rule 424 under the Securities Act.

(b) FPL will deliver to the Representatives and to Counsel for the Underwriters one signed copy of the Registration Statement or, if a signed copy is not available, one conformed copy of the Registration Statement certified by an officer of FPL to be in the form as originally filed, including all Incorporated Documents and exhibits, except those incorporated by reference, which relate to the Bonds, including a signed or conformed copy of each consent and certificate included therein or filed as an

exhibit thereto. As soon as practicable after the date of this agreement, FPL will deliver to the Underwriters through the Representatives as many copies of the Prospectus as the Representatives may reasonably request for the purposes contemplated by the Securities Act.

(c) FPL will pay or cause to be paid all expenses in connection with the (i) preparation and filing of the Registration Statement and Prospectus, (ii) issuance and delivery of the Bonds as provided in Section 5 hereof, (iii) preparation, execution, filing and recording of the Supplemental Indenture and (iv) printing and delivery to the Representatives for the account of the Underwriters, in reasonable quantities, of copies of the Registration Statement, the Prospectus and the Supplemental Indenture. FPL will pay or cause to be paid all taxes, if any (but not including any transfer taxes), on the issuance of the Bonds and recordation of the Supplemental Indenture. FPL shall not, however, be required to pay any amount for any expenses of the Representatives or any of the Underwriters, except as provided in Sections 7 and 8 hereof and except that if this agreement shall be terminated in accordance with the provisions of Sections 7, 8 or 10 hereof, FPL will pay the fees and disbursements of Counsel for the Underwriters, whose fees and disbursements the Underwriters agree to pay in any other event. FPL shall not in any event be liable to any of the several Underwriters for damages on account of loss of anticipated profits.

(d) During a period of nine months after the date of this agreement, if any event relating to or affecting FPL shall occur which, in the opinion of FPL, should be set forth in a supplement to or an amendment of the Prospectus in order to make the Prospectus not misleading in the light of the circumstances when it is delivered to a purchaser, FPL will forthwith at its expense prepare and furnish to the Representatives a reasonable number of copies of a supplement or supplements or an amendment or amendments to the Prospectus which will supplement or amend the Prospectus so that as supplemented or amended it will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances when the Prospectus is delivered to a purchaser, not misleading; provided that should such event relate solely to activities of any of the Underwriters, then the Underwriters shall assume the expense of preparing and furnishing copies of any such amendment or supplement. In case any Underwriter is required to deliver a Prospectus after the expiration of nine months after the date of this agreement, FPL upon the request of the Representatives will furnish to the Representatives, at the expense of such Underwriter, a reasonable quantity of a supplemented or amended Prospectus or supplements or amendments to the Prospectus complying with Section 10 of the Securities Act.

(e) FPL will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Representatives may designate and will pay or cause to be paid filing fees and expenses (including fees and expenses of counsel) in the aggregate not exceeding $5,000, provided that FPL shall not be required to qualify as a foreign corporation or dealer in securities, or to file any consents to service of process under the

laws of any jurisdiction, or to meet other requirements deemed by FPL to be unduly burdensome.

(f) FPL will timely file such reports pursuant to the Exchange Act as are necessary in order to make generally available to its security holders (including holders of the Bonds) as soon as practicable an earnings statement (which need not be audited, unless required so to be under Section 11(a) of the Securities Act) for the purposes of, and to provide the benefits contemplated by, the last paragraph of Section 11(a) of the Securities Act.

(g) FPL will advise the Representatives promptly of the filing of the Prospectus pursuant to Rule 424 and of any amendment or supplement to the Prospectus or Registration Statement or, prior to the termination of the offering of the Bonds hereunder, of official notice of the institution of proceedings for, or the entry of, a stop order suspending the effectiveness of the Registration Statement and, if such a stop order should be entered, use every commercially reasonable effort to obtain the prompt removal thereof.

(h) On or before the Closing Date, FPL will, if applicable, cause (i) at least one counterpart of the Supplemental Indenture to be duly recorded in the States of Florida or Georgia and (ii) all intangible and documentary stamp taxes due in connection with the issuance of the Bonds and the recording of the Supplemental Indenture to be paid. Within 30 days following the Closing Date, FPL will, if applicable, cause the Supplemental Indenture to be duly recorded in all other counties in which property of FPL is located.

7. Conditions of Underwriters' Obligations to Purchase and Pay for the Bonds. The several obligations of the Underwriters to purchase and pay for the Bonds shall be subject to the performance by FPL of its obligations to be performed hereunder on or prior to the Closing Date and to the following conditions:

(a) The representations and warranties made by FPL herein shall be true and correct in all material respects as of the Closing Date as if made on and as of such date and the Representatives shall have received, prior to payment for the Bonds, a certificate from FPL dated the Closing Date and signed by an officer of FPL to that effect.

(b) No stop order suspending the effectiveness of the Registration Statement shall be in effect on the Closing Date; no order of the Commission directed to the adequacy of any Incorporated Document shall be in effect on the Closing Date; no proceedings for either such purpose shall be pending before, or threatened by, the Commission on such date; and the Representatives shall have received, prior to payment for the Bonds, a certificate from FPL dated the Closing Date and signed by an officer of FPL to the effect that, to the best of his or her knowledge, no such order is in effect and no proceedings for either such purpose are pending before, or to the knowledge of FPL threatened by, the Commission.

(c) On the Closing Date, there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the issuance and sale of the Bonds on the terms herein stated or contemplated, and containing no provision unacceptable to the Representatives by reason of the fact that it is materially adverse to FPL, it being understood that no authorization provided to Counsel for the Underwriters and in effect at the date of this agreement contains any such unacceptable provision.

(d) On the Closing Date, the Representatives shall have received from Steel Hector & Davis LLP, counsel to FPL, Thelen Reid & Priest LLP, co-counsel to FPL, and Hunton & Williams, Counsel for the Underwriters, opinions (with a copy for each of the Underwriters) in substantially the form and substance prescribed in Schedules III, IV and V hereto (i) with such changes therein as may be agreed upon by FPL and the Representatives, with the approval of Counsel for the Underwriters, and (ii) if the Prospectus relating to the Bonds shall be supplemented or amended after the Prospectus shall have been filed with the Commission pursuant to Rule 424, with any changes therein necessary to reflect such supplementation or amendment.

(e) At the Closing Date, the Representatives shall have received from Deloitte & Touche LLP a letter (with copies thereof for each of the Underwriters) to the effect that (i) they are independent public accountants with respect to FPL within the meaning of the Securities Act and the Exchange Act and the applicable published rules and regulations thereunder; (ii) in their opinion, the consolidated financial statements audited by them and incorporated by reference in the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the published rules and regulations thereunder; (iii) on the basis of performing a review of interim financial information as described in Statement on Auditing Standards No. 71, Interim Financial Information, on the unaudited condensed consolidated financial statements of FPL incorporated by reference in the Prospectus, a reading of the latest available interim unaudited condensed consolidated financial statements of FPL since the close of FPL's most recent audited fiscal year, the minutes and consents of the Board of Directors, the Finance Committee of the Board of Directors, the Stock Issuance Committee of the Board of Directors, and the sole common shareholder of FPL since the end of the most recent audited fiscal year, and inquiries of officials of FPL who have responsibility for financial and accounting matters (it being understood that the foregoing procedures do not constitute an audit made in accordance with generally accepted auditing standards and they would not necessarily reveal matters of significance with respect to the comments made in such letter, and accordingly that Deloitte & Touche LLP makes no representation as to the sufficiency of such procedures for the several Underwriters' purposes), nothing has come to their attention which caused them to believe that (a) the unaudited condensed consolidated financial statements of FPL incorporated by reference in the Prospectus (1) do not comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the published rules and regulations thereunder and (2) except as disclosed in the Prospectus, are not in conformity with generally accepted accounting principles applied on a basis substantially consistent with that of the audited consolidated financial statements of FPL incorporated by reference in the Prospectus, (b) at the date of the latest available interim balance sheet read by them and at a specified date not more

than five days prior to the Closing Date there was any change in the common stock or additional paid-in capital, increase in the preferred stock or long-term debt of FPL and its subsidiaries, or decrease in its shareholders' equity, in each case as compared with amounts shown in the most recent condensed consolidated balance sheet incorporated by reference in the Prospectus, except in all instances for changes, increases or decreases which the Prospectus discloses have occurred or may occur, or as occasioned by the declaration, provision for, or payment of dividends, or which are described in such letter, or (c) for the period from the date of the most recent condensed consolidated balance sheet incorporated by reference in the Prospectus to the latest available interim balance sheet read by them and for the period from the date of the latest available interim balance sheet read by them to a specified date not more than five days prior to the Closing Date, there were any decreases, as compared with the corresponding period in the preceding year, in total consolidated operating revenues or in net income or net income available to FPL Group, Inc., except in all instances for decreases which the Prospectus discloses have occurred or may occur, or which are described in such letter; and (iv) they have carried out certain procedures and made certain findings, as specified in such letter, with respect to certain amounts included in the Prospectus and Exhibit 12 to the Registration Statement and such other items as the Representatives may reasonably request.

(f) Since the respective most recent dates as of which information is given in the Registration Statement and Prospectus, and up to the Closing Date, (i) there shall have been no material adverse change in the business, properties or financial condition of FPL, except as disclosed in or contemplated by the Registration Statement and Prospectus, and (ii) there shall have been no material transaction entered into by FPL other than transactions disclosed in or contemplated by the Registration Statement and the Prospectus, and transactions in the ordinary course of business; and at the Closing Date, the Representatives shall have received a certificate to such effect from FPL signed by an officer of FPL.

(g) All legal proceedings to be taken in connection with the issuance and sale of the Bonds shall have been satisfactory in form and substance to Counsel for the Underwriters.

In case any of the conditions specified above in this Section 7 shall not have been fulfilled, this agreement may be terminated by the Representatives upon mailing or delivering written notice thereof to FPL. Any such termination shall be without liability of any party to any other party except as otherwise provided in subsections (c) and (e) of Section 6 hereof and except that in the event of such termination by the Representatives, FPL shall reimburse the Underwriters for out-of-pocket expenses reasonably incurred by them in connection with the transactions contemplated by this agreement, not in excess, however, of an aggregate of $5,000.

8. Condition of FPL's Obligations. The obligation of FPL to deliver the Bonds shall be subject to the following conditions:

(a) No stop order suspending the effectiveness of the Registration Statement shall be in effect on the Closing Date; no order of the Commission directed to the adequacy of any Incorporated Document shall be in effect on the Closing Date, and no

proceedings for either such purpose shall be pending before, or threatened by, the Commission on such date.

(b) On the Closing Date there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the issuance and sale of the Bonds on the terms herein stated or contemplated, and containing no provision unacceptable to FPL by reason of the fact that it is materially adverse to FPL, it being understood that no authorization in effect at the date of this agreement contains any such unacceptable provision.

In case the conditions specified above in this Section 8 shall not have been fulfilled, this agreement may be terminated by FPL upon mailing or delivering written notice thereof to the Representatives. Any such termination shall be without liability of any party to any other party except as otherwise provided in subsections (c) and (e) of Section 6 hereof and except that in the event of such termination by FPL, FPL shall reimburse the Underwriters for out-of-pocket expenses reasonably incurred by them in connection with the transactions contemplated by this agreement, not in excess, however, of an aggregate of $5,000.

9. Indemnification.

(a) FPL agrees to indemnify and hold harmless each Underwriter, each officer and director of each Underwriter and each person who controls any Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or any other statute or common law and to reimburse each such Underwriter, officer, director and controlling person for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus [(if used prior to the Effective Date of the Registration Statement)], including all Incorporated Documents, or in the Registration Statement or the Prospectus, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that the indemnity agreement contained in this subsection (a) of Section 9 shall not apply to any such losses, claims, damages, liabilities, expenses or actions arising out of, or based upon, any such untrue statement or alleged untrue statement, or any such omission or alleged omission, if such statement or omission was made in reliance upon and in conformity with information furnished in writing, to FPL by or on behalf of any Underwriter, through the Representatives, expressly for use in connection with the preparation of the Registration Statement or the Prospectus or any amendment or supplement to either thereof, or arising out of, or based upon, statements in or omissions from the Statement of Eligibility on Form T-1 of the Mortgage Trustee; and provided, further, that the indemnity agreement contained in this subsection (a) of Section 9 in respect of any preliminary prospectus (and for purposes of clause (ii) below, the Prospectus) shall not inure to the benefit of any Underwriter (or of any person

controlling such Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising from the sale of the Bonds [of any series] to any person if such Underwriter shall have failed to send or give to such person (i) with or prior to the written confirmation of such sale, a copy of the Prospectus or the Prospectus as amended or supplemented, if any amendments or supplements thereto shall have been furnished at or prior to the time of written confirmation of the sale involved, but exclusive of any Incorporated Documents, unless the alleged omission or alleged untrue statement with respect to such preliminary prospectus is not corrected in the Prospectus or the Prospectus as amended or supplemented at the time of confirmation, or (ii) with or prior to the delivery of such Bonds to such person, a copy of any amendment or supplement to the Prospectus which shall have been furnished subsequent to such written confirmation and prior to the delivery of such Bonds to such person, but exclusive of any Incorporated Documents, unless the alleged omission or alleged untrue statement with respect to such preliminary prospectus or the Prospectus was not corrected in the Prospectus or in such amendment or supplement at the time of such delivery of such Bonds. The indemnity agreement of FPL contained in this subsection (a) of Section 9 and the representations and warranties of FPL contained in Section 3 hereof shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Underwriter, officer, director or any such controlling person, and shall survive the delivery of the Bonds [of each series]. The Underwriters agree promptly to notify FPL, and each other Underwriter, of the commencement of any litigation or proceedings against them or any of them or any such officer, director or controlling person in connection with the issuance and sale of the Bonds [of any series].

(b) Each Underwriter, severally and not jointly, agrees to indemnify and hold harmless FPL, its officers and directors, and each person who controls FPL within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or any other statute or common law and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or the Prospectus, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading if such statement or omission was made in reliance upon and in conformity with information furnished in writing, to FPL by or on behalf of such Underwriter, through the Representatives, expressly for use in connection with the preparation of the Registration Statement or the Prospectus or any amendment or supplement to either thereof. The Underwriters hereby furnish to FPL in writing expressly for use in the Registration Statement and Prospectus [insert information provided by the Underwriters]. FPL acknowledges that the statements set forth in the preceding sentence constitute the only information furnished in writing by or on behalf of the several Underwriters expressly for inclusion in any preliminary prospectus or the Prospectus. The indemnity agreement of the respective Underwriters contained in this subsection (b) of Section 9 shall remain

operative and in full force and effect, regardless of any investigation made by or on behalf of FPL or any of its officers or directors or any such other Underwriter or any such controlling person, and shall survive the delivery of the Bonds [of each series]. FPL agrees promptly to notify the Representatives of the commencement of any litigation or proceedings against FPL (or any controlling person thereof) or any of its officers or directors in connection with the issuance and sale of the Bonds [of any series].

(c) FPL and the several Underwriters each agree that, upon the receipt of notice of the commencement of any action against it, its officers and directors, or any person controlling it as aforesaid, in respect of which indemnity or contribution may be sought under the provisions of this Section 9, it will promptly give written notice of the commencement thereof to the party or parties against whom indemnity or contribution shall be sought thereunder, but the omission so to notify such indemnifying party or parties of any such action shall not relieve such indemnifying party or parties from any liability which it or they may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, such indemnifying party or parties shall be entitled to participate at its own expense in the defense or, if it so elects, to assume (in conjunction with any other indemnifying parties) the defense of such action, in which event such defense shall be conducted by counsel chosen by such indemnifying party or parties and reasonably satisfactory to the indemnified party or parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the indemnifying party shall elect not to assume the defense of such action, such indemnifying party will reimburse such indemnified party or parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and counsel for the indemnifying party shall have reasonably concluded that there may be a conflict of interest in the representation by such counsel of both the indemnifying party and the indemnified party, the indemnified party or parties shall have the right to select separate counsel, satisfactory to the indemnifying party or parties, to participate in the defense of such action on behalf of such indemnified party or parties at the expense of the indemnifying party or parties (it being understood, however, that the indemnifying party or parties shall not be liable for the expenses of more than one separate counsel representing the indemnified parties who are parties to such action). FPL and the several Underwriters each agree that without the prior written consent of the other parties to such action who are parties to this agreement, which consent shall not be unreasonably withheld, it will not settle, compromise or consent to the entry of any judgment in any claim or proceeding in respect of which such party intends to seek indemnity or contribution under the provisions of this Section 9, unless such settlement, compromise or consent (i) includes an unconditional release of such other parties from all liability arising out of such claim or proceeding and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of such other parties.

(d) If, or to the extent, the indemnification provided for in subsections (a) or (b) above shall be unenforceable under applicable law by an indemnified party, each indemnifying party agrees to contribute to such indemnified party with respect to any and

all losses, claims, damages, liabilities and expenses for which each such indemnification provided for in subsections (a) or (b) above shall be unenforceable, in such proportion as shall be appropriate to reflect (i) the relative fault of FPL on the one hand and the Underwriters on the other in connection with the statements or omissions which have resulted in such losses, claims, damages, liabilities and expenses, (ii) the relative benefits received by FPL on the one hand and the Underwriters on the other hand from the offering of the Bonds pursuant to this agreement, and (iii) any other relevant equitable considerations; provided, however, that no indemnified party guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution with respect thereto from any indemnifying party not guilty of such fraudulent misrepresentation. Relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by FPL or the Underwriters and each such party's relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. FPL and each of the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute in excess of the amount equal to the excess of (i) the total price at which the Bonds underwritten by it were offered to the public, over (ii) the amount of any damages which such Underwriter has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission. The obligations of each Underwriter to contribute pursuant to this subsection (d) are several and not joint and shall be in the same proportion as such Underwriter's obligation to underwrite the Bonds [of the series] with respect to which contribution is sought is to the total principal amount of the Bonds [of such series] set forth in Schedule II hereto.

10. Termination. This agreement may be terminated by the Representatives by delivering written notice thereof to FPL, at any time prior to the Closing Date if after the date hereof and at or prior to the Closing Date:

(a) (i) there shall have occurred any general suspension of trading in securities on The New York Stock Exchange, Inc. (the "NYSE") or there shall have been established by the NYSE or by the Commission or by any federal or state agency or by the decision of any court any limitation on prices for such trading or any general restrictions on the distribution of securities, or trading in any securities of FPL shall have been suspended or limited by any exchange located in the United States or on the over-the-counter market located in the United States or a general banking moratorium declared by New York or federal authorities or (ii) there shall have occurred any new material outbreak of hostilities, including, but not limited to, an escalation of hostilities which existed prior to the date of this agreement, or other national or international calamity or crisis, the effect of any such event specified in (i) or (ii) above on the financial markets of the United States shall be such as to make it impracticable for the Underwriters to enforce contracts for the sale of the Bonds [of any series]; or

(b) (i) there shall have been any downgrading or any notice of any intended or potential downgrading in the ratings accorded to the Bonds [of any series] or any securities of FPL which are of the same class as the Bonds by either [Moody's Investor Service, Inc. ("Moody's")] or [Standard & Poor's Ratings Services, a division of McGraw-Hill Companies, Inc. ("S&P")], or (ii) either [Moody's] or [S&P] shall have publicly announced that either has under surveillance or review, with possible negative implications, its ratings of the Bonds [of any series] or any securities of FPL which are of the same class as the Bonds, the effect of any such event specified in (i) or (ii) above which, in the reasonable judgment of the Representatives, makes it impracticable or inadvisable to consummate the sale of the Bonds and the delivery of the Bonds by the several Underwriters at the initial public offering price.

This agreement may also be terminated at any time prior to the Closing Date if in the judgment of the Representatives the subject matter of any amendment or supplement to the Registration Statement or the Prospectus prepared and furnished by FPL after the date hereof reflects a material adverse change in the business, properties or financial condition of FPL which renders it either inadvisable to proceed with such offering, if any, or inadvisable to proceed with the delivery of the Bonds [of any series] to be purchased hereunder. Any termination of this agreement pursuant to this Section 10 shall be without liability of any party to any other party except as otherwise provided in subsections (c) and (e) of Section 6 hereof.

11. Miscellaneous. The validity and interpretation of this agreement shall be governed by the laws of the State of New York. This agreement shall inure to the benefit of FPL, the several Underwriters and, with respect to the provisions of Section 9 hereof, each officer, director or controlling person referred to in said Section 9, and their respective successors. Nothing in this agreement is intended or shall be construed to give to any other person or entity any legal or equitable right, remedy or claim under or in respect of this agreement or any provision herein contained. The term "successors" as used in this agreement shall not include any purchaser, as such purchaser, of any Bonds from any of the several Underwriters.

12. Notices. All communications hereunder shall be in writing or by telegram and, if to the Underwriters, shall be mailed or delivered to the Representatives at the address set forth in Schedule I hereto, or if to FPL, shall be mailed or delivered to it at 700 Universe Boulevard, Juno Beach, Florida 33408, Attention: Treasurer.

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter and your acceptance shall constitute a binding agreement between us.

Very truly yours,

Florida Power & Light Company

By: _____
Name:
Title:

Accepted and delivered as of
the date first above written:

By: _____
Name:
Title:

Acting on their own behalf and on behalf of the other several Underwriters referred to in the foregoing agreement.

SCHEDULE I

Underwriting Agreement dated _____, 200_
Registration Statement No. 333-_____
Representatives and Addresses:

Bonds:

Designation:
Principal Amount:
Date of Maturity:
Interest Rate:
Purchase Price:
Underwriting Discount:
Price to the Public:
Dealers' Concession:

Closing Date, Time
and Location:

SCHEDULE II

Underwriter	**Principal Amount of % Bonds**	**[Principal Amount of % Bonds]**
Total		

SCHEDULE III

[LETTERHEAD OF STEEL HECTOR & DAVIS LLP]

[Date]

as Representatives of the Underwriters
named in Schedule II to the Agreement,
as herein described

Ladies and Gentlemen:

We have acted as counsel for Florida Power & Light Company ("FPL") (a) in connection with the authorization and issuance by FPL of $_____ principal amount of First Mortgage Bonds, ____% Series due _____, 20__ [and $_____ principal amount of First Mortgage Bonds, ____% Series due _____, 20__] ([collectively,] the "Bonds"), issued under the Mortgage and Deed of Trust dated as of January 1, 1944, as the same is supplemented by one hundred and [three] indentures supplemental thereto, the latest of which (the "One Hundred [Third] Supplemental Indenture") is dated as of _____, 200_ (such Mortgage as so supplemented being hereinafter called the "Mortgage") from FPL to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as Trustee ("Mortgage Trustee"), and (b) in connection with the sale of the Bonds to you in accordance with the underwriting agreement dated _____, 200_, between you and FPL (the "Agreement"). Capitalized terms used in this opinion but not defined shall have the meanings set forth in the Agreement.

We have participated in the preparation of or reviewed (1) Registration Statement No. 333-_____ which became effective on _____, 200_, which registration statement was filed by FPL with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), (references herein to the term "Registration Statement" as of any given date shall mean Registration Statement No. 333-_____, as amended and supplemented to such date, including those documents incorporated by reference therein as of such date pursuant to Item 12 of Form S-3 under the Securities Act (the "Incorporated Documents")); (2) the prospectus dated _____, 200_ forming a part of the Registration Statement, as supplemented by a prospectus supplement dated _____, 200_ relating to the Bonds, both such prospectus and prospectus supplement filed pursuant to Rule 424(b) under the Securities Act ("Rule 424" and references herein to the "Prospectus" as of any given date shall refer to such prospectus, as supplemented by the prospectus supplement relating to the Bonds filed pursuant to Rule 424, and as further amended and supplemented to such date, including the Incorporated Documents); (3) the Mortgage; (4) the corporate proceedings with respect to the Registration Statement and with respect to the authorization, issuance and sale of the Bonds; (5) FPL's Restated Articles of Incorporation, as amended to the date hereof (the

"Charter"), and Bylaws, as amended to the date hereof (the "Bylaws"); and (6) such other corporate records, certificates and other documents and such questions of law as we have considered necessary or appropriate for the purposes of this opinion. We have also participated in the preparation of FPL's Application to the Florida Public Service Commission ("FPSC") for the authorization of, among other things, the issuance and sale of debt securities in 200_, including the Bonds.

Upon the basis of the foregoing, we advise you that:

I.

FPL is a validly organized and existing corporation and is in good standing under the laws of the State of Florida and has valid franchises, licenses and permits adequate for the conduct of its business.

II.

FPL is a corporation duly authorized by its Charter to conduct the business which it is now conducting as set forth in the Prospectus; FPL is subject, as to retail rates and services, issuance of securities, accounting and certain other matters, to the jurisdiction of the FPSC; and FPL is subject, as to wholesale rates, accounting and certain other matters, to the jurisdiction of the Federal Energy Regulatory Commission.

III.

The Mortgage has been duly authorized by FPL by all necessary corporate action, has been duly and validly executed and delivered by FPL, and is a valid and binding obligation of FPL enforceable in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

IV.

The Bonds [of each series] are valid and binding obligations of FPL enforceable in accordance with their respective terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity, and are entitled to the benefit of the security afforded by the Mortgage.

V.

Except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no opinion, the Registration Statement, at the Effective Date, and the Prospectus, at the 424 Date, complied as to form in all material respects with the applicable requirements of the Securities Act and the applicable instructions, rules and regulations of the Commission thereunder. The Incorporated Documents (except as to the financial statements and

other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), at the time they were filed with the Commission, complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder. The Registration Statement became, and is, at the date hereof, effective under the Securities Act, and to the best of our knowledge, no proceedings for a stop order with respect thereto are pending or threatened under Section 8 of the Securities Act.

VI.

The consummation of the transactions contemplated in the Agreement and the fulfillment of the terms contained in the Agreement and the compliance by FPL with all the terms and provisions of the Mortgage will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or the Bylaws or any indenture, mortgage, deed of trust or other agreement or instrument the terms of which are known to us to which FPL is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of FPL.

VII.

The Bonds are being issued and sold pursuant to the authority contained in an order of the FPSC, which authority is adequate to permit the issuance and sale of the Bonds. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body (other than in connection or in compliance with the provisions of the blue sky laws of any jurisdiction as to which we express no opinion, and other than those which have been already obtained) is legally required for the authorization of the issuance and sale of the Bonds.

VIII.

The statements made in the Prospectus under the headings ["Description of the Bonds" and "Certain Terms of the Offered Bonds,"] [and _____] insofar as they purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

IX.

The Mortgage is duly qualified under the Trust Indenture Act of 1939, as amended.

X.

The Agreement has been duly and validly authorized, executed and delivered by FPL.

XI.

As to the Mortgaged and Pledged Property, as defined in the Mortgage, FPL has satisfactory title to any easements and personal properties, and good and marketable or insurable title in fee simple to any other real properties (except as FPL's interest is stated to be otherwise),

subject only to Excepted Encumbrances, as defined in the Mortgage, to any lien, if any, existing or placed thereon at the time of acquisition thereof by FPL, to minor defects and encumbrances customarily found in the case of properties of like size and character and which, in our opinion, would not impair the use thereof by FPL (all of which title exceptions, encumbrances, liens and defects are hereinafter referred to as "Exceptions"), and to the lien of the Mortgage; the Mortgage constitutes a valid, direct, and first mortgage lien upon the Mortgaged and Pledged Property now owned by FPL, subject, however, to the Exceptions and as set forth in the last sentence of this paragraph; and the description of properties in the Mortgage is adequate to constitute the Mortgage a lien on Mortgaged and Pledged Property hereafter acquired by FPL, subject, however, to the Exceptions and except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity. The [One Hundred Third] Supplemental Indenture is in proper form for recording in all places required; and upon such recording, the [One Hundred Third] Supplemental Indenture will constitute adequate record notice to perfect the lien of the Mortgage as to all Mortgaged and Pledged Property acquired by FPL subsequent to the recording of the [One Hundred Second] Supplemental Indenture to the Mortgage and prior to the recording of the [One Hundred Third] Supplemental Indenture.

XII.

Except as stated or referred to in the Prospectus, there is no material pending legal proceeding to which FPL is a party or of which property of FPL is the subject which is reasonably likely to be determined adversely and, if determined adversely, might reasonably be expected to have a material adverse effect on FPL and, to the best of our knowledge, no such proceeding is known to be contemplated by governmental authorities.

In rendering the foregoing opinion, we have assumed that the certificates representing the Bonds will conform to specimens examined by us and that the Bonds will be duly authenticated by the Mortgage Trustee under the Mortgage and will be delivered against payment of the purchase price as provided in the Agreement and that the signatures on all documents examined by us are genuine, assumptions which we have not independently verified.

Other than with respect to the opinion expressed in Paragraph VIII hereof, we have not ourselves checked the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Registration Statement or the Prospectus. We have generally reviewed and discussed such information with certain officers and employees of FPL, certain of its other legal counsel, its independent public accountants and your representatives. Additionally, as counsel to FPL, we have responsibility for certain of its legal matters. On the basis of such consideration, review and discussion, but without independent check or verification except as stated, nothing has come to our attention that would lead us to believe (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no belief, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no belief), that the Registration Statement, at the Effective Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements contained therein not misleading or (except as aforesaid) that the Prospectus at the 424 Date included, or at the date hereof includes, any untrue statement of a material fact or the

Prospectus at the 424 Date omitted, or at the date hereof omits, to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We are members of the Florida Bar and do not hold ourselves out as experts on the laws of New York or Georgia, and accordingly, this opinion is limited to the laws of Florida and the federal laws of the United States insofar as they bear on matters covered hereby. As to all matters of New York law, we have relied, with your consent, upon an opinion of even date herewith addressed to you by Thelen Reid & Priest LLP, New York, New York. As to all matters of law affecting Mortgaged and Pledged Property located in the State of Georgia, we have relied, with your consent, upon an opinion of even date herewith addressed to you and us by McDaniel & Haugaard, P.C., Decatur, Georgia. As to all matters of Florida law, Thelen Reid & Priest LLP and Hunton & Williams are hereby authorized to rely upon this opinion as though it were rendered to each of them.

This opinion is rendered to you in connection with the above-described transaction. This opinion may not be relied upon by you for any other purpose, or relied upon or furnished to any other person, firm or corporation without our prior written permission. This opinion is expressed as of the date hereof, and we do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to our attention, or any change in law that hereafter occurs.

Very truly yours,

STEEL HECTOR & DAVIS LLP

SCHEDULE IV

[LETTERHEAD OF THELEN REID & PRIEST LLP]

[Date]

as Representatives of the Underwriters
named in Schedule II to the Agreement,
as herein described

Ladies and Gentlemen:

We have acted as special counsel for Florida Power & Light Company ("FPL") (a) in connection with the authorization and issuance by FPL of $_____ principal amount of First Mortgage Bonds, ____% Series due _____, 20__ [and $_____ principal amount of First Mortgage Bonds, ____% Series due _____, 20__] ([collectively,] the "Bonds"), issued under the Mortgage and Deed of Trust dated as of January 1, 1944, as the same is supplemented by one hundred and [three] indentures supplemental thereto, the latest of which (the "One Hundred [Third] Supplemental Indenture") is dated as of _____, 200_ (such Mortgage as so supplemented being hereinafter called the "Mortgage") from FPL to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as Trustee ("Mortgage Trustee"), and (b) in connection with the sale of the Bonds to you in accordance with the underwriting agreement dated _____, 200_, between you and FPL (the "Agreement"). Capitalized terms used in this opinion but not defined shall have the meanings set forth in the Agreement.

We have participated in the preparation of or reviewed (1) Registration Statement No. 333-_____ which became effective on _____, 200_, which registration statement was filed by FPL with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), (references herein to the term "Registration Statement" as of any given date shall mean Registration Statement No. 333-_____, as amended and supplemented to such date, including those documents incorporated by reference therein as of such date pursuant to Item 12 of Form S-3 under the Securities Act (the "Incorporated Documents")); (2) the prospectus dated _____, 200_ forming a part of the Registration Statement, as supplemented by a prospectus supplement dated _____, 200_ relating to the Bonds, both such prospectus and prospectus supplement filed pursuant to Rule 424(b) under the Securities Act ("Rule 424" and references herein to the "Prospectus" as of any given date shall refer to such prospectus, as supplemented by the prospectus supplement relating to the Bonds filed pursuant to Rule 424, and as further amended and supplemented to such date, including the Incorporated Documents); (3) the Mortgage; (4) the corporate proceedings with respect to the Registration Statement and with respect to the authorization, issuance and sale of the Bonds; (5) FPL's Restated Articles of Incorporation, as amended to the date hereof (the "Charter"), and Bylaws, as amended to the date hereof (the

"Bylaws"); and (6) such other corporate records, certificates and other documents and such questions of law as we have considered necessary or appropriate for the purposes of this opinion. We have also participated in the preparation of FPL's Application to the Florida Public Service Commission ("FPSC") for the authorization of, among other things, the issuance and sale of debt securities in 200_, including the Bonds.

Upon the basis of the foregoing, we advise you that:

I.

The Mortgage has been duly authorized by FPL by all necessary corporate action, has been duly and validly executed and delivered by FPL, and is a valid and binding obligation of FPL enforceable in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

II.

The Bonds [of each series] are valid and binding obligations of FPL enforceable in accordance with their respective terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity, and are entitled to the benefit of the security afforded by the Mortgage.

III.

Except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no opinion, the Registration Statement, at the Effective Date, and the Prospectus, at the 424 Date, complied as to form in all material respects with the applicable requirements of the Securities Act and the applicable instructions, rules and regulations of the Commission thereunder. The Incorporated Documents (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), at the time they were filed with the Commission, complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder. The Registration Statement became, and is, at the date hereof, effective under the Securities Act, and to the best of our knowledge, no proceedings for a stop order with respect thereto are pending or threatened under Section 8 of the Securities Act.

IV.

The consummation of the transactions contemplated in the Agreement and the fulfillment of the terms contained in the Agreement and the compliance by FPL with all the terms and provisions of the Mortgage will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or the Bylaws or any indenture, mortgage, deed of trust or other agreement or instrument the terms of which are known to us to which FPL is now a party,

except where such breach or default would not have a material adverse effect on the business, properties or financial condition of FPL.

V.

The Bonds are being issued and sold pursuant to the authority contained in an order of the FPSC, which authority is adequate to permit the issuance and sale of the Bonds. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body (other than in connection or in compliance with the provisions of the blue sky laws of any jurisdiction as to which we express no opinion, and other than those which have been already obtained) is legally required for the authorization of the issuance and sale of the Bonds.

VI.

The statements made in the Prospectus under the headings ["Description of the Bonds" and "Certain Terms of the Offered Bonds,"] [and _____] insofar as they purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

VII.

The Mortgage is duly qualified under the Trust Indenture Act of 1939, as amended.

VIII.

The Agreement has been duly and validly authorized, executed and delivered by FPL.

In rendering the foregoing opinion, we have assumed that the certificates representing the Bonds will conform to specimens examined by us and that the Bonds will be duly authenticated by the Mortgage Trustee under the Mortgage and will be delivered against payment of the purchase price as provided in the Agreement and that the signatures on all documents examined by us are genuine, assumptions which we have not independently verified.

Other than with respect to the opinion expressed in Paragraph VI hereof, we have not ourselves checked the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Registration Statement or the Prospectus. We have generally reviewed and discussed such information with certain officers and employees of FPL, certain of its other legal counsel, its independent public accountants and your representatives. On the basis of such consideration, review and discussion, but without independent check or verification except as stated, nothing has come to our attention that would lead us to believe (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no belief, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no belief), that the Registration Statement, at the Effective Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements contained therein not misleading or (except as aforesaid) that the Prospectus at the 424 Date included, or at the date hereof includes, any untrue

statement of a material fact or the Prospectus at the 424 Date omitted, or at the date hereof omits, to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We are members of the New York Bar and do not hold ourselves out as experts on the laws of Florida. We do not pass upon matters governed by Florida law, including without limitation the incorporation of FPL, titles to property, franchises or the lien of the Mortgage. As to all matters of Florida law, we have relied, with your consent, upon an opinion of even date herewith addressed to you by Steel Hector & Davis LLP, Miami, Florida. As to all matters of New York law, Steel Hector & Davis LLP is hereby authorized to rely upon this opinion as though it were rendered to Steel Hector & Davis LLP.

This opinion is rendered to you in connection with the above-described transaction. This opinion may not be relied upon by you for any other purpose, or relied upon or furnished to any other person, firm or corporation without our prior written permission. This opinion is expressed as of the date hereof, and we do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to our attention, or any change in law that hereafter occurs.

Very truly yours,

THELEN REID & PRIEST LLP

SCHEDULE V

[LETTERHEAD OF HUNTON & WILLIAMS]

[Date]

as Representatives of the Underwriters
named in Schedule II to the Agreement,
as herein described

Ladies and Gentlemen:

We have acted as your counsel in connection with your several purchases from Florida Power & Light Company ("FPL") of $_____ principal amount of First Mortgage Bonds, ____% Series due _____, 20__ [and $_____ principal amount of First Mortgage Bonds, ____% Series due _____, 20__] ([collectively,] the "Bonds"), issued under FPL's Mortgage and Deed of Trust dated as of January 1, 1944, with Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as Trustee, which has been amended and supplemented in the past and which will be supplemented again by one or more supplemental indentures relating to these Bonds (as so amended and supplemented, the "Mortgage"), pursuant to the Underwriting Agreement, dated _____, 200_, between you and FPL (the "Agreement"). Capitalized terms used and not otherwise defined herein have the meaning ascribed to them in the Agreement.

In connection with the foregoing we have examined the following:

a) FPL's registration statement on Form S-3 (Registration Statement No. 333-_____ relating to $1,000,000,000 aggregate principal amount of First Mortgage Bonds filed with the Commission on _____, 200_ (the "Registration Statement");

b) the prospectus dated _____, 200_ (the "Prospectus") and the prospectus supplement dated _____, 200_ (the "Prospectus Supplement"), filed pursuant to Rule 424(b)(__) under the Securities Act of 1933, as amended (the "Securities Act");

c) the Restated Articles of Incorporation of FPL, as amended to date, and the Bylaws of FPL, as amended to date;

d) the unanimous consent[s] of the Board of Directors of FPL dated _____ and the unanimous consent[s] of the Finance Committee of the Board of Directors of FPL, dated _____, with respect to the offering of the Bonds, as certified by the Secretary of FPL on the date hereof;

e) the Agreement; and

f) the Mortgage.

We have also examined originals or copies, certified or otherwise identified to our satisfaction, of such other documents, agreements, certificates, corporate records, certificates of public officials and other instruments as we have deemed necessary or appropriate for the purposes of this opinion.

For purposes of the opinions expressed below, we have assumed without verification (i) the authenticity of all documents submitted to us as originals; (ii) the conformity to the originals of all documents submitted as certified or photostatic copies and the authenticity of the originals of such documents; (iii) the genuineness of signatures not witnessed by us; and (iv) the legal capacity of natural persons.

In rendering the following opinion, we have assumed that the certificates representing the Bonds will conform to specimens examined by us and that the Bonds will be duly authenticated by the Mortgage Trustee under the Mortgage and will be delivered against payment of the purchase price as provided in the Agreement.

As to factual matters, we have relied upon representations and warranties included in the Agreement and upon certificates of officers of FPL being delivered to you today pursuant to Section 7(a) of the Agreement, and upon certificates of public officials, without independent investigation. Whenever the phrase "to the best of our knowledge" or "has come to our attention" is used herein, it refers to the actual knowledge of the attorneys involved in this transaction, without independent investigation.

We do not purport to express an opinion on any laws other than the laws of the State of New York, the United States of America and, to the extent set forth herein, the laws of the State of Florida. As to all matters of Florida law, we have, with your consent, relied upon the opinion of even date herewith addressed to you by Steel Hector & Davis LLP, counsel for FPL. We express no opinion or belief as to the incorporation of FPL, titles to property, franchises or the lien of the Mortgage.

Based upon the foregoing and such other information and documents as we have considered necessary for the purposes hereof, we are of the opinion that:

I.

1. The Mortgage has been duly authorized by FPL by all necessary corporate action, has been duly and validly executed and delivered by FPL, and is a valid and binding obligation of FPL enforceable against FPL in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

2. The Bonds [of each series] are valid and binding obligations of FPL enforceable against FPL in accordance with their [respective] terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting

mortgagees' and other creditors' rights and remedies generally and general principles of equity, and are entitled to the benefit of the security afforded by the Mortgage.

3. The statements made in the Prospectus under the headings ["Description of the Bonds" and "Certain Terms of the Offered Bonds,"] [and _____] insofar as such statements purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

4. The Registration Statement has become, and is, at the date hereof, effective under the Securities Act, and to the best of our knowledge, no proceedings for a stop order with respect thereto are pending or threatened under Section 8 of the Securities Act.

5. The Mortgage is duly qualified under the Trust Indenture Act of 1939, as amended.

6. The Agreement has been duly and validly authorized, executed and delivered by FPL.

II.

Other than with respect to the opinion expressed in paragraph 3 of Part I hereof, we have not ourselves checked the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Registration Statement, the Prospectus or the Prospectus Supplement. We have, however, participated in the preparation of the Registration Statement, the Prospectus and the Prospectus Supplement. In this context, we have participated in various conferences with the officers and employees of FPL, certain of its legal counsel and its independent certified public accountants and your representatives. At those conferences, the contents of the Prospectus Supplement were discussed and revised. Since the dates of those conferences, we have inquired of certain officers whether there has been any material change in the affairs of FPL.

Except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no opinion, Registration Statement No. 333-_____, at the Effective Date, and the Prospectus and the Prospectus Supplement, each at the 424 Date, complied as to form in all material respects with the applicable requirements of the Securities Act and the applicable instructions, rules and regulations of the Commission thereunder. The Incorporated Documents (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), at the time they were filed with the Commission, complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended, and the applicable instructions, rules and regulations of the Commission thereunder.

Because of the inherent limitations in the independent verification of factual matters, and the character of determinations involved in the preparation of registration statement[s] under the Securities Act, we are not passing upon, and do not assume any responsibility for, and make no representation that we have independently verified, the accuracy, completeness or fairness of the

statements contained in the Registration Statement, the Prospectus or the Prospectus Supplement, except as specifically set forth in paragraph 3 of Part I of our opinion above. Also, we do not express any opinion or belief as to the financial statements or other financial or statistical information contained in the Registration Statement, the Prospectus and the Prospectus Supplement. However, subject to the foregoing, on the basis of our participation in the conferences referred to above and our examination of the documents referred to herein, we advise you that nothing has come to our attention that would lead us to believe (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no belief, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no belief), that the Registration Statement, at the Effective Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements contained therein not misleading or (except as aforesaid) that the Prospectus or the Prospectus Supplement at the 424 Date included, or at the date hereof includes, any untrue statement of a material fact or the Prospectus or the Prospectus Supplement at the 424 Date omitted, or at the date hereof omits, to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

This opinion is furnished solely for your benefit, and it is not to be quoted, in whole or in part, or otherwise referred to, nor is it to be filed with any governmental agency or any other person, and no person or entity other than you shall be entitled to rely upon this opinion without our express written consent. This opinion is given as of the date hereof, and we assume no obligation to advise you after the date hereof of facts or circumstances that come to our attention or changes in law that occur which could affect the opinion contained herein.

Very truly yours,

HUNTON & WILLIAMS

EXHIBIT 1(b)

Exhibit 1(b)

FLORIDA POWER & LIGHT COMPANY

Secured Medium-Term Notes, Series __

Distribution Agreement

[Date]

[Names and Addresses of Agents]

Ladies and Gentlemen:

The undersigned, FLORIDA POWER & LIGHT COMPANY, a Florida corporation ("FPL"), hereby confirms its agreement with each of you (individually, an "Agent" and collectively, the "Agents") as follows:

1. **Appointment of Agents.**

(a) FPL has authorized by appropriate corporate action and proposes to issue and sell in the manner contemplated by this agreement up to $_____ aggregate principal amount of Securities (as defined in Section 3(a) hereof) registered pursuant to the Registration Statement (as defined in Section 3(a) hereof).

(b) Subject to the terms and conditions stated in this agreement, FPL hereby appoints each of you as Agent for the purpose of offering and selling the Securities. FPL reserves the right to sell the Securities on its own behalf directly to investors and, from time to time, to appoint additional agents to sell the Securities, provided that FPL shall furnish the Agents with reasonable advance notification of the addition of any agent to sell the Securities and further provided that each such additional agent shall be required to execute a distribution agreement in form and substance substantially similar to this agreement, except that FPL and each such additional agent may change the form and substance of the commission rate schedule contained in each respective distribution agreement in any manner acceptable to FPL and such additional agent. FPL further reserves the right to change the principal amount of Securities to be sold by the Agents pursuant to this agreement, provided that FPL shall furnish the Agents with reasonable advance notification of such change. The foregoing shall not be construed to prevent FPL from selling at any time any of its securities, including the Securities in a firm commitment underwriting pursuant to an underwriting agreement that does not provide for a continuous offering of such securities. In the event that FPL shall sell securities during the period between the time at which FPL has accepted an offer to purchase Securities solicited by an Agent from such purchaser under the terms and conditions of this agreement and the Settlement Date (as defined in Section 4 hereof) and such sale directly results in the failure of such purchaser to accept delivery or pay for the Securities, FPL shall be obligated to pay the Agent a commission in respect of such Securities to be calculated in accordance with Exhibit B attached hereto.

(c) On the basis of the representations and warranties contained herein, but subject to the terms and conditions herein set forth, each Agent agrees, as agent of FPL, to use its reasonable best efforts when requested by FPL to solicit offers to purchase the Securities upon the terms and conditions set forth in the Prospectus (as defined in Section 3(a) hereof) and the Administrative Procedures attached hereto as Exhibit A, as they may be amended from time to time (the "Procedures").

(d) Administrative procedures relating to the offer and sale of the Securities, the issue and delivery of certificates representing the Securities and payment for the Securities are set forth in the Procedures. Each Agent and FPL agree to perform the respective duties and obligations to be performed by each of them as provided in the Procedures. The Procedures may be amended only by a written agreement between FPL and the Agents. The Agents agree that the principal amount of Securities to be offered and sold from time to time, the prices, the interest rates or the method, if any, of determining such interest rates, the

maturities, redemption provisions, and other terms at which the Securities are to be offered and sold will be in compliance with limitations established by FPL with the Agents in accordance with the Procedures.

(e) Promptly upon the Settlement Date, each Agent will be paid a commission for such Agent's services in acting as an agent for FPL in the sale of the Securities and not for a purchase by such Agent as principal, in accordance with the schedule set forth in Exhibit B hereto.

(f) Upon execution of this agreement by FPL and each Agent, it is agreed that the Distribution Agreement, dated _____ ("Prior Distribution Agreement"), among FPL and each of the Agents is terminated in accordance with Section 11 of such Prior Distribution Agreement.

2. Description of Securities. FPL proposes to issue the Securities under its Mortgage and Deed of Trust, dated as of January 1, 1944, to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as Trustee (the "Mortgage Trustee"), and The Florida National Bank of Jacksonville (now resigned), as heretofore supplemented, pursuant to the _____ Supplemental Indenture relating to an aggregate principal amount not to exceed $_____ of First Mortgage Bonds, designated Secured Medium-Term Notes, Series __ (the "Series __ Notes") dated as of _____ (the "Supplemental Indenture"), previously delivered to the Agents. On the date hereof, $_____ aggregate principal amount of such Series __ Notes remain unissued under the Supplemental Indenture. The Mortgage and Deed of Trust as it may be supplemented as of any Settlement Date is hereafter called the "Mortgage".

The Securities shall have the maturities, interest rates or the method, if any, of determining interest rates, redemption provisions, and other terms as set forth in the Prospectus. The Securities will be issued, and the terms thereof established, from time to time by FPL in accordance with the Mortgage and the Procedures.

3. Representations and Warranties of FPL. FPL represents and warrants to each Agent that:

(a) FPL has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3, including a prospectus ("registration statement No. 333-_____"), for the registration under the Securities Act of 1933, as amended (the "Securities Act"), of $_____ aggregate principal amount of its First Mortgage Bonds. Such registration statement has been declared effective by the Commission and no stop order suspending such effectiveness has been issued under the Securities Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of FPL, threatened by the Commission. Subsequent to the date hereof, it will file with the Commission any additional registration statement or registration statements ("Subsequent Registration Statement") with respect to its First Mortgage Bonds necessary to assure that Securities (as defined below) offered and sold in accordance with the terms of this agreement are registered under the Securities Act. References herein to the term "Registration Statement" as of any given date shall initially mean registration statement No. 333-_____, as amended or supplemented to such date, including all documents incorporated by reference therein as of such date pursuant to Item 12 of Form S-3 ("Incorporated Documents"). If FPL files a Subsequent Registration Statement with respect to its First Mortgage Bonds which FPL has notified the Agents will be available for offer and sale in accordance with the terms of this agreement ("Future Bonds"), at and after the time such Subsequent Registration Statement is declared effective by the Commission, references herein to the term "Registration Statement" as of any given date shall mean such Subsequent Registration Statement and, until such time as all First Mortgage Bonds registered pursuant to registration statement No. 333-_____ ("Current Bonds") have been issued and sold (assuming that all Current Bonds are issued and sold before any Future Bonds) or deregistered, as the case may be, said registration statement No. 333-_____, as it may be amended or supplemented at such time, including as of such time all Incorporated Documents. References herein to the term "Prospectus" at a particular time shall mean the prospectus forming a part of registration statement No. 333-_____ or, after the Subsequent Registration Statement is declared effective by the Commission, the prospectus or combined prospectus forming a part of the Subsequent Registration Statement, each as may be supplemented by a prospectus supplement or prospectus supplements relating to, as the case may be, Current Bonds or Future Bonds, designated as Secured Medium-Term Notes, Series ___ ("Securities"), proposed to be filed pursuant to Rule 424(b) of the general rules and regulations of the

Securities Act ("Rule 424"), and as further amended or supplemented at such time (other than, when referring to the Prospectus relating to a particular offering of Securities, amendments or supplements relating to Securities other than the Securities being offered at a particular time), including all Incorporated Documents. References herein to the term "Effective Date" shall be deemed initially to refer to the later of the time and date registration statement No. 333-_____ was declared effective or the time and date of the filing thereafter of FPL's most recent Annual Report on Form 10-K and, after any Subsequent Registration Statement has been declared effective by the Commission, references to the term "Effective Date" shall be deemed to refer to the later of the time and date the Subsequent Registration Statement was declared effective or the time and date of the filing thereafter of FPL's most recent Annual Report on Form 10-K. For purposes of this agreement, any Incorporated Document filed with the Commission shall be deemed an amendment to the Registration Statement and a supplement to the Prospectus.

(b) At the Effective Date, the Registration Statement fully complied, and on each date the Prospectus is filed with, or transmitted for filing to, the Commission pursuant to Rule 424 (such date, the "Rule 424 Date") and on any Settlement Date, the Prospectus and the Mortgage will fully comply, in all material respects with the applicable provisions of the Securities Act and the Trust Indenture Act of 1939, as amended (the "1939 Act"), respectively, and, in each case, the applicable instructions, rules and regulations of the Commission thereunder; the Registration Statement at the Effective Date, did not contain, and on any Settlement Date, will not contain, any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; on each Rule 424 Date and on any Settlement Date, the Prospectus will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading; and the Incorporated Documents when filed with the Commission, fully complied or will fully comply in all material respects with the applicable provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder; provided, that the foregoing representations and warranties in this subsection (b) shall not apply to statements or omissions made in reliance upon and in conformity with information furnished in writing to FPL by or on behalf of any Agents for use in connection with the preparation of the Registration Statement or the Prospectus, or to any statements in or omissions from the Statement of Eligibility on Form T-1, or amendments thereto, of the Mortgage Trustee or to any statements or omissions made in the Registration Statement or Prospectus relating to the Depository Trust Company ("DTC") Book-Entry Only System that are based solely on information contained in published reports of DTC.

(c) The financial statements included as part of or incorporated by reference in the Prospectus present fairly the financial condition and results of operations of FPL at the respective dates or for the respective periods to which they apply; such financial statements have been prepared in each case in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as otherwise indicated in the Registration Statement; and Deloitte & Touche LLP, who have audited the audited financial statements, are independent public accountants as required by the Securities Act and the Exchange Act and the rules and regulations of the Commission thereunder.

(d) Except as reflected in or contemplated by the Registration Statement and the Prospectus, since the respective most recent dates as of which information is given in the Registration Statement and Prospectus, there has not been any material adverse change in the business, properties or financial condition of FPL, whether or not in the ordinary course of business, nor has any transaction been entered into by FPL that is material to FPL, other than changes and transactions contemplated by the Registration Statement and Prospectus, and transactions in the ordinary course of business. FPL has no material contingent obligation which is not disclosed in or contemplated by the Registration Statement and Prospectus.

(e) The execution and delivery of this agreement, the consummation of the transactions herein contemplated and the fulfillment of the terms hereof on the part of FPL to be fulfilled have been duly authorized by all necessary corporate action of FPL in accordance with the provisions of its Restated Articles of Incorporation, as amended (the "Charter"), by-laws and applicable law, and the Securities when issued and delivered as provided herein will constitute valid and binding obligations of FPL

enforceable in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

(f) The execution and delivery of this agreement, the consummation of the transactions herein contemplated, the fulfillment of the terms hereof and the compliance by FPL with all the terms and provisions of the Mortgage will not result in a breach of any of the terms or provisions of, or constitute a default under, FPL's Charter or by-laws or any indenture, mortgage, deed of trust or other agreement or instrument to which FPL is now a party, or violate any law or any order, rule, decree or regulation applicable to FPL of any federal or state court, regulatory board or body or administrative agency having jurisdiction over FPL or any of its property, except where such breach, default or violation would not have a material adverse effect on the business, properties or financial condition of FPL.

(g) All the property to be subjected to the lien of the Mortgage will be adequately described therein.

(h) FPL is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

4. Settlement. Delivery of Securities in fully registered form shall be made in accordance with the Procedures. The date of authentication and issuance of the Global Security (as defined in the Procedures attached hereto) sold against delivery to FPL of funds in payment therefor is herein called the "Settlement Date." Delivery of, and payment for, Securities sold to the Agents as principal shall be made in accordance with the Terms Agreement (as defined in Section 12 hereof) relating to such Securities.

5. Obligations of Agents.

(a) In soliciting purchases of the Securities from FPL by others (including customers of the Agents), each Agent will be acting as sales agent for FPL and not as principal. Each Agent will use its reasonable best efforts to solicit and receive offers to purchase the Securities on behalf of FPL as contemplated hereby; provided, that each Agent in its sole discretion may suspend from time to time its efforts in offering for sale, and soliciting purchases of, the Securities. In any transaction where an Agent has acted as agent for FPL and has not purchased as principal, the Agent will make reasonable efforts to obtain performance by each purchaser of Securities from FPL, but the Agent will not have any liability to FPL in the event any such purchase is not consummated for any reason. FPL also understands that under no circumstances shall an Agent be obligated to purchase any Securities for its own account except to the extent that such Agent has acted as principal in purchasing Securities or has made a firm commitment with FPL in connection with an offering which has been expressly authorized by FPL and agreed to by such Agent. Unless FPL and the Agents shall otherwise agree, all purchases by an Agent as principal shall be made pursuant to a Terms Agreement.

(b) Each Agent agrees that in carrying out the transactions contemplated by this agreement, it will observe and comply with all securities or blue sky laws, regulations, rules and ordinances in any jurisdiction in which the Securities may be offered, sold or delivered applicable to it as Agent hereunder. Each Agent agrees not to cause any advertisement of the Securities to be published in any newspaper or periodical or posted in any public place and not to publicly issue any circular relating to the Securities other than the Prospectus, except in any case with the express consent of FPL.

6. Covenants of FPL. FPL agrees with each Agent that:

(a) FPL will advise the Agents promptly (i) when any amendment to the Registration Statement, except any Incorporated Documents, has become effective or any supplement to the Prospectus has been filed, (ii) of any request by the Commission for any amendment of the Registration Statement or the Prospectus or for any additional information with respect to the Registration Statement or the Prospectus, (iii) of the issuance by the Commission of any "stop order" suspending the effectiveness of the Registration Statement or the institution, or advice from the Commission that it is considering the institution, of any

proceeding for that purpose, and (iv) of the receipt by FPL of any official notification with respect to the suspension of the qualification of the Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose. FPL will use its every commercially reasonable effort to prevent the issuance of any such "stop order" and, if issued, to obtain as soon as possible the withdrawal thereof. FPL will not file any amendment to the Registration Statement or supplement to the Prospectus unless FPL has furnished the Agents through Hunton & Williams, who are acting as counsel for the Agents ("Counsel for the Agents") copies for its review prior to filing, except that FPL is not required to so furnish the Agents with copies of any amendment to the Registration Statement or supplement to the Prospectus if such amendment or supplement is a Form 8-K filed solely for the purpose of filing, pursuant to Item 601 of Regulation S-K, exhibits unrelated to the transactions contemplated by this agreement.

(b) FPL will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Securities for offer and sale under the blue sky laws of such jurisdictions as the Agents may reasonably designate after consultation with FPL and will pay or cause to be paid filing fees and expenses (including fees and expenses of counsel), in the aggregate not exceeding $5,000, provided that FPL shall not be required to qualify as a foreign corporation or dealer in securities, or to file any consents to service of process under the laws of any jurisdiction, or to meet other requirements deemed by FPL to be unduly burdensome.

(c) FPL will timely file such statements and reports as are or may be required of it as the issuer of the Securities to continue such qualifications under such securities laws in effect for so long as this agreement remains in effect.

(d) FPL will furnish to the Agents and Counsel for the Agents one signed copy of the Registration Statement, or if a signed copy is not available, one conformed copy of the Registration Statement certified by an officer of FPL to be in the form as originally filed, including Incorporated Documents and all exhibits except those incorporated by reference, relating to the Securities, including a signed or conformed copy of each consent and certificate included therein or filed as an exhibit thereto. FPL will furnish the Agents as soon as practicable after the date of this agreement as many copies of the Prospectus as the Agents may reasonably request for the purposes contemplated by the Securities Act.

(e) FPL will deliver to the Agents without charge as soon as practicable after the Registration Statement and each post-effective amendment thereto becomes effective, and as soon as practicable after each supplement to the Prospectus has been filed, as many copies of the Prospectus as then amended or supplemented as the Agents may reasonably request for the purposes contemplated by the Securities Act.

(f) FPL will timely file all reports, and amendments thereto, required to be filed by FPL with the Commission pursuant to Section 13 or 15(d) of the Exchange Act subsequent to the original effective date of the Registration Statement and for so long as this agreement shall remain in effect and to deliver to the Agents without charge promptly after the filing thereof as many copies of each such report and amendment (excluding exhibits) as the Agents may reasonably request.

(g) FPL will deliver to the Agents, so long as this agreement shall remain in effect, as promptly as possible copies of any published reports of FPL to its security holders, including any annual report and quarterly reports of FPL, and any other financial reports made generally available to its security holders.

(h) If an earnings statement is not included in a quarterly report of FPL to its security holders, FPL will make generally available to its security holders once in each calendar quarter, commencing with the quarter beginning after the date of this agreement and ending with the first calendar quarter after the quarter which ends twelve consecutive months after the end of the calendar quarter in which the last sale of Securities effected pursuant hereto occurs, an earnings statement (which need not be audited) of FPL in reasonable detail, covering a period of twelve consecutive months ending at the close of the next preceding calendar quarter, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act.

(i) So long as this agreement remains in effect and at any time thereafter when delivery of a prospectus shall be required by the Securities Act in connection with the sale of any of the Securities or resale of any Securities purchased by the Agents as principal hereunder, if any event relating to or affecting FPL, which, in the opinion of FPL, should be set forth in a supplement to or an amendment of the Prospectus in order to make the Prospectus not misleading in the light of the circumstances when it is delivered, FPL will forthwith (i) notify the Agents promptly to suspend offers for sale and solicitations of purchases of the Securities, and promptly after the receipt of such notice the Agents will suspend offers for sale and solicitations of purchases of the Securities and cease using the Prospectus and (ii) at its expense prepare and furnish to the Agents a reasonable number of copies of a supplement or supplements or an amendment or amendments to the Prospectus which will supplement or amend the Prospectus so that as so supplemented or amended it will not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements contained therein, in the light of the circumstances when the Prospectus is delivered, not misleading (provided that should such event relate solely to the activities of any of the Agents, then the Agents shall assume the expense of preparing and furnishing copies of any such amendment or supplement) and will advise the Agents when they may resume offers for sale and solicitations of purchases of the Securities.

(j) FPL will pay or cause to be paid all expenses, fees and taxes (but not including any transfer taxes) in connection with (i) the preparation and filing and printing of copies of the Registration Statement and amendments thereto and the Prospectus and amendments and supplements thereto, including in each case all Incorporated Documents, and this agreement, (ii) the issuance and delivery of the Securities, (iii) the qualification for offer and sale of the Securities under securities laws as aforesaid (subject to the limit on such expenses and fees specified in Section 6(b) hereof) and (iv) the preparation, execution, filing and recording of the Supplemental Indenture. FPL also agrees to pay or reimburse the Agents for the reasonable fees and expenses of Counsel for the Agents for their continuing advice and services in connection with the transactions contemplated hereby including advice and services in connection with any Subsequent Registration Statement and (unless otherwise specified in a Terms Agreement) any purchase by the Agents or any Agent pursuant to Section 12 hereof. The Agents agree to notify FPL semi-annually in writing in reasonable detail of such fees and expenses of Counsel for the Agents.

(k) Promptly after the execution of this agreement FPL will reimburse the Agents for the reasonable fees and expenses of Counsel for the Agents and other out-of-pocket expenses of the Agents related to the Agents' services in connection with the implementation of the program for the offer and sale of the Securities as contemplated hereby not exceeding in the aggregate $_____ (exclusive of fees and expenses referred to in Sections 6(b) and 6(j) hereof).

7. Conditions of Agents' Obligations. The obligations of the Agents to act and continue to act as Agents hereunder, and the obligation of the Agents to purchase Securities as principal pursuant to any Terms Agreement, shall be subject to the accuracy of, and compliance with, in all material respects, the representations and warranties of FPL contained herein at the date of this agreement and any Settlement Date, to the performance by FPL, in all material respects, of its obligations to be performed hereunder and to the following conditions:

(a) No stop order suspending the effectiveness of the Registration Statement shall be in effect; no order of the Commission directed to the adequacy of any Incorporated Document shall have been issued; no proceedings for either such purpose shall be pending before, or threatened by, the Commission; at the date of this agreement the Agents shall have received a certificate of FPL signed by an officer of FPL to the effect that, to the best of his or her knowledge, no such order is in effect and no proceedings for such purpose are pending before, or, to the knowledge of FPL threatened by, the Commission; and all requests for additional information with respect to the Registration Statement or the Prospectus on the part of the Commission shall have been complied with by FPL to the reasonable satisfaction of the Agent.

(b) At the date of this agreement, the Agents shall have received from Steel Hector & Davis LLP, counsel to FPL, a favorable opinion (with a copy thereof for each of the Agents), which opinion will not pass upon compliance with provisions of the blue sky laws of any jurisdiction, in form and substance satisfactory to Counsel for the Agents, to the effect that:

(i) FPL is a validly organized and existing corporation and is in good standing under the laws of the State of Florida, and has valid franchises, licenses and permits adequate for the conduct of its business.

(ii) FPL is a corporation duly authorized by its Charter to conduct the business which it is now conducting as set forth in the Prospectus; FPL is subject, as to retail rates and services, issuance of securities, accounting and certain other matters, to the jurisdiction of the Florida Public Service Commission ("FPSC"); and FPL is subject, as to wholesale rates, accounting and certain other matters to the jurisdiction of the Federal Energy Regulatory Commission.

(iii) The Mortgage has been duly authorized by FPL by all necessary corporate action, has been duly and validly executed and delivered by FPL, and is a valid and binding obligation of FPL enforceable in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

(iv) The Securities will, when issued and paid for as contemplated herein, be valid and binding obligations of FPL and, assuming payment of intangible tax and document excise tax in accordance with the Procedures, such Securities will be enforceable in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity, and will be entitled to the benefit of the security afforded by the Mortgage.

(v) Except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, upon which such opinion need not pass, and except for those parts of the Registration Statement that constitute a Statement of Eligibility on Form T-1, or amendments thereto, upon which such opinion need not pass, the Registration Statement, at the Effective Date, and the Prospectus, at the Rule 424 Date, complied as to form in all material respects with the applicable requirements of the Securities Act and the applicable instructions, rules and regulations of the Commission thereunder. The Incorporated Documents (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, upon which such opinion need not pass), at the time they were filed with the Commission, complied as to form in all material respects with the applicable requirements of the Exchange Act and the applicable instructions, rules and regulations of the Commission thereunder. The Registration Statement is, at the date of this agreement, effective under the Securities Act, and to the best of the knowledge of said counsel, no proceedings for a stop order with respect thereto are pending or threatened under Section 8 of the Securities Act.

(vi) The consummation of the transactions herein contemplated and the fulfillment of the terms hereof and the compliance by FPL with all the terms and provisions of the Mortgage will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or Bylaws of FPL, or any indenture, mortgage, deed of trust or other agreement or instrument the terms of which are known to such counsel to which FPL is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of FPL.

(vii) Except as to the financial statements and other financial or statistical data contained or incorporated by reference therein and except for those parts of the Registration Statement that constitute a Statement of Eligibility on Form T-1, or amendments thereto, upon which such opinion need not pass, nothing has come to the attention of said counsel that would lead them to believe that the Registration Statement, at the Effective Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus, at the Rule 424 Date and at the date of such opinion (except as aforesaid), included or includes any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the

statements contained therein, in the light of the circumstances under which they were made, not misleading, provided that such counsel may state that their belief is based upon their participation in the preparation of the Registration Statement and the Prospectus and any supplements and amendments thereto and review and discussion of the contents thereof, but is without independent check or verification except as specified.

(viii) The Securities are being issued and sold pursuant to the authority contained in an order of the FPSC, which authority is adequate to permit the issuance and sale of the Securities during [calendar year]. To the best of the knowledge of said counsel, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body (other than in connection or in compliance with the provisions of the blue sky laws of any jurisdiction upon which such opinion need not pass) is legally required for the authorization of the issuance and sale of the Securities.

(ix) The statements made in the Prospectus under the headings ["Description of the Bonds"] and ["Certain Terms of the Offered Bonds"] [and _____], insofar as they purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

(x) The Mortgage is duly qualified under the 1939 Act.

(xi) This agreement has been duly and validly authorized, executed and delivered by FPL.

(xii) As to the Mortgaged and Pledged Property, as defined in the Mortgage, FPL has satisfactory title to any easements and personal properties, and good and marketable or insurable title in fee simple to any other real properties (except as FPL's interest is stated to be otherwise), subject only to Excepted Encumbrances, as defined in the Mortgage, to any lien, if any, existing or placed thereon at the time of acquisition thereof by FPL, to minor defects and encumbrances customarily found in the case of properties of like size and character and which, in the opinion of said counsel, would not impair the use thereof by FPL (all of which title exceptions, encumbrances, liens and defects are hereinafter referred to as "Exceptions"), and to the lien of the Mortgage; the Mortgage constitutes a valid, direct, and first mortgage lien upon the Mortgaged and Pledged Property now owned by FPL, subject, however, to the Exceptions and as set forth in the last sentence of this paragraph; and the description of properties in the Mortgage is adequate to constitute the Mortgage a lien on Mortgaged and Pledged Property hereafter acquired by FPL, subject, however, to the Exceptions and except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity. Mortgaged and Pledged Property acquired after the most recent recording of a supplemental indenture may also be subject to possible rights of others which may attach prior to recordation of a supplemental indenture subsequent to the acquisition of such property.

(xiii) Except as stated or referred to in the Prospectus, there is no material pending legal proceeding to which FPL is a party or of which property of FPL is the subject which is reasonably likely to be determined adversely and, if determined adversely, might reasonably be expected to have a material adverse effect on FPL, and, to the best of the knowledge of said counsel, no such proceeding is known to be contemplated by governmental authorities.

(xiv) The information contained in the Prospectus which is stated therein to have been made in reliance upon the authority of said counsel or is specifically attributed to them, has been reviewed by them and is correct.

In said opinion such counsel may rely as to all matters of New York law on an opinion of Thelen Reid & Priest LLP and as to matters relating to Mortgaged and Pledged Property located in the State of Georgia on (i) prior opinions provided to FPL on matters of Georgia law and (ii) a current opinion from Georgia counsel.

(c) At the date of this agreement, the Agents shall have received from Thelen Reid & Priest LLP, co-counsel to FPL, a favorable opinion (with a copy thereof for each of the Agents), which opinion will not pass upon compliance with provisions of the blue sky laws of any jurisdiction, in form and substance satisfactory to Counsel for the Agents, to the same effect with respect to matters enumerated in paragraphs (iii) - (xi) of subsection (b) of this Section 7. In said opinion such counsel may rely as to all matters of Florida law on the opinion of Steel Hector & Davis LLP, and will not pass upon the incorporation of FPL, titles to property, franchises or the lien of the Mortgage.

(d) At the date of this agreement, the Agents shall have received from Hunton & Williams, Counsel for the Agents, a favorable opinion (with a copy thereof for each of the Agents) to the same effect with respect to the matters enumerated in (iii) - (v), (vii) and (ix) - (xi) of Subsection (b) of this Section 7. In said opinion such counsel may rely as to all matters of Florida law on the opinion of Steel Hector & Davis LLP, and will not pass upon the incorporation of FPL, titles to property, franchises or the lien of the Mortgage.

(e) At the date of this agreement, each of the Agents shall have received from Deloitte & Touche LLP a letter to the effect that (i) they are independent public accountants with respect to FPL within the meaning of the Securities Act and the Exchange Act and the applicable published rules and regulations thereunder; (ii) in their opinion, the consolidated financial statements audited by them and incorporated by reference in the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the published rules and regulations thereunder; (iii) on the basis of performing a review of interim financial information as described in Statement on Auditing Standards No. 71, Interim Financial Information, on the unaudited condensed consolidated financial statements of FPL incorporated by reference in the Prospectus, a reading of the latest available interim unaudited condensed consolidated financial statements of FPL since the close of FPL's most recent audited fiscal year, the minutes and consents of the Board of Directors, the Finance Committee of the Board of Directors, the Stock Issuance Committee of the Board of Directors, and the sole common shareholder of FPL since the end of the most recent audited fiscal year, and inquiries of officials of FPL who have responsibility for financial and accounting matters (it being understood that the foregoing procedures do not constitute an audit made in accordance with generally accepted auditing standards and they would not necessarily reveal matters of significance with respect to the comments made in such letter, and accordingly that Deloitte & Touche LLP makes no representation as to the sufficiency of such procedures for the several Agents' purposes), nothing has come to their attention which caused them to believe that (a) the unaudited condensed consolidated financial statements of FPL incorporated by reference in the Prospectus (1) do not comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the published rules and regulations thereunder and (2) except as disclosed in the Prospectus, are not in conformity with generally accepted accounting principles applied on a basis substantially consistent with that of the audited consolidated financial statements of FPL incorporated by reference in the Prospectus, (b) at the date of the latest available interim balance sheet read by them and at a specified date not more than five days prior to the date of this agreement there was any change in the common stock or additional paid-in capital, increase in the preferred stock or long-term debt of FPL and its subsidiaries, or decrease in its shareholders' equity, in each case as compared with amounts shown in the most recent condensed consolidated balance sheet incorporated by reference in the Prospectus, except in all instances for changes, increases or decreases which the Prospectus discloses have occurred or may occur, or as occasioned by the declaration, provision for, or payment of dividends, or which are described in such letter, or (c) for the period from the date of the most recent condensed consolidated balance sheet incorporated by reference in the Prospectus to the latest available interim balance sheet read by them and for the period from the date of the latest available interim balance sheet read by them to a specified date not more than five days prior to the date of this agreement, there were any decreases, as compared with the corresponding period in the preceding year, in total consolidated operating revenues or in net income or net income available to FPL Group, Inc., except in all instances for decreases which the Prospectus discloses have occurred or may occur, or which are described in such letter; and (iv) they have carried out certain procedures and made certain findings, as specified in such letter, with respect to certain amounts included in the Prospectus and Exhibit 12 to the Registration Statement and such other items as the Agents may reasonably request.

(f) Since the respective most recent dates as of which information is given in the Registration Statement and Prospectus, and up to any Settlement Date, there shall have been no material adverse change in the business, properties or financial condition of FPL, except as disclosed in or contemplated by the Registration Statement and Prospectus, and since such dates there shall have been no material transaction entered into by FPL other than transactions disclosed in or contemplated by the Registration Statement and the Prospectus, and transactions in the ordinary course of business; and at the date of this agreement the Agents shall have received a certificate to such effect from FPL signed by an officer of FPL.

(g) The Agents shall have received any certificate required by Section 8(b) hereof.

(h) On the first Settlement Date occurring in each calendar year, Steel Hector & Davis LLP and Thelen Reid & Priest LLP shall each provide to the Agents an opinion dated the Settlement Date to the effect provided in Section 7(b)(viii).

(i) There shall be in full force and effect an authorization of the FPSC with respect to the issuance and sale of the Securities on the terms herein stated or contemplated, and containing no provision unacceptable to the Agents by reason of the fact that it is materially adverse to FPL; and at the date of this agreement the Agents shall have received a certificate to such effect, signed by FPL.

(j) All legal proceedings to be taken in connection with the issuance and sale of the Securities shall have been satisfactory in form and substance to Counsel for the Agents.

In case any of the conditions specified above in this Section 7 shall not have been fulfilled, the Agents shall have no further obligation to proceed with any offering, sale, or any solicitation of purchase of the Securities or any purchase by the Agents as principal of the Securities pursuant to any Terms Agreement or otherwise.

8. Further Representations and Warranties by FPL. FPL represents and warrants, and agrees with the Agents, that:

(a) Each authorization by FPL to the Agents to offer for sale, or solicit purchases of, the Securities as provided in the Procedures and each purchase of Securities by the Agent as principal pursuant to any Terms Agreement shall be deemed to be an affirmation that the representations and warranties of FPL contained in this agreement are true and correct at the time of such authorization or at the date of such Terms Agreement, as the case may be, and an undertaking that such representations and warranties will be true and correct at the time of delivery of and payment for Securities sold pursuant to such authorization or Terms Agreement as provided in Section 4 hereof or in such Terms Agreement, in each case as though made at and as of each such time or date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to each such time or date);

(b) Delivery for Securities at each Settlement Date shall be deemed to be a certification by FPL that (i) all intangible and document excise taxes payable in accordance with Settlement Procedure E of the Procedures have been duly paid and (ii) any resolutions of the Board of Directors of FPL or the Finance Committee of FPL's Board of Directors establishing the Securities and authorizing their execution, authentication and delivery pursuant to this agreement have not been amended or superseded and remain in full force and effect; provided that if such resolutions have been amended or superseded, at each such Settlement Date occurring on or after such resolutions shall be amended or superseded, FPL shall provide the Agents with a certificate signed by FPL to the effect that such resolutions have been so amended or superseded and attaching to such certificate a copy of the resolutions as amended or the superseding resolutions together with the opinions of Steel Hector & Davis LLP and Thelen Reid & Priest LLP, each dated the Settlement Date, to the effect provided in Section 7(b)(iv).

(c) Each time that the Registration Statement or the Prospectus shall be amended or supplemented, or a document shall be filed under the Exchange Act which is incorporated by reference in the Registration Statement or Prospectus (except (i) supplements or amendments relating solely to the sale of the

Securities, (ii) supplements or amendments relating solely to a change in the interest rates or maturities of the Securities or a change in the principal amount of Securities remaining to be sold or similar changes and (iii) Forms 8-K that are filed solely for the purpose of filing exhibits pursuant to Item 601 of Regulation S-K) or FPL shall sell Securities to the Agents pursuant to a Terms Agreement (if required by the Agents with respect to a particular Terms Agreement), FPL shall furnish or cause to be furnished forthwith to the Agents a certificate in form and substance satisfactory to the Agents in their reasonable judgment to the effect that the statements contained in the certificate referred to in Section 7(f) hereof which were last furnished to the Agents are true and correct at the time of such amendment or supplement or filing or sale, as the case may be, as though made at and as of such time (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such time) or, in lieu of such a certificate, a certificate, in form and substance satisfactory to the Agents in their reasonable judgment, of the same general tenor as the certificate referred to in said Section 7(f) but modified to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate;

(d) Each time that the Registration Statement or the Prospectus shall be amended or supplemented, or a document shall be filed under the Exchange Act which is incorporated by reference in the Registration Statement or Prospectus (except (i) supplements or amendments relating solely to the sale of the Securities, (ii) supplements or amendments relating solely to a change in the interest rates or maturities of the Securities or a change in the principal amount of Securities remaining to be sold or similar changes and (iii) Forms 8-K that are filed solely for the purpose of filing exhibits pursuant to Item 601 of Regulation S-K) or FPL shall sell Securities to the Agents pursuant to a Terms Agreement (if required by the Agents with respect to a particular Terms Agreement), FPL shall furnish or cause to be furnished forthwith to the Agents written opinions of Steel Hector & Davis LLP and Thelen Reid & Priest LLP, dated the date of delivery thereof and in form and substance satisfactory to Counsel for the Agents, of the same tenor as the opinions required by clauses (v), (vii) and (ix) of Section 7(b) hereof but modified to relate to the Registration Statement and the Prospectus as amended and supplemented to the date of such opinions or, in lieu of such opinions, such counsel may furnish to the Agents a letter to the effect that the Agents may rely on such last opinions to the same extent as though they were dated the date of such letter authorizing reliance (except that statements in such last opinions shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such letters authorizing reliance);

(e) Each time that the Registration Statement or the Prospectus shall be amended or supplemented to set forth financial information included in or derived from FPL's financial statements, or any document containing financial information so included or derived shall be filed under the Exchange Act and incorporated by reference in the Prospectus or FPL shall sell Securities to the Agents pursuant to a Terms Agreement (if required by the Agents with respect to a particular Terms Agreement), FPL shall cause Deloitte & Touche LLP to furnish to the Agents a letter, dated five business days after the date of filing such amendment or supplement or document with the Commission, in form and substance satisfactory to the Agents in their reasonable judgment, of the same general tenor as the letter referred to in Section 7(e) hereof but with appropriate modifications to relate to the Registration Statement and the Prospectus as amended and supplemented to the date of such letter and as may be necessary to reflect changes in the financial information included or incorporated by reference in the Registration Statement and the Prospectus as then amended or supplemented since the date of the last previous such letter furnished to the Agents; provided, however, that no letter need be furnished (except that if the Agents reasonably request, a letter addressing solely the matters described in Section 7(e)(iv) hereof shall be furnished) with respect to year-end audited financial statements of FPL if copies of such audited financial statements are delivered to the Agents; and

(f) Notwithstanding the foregoing, it is agreed that if, at any time and from time to time during the term of this agreement, FPL should deliver to the Agents notification of its decision to suspend any sale of Securities hereunder, then during the period of any such suspension or suspensions FPL shall be relieved of its obligation to provide to the Agents the certificate, opinions and letter required pursuant to Sections 8(c), 8(d) and 8(e) hereof. However, whenever such a suspension is lifted, FPL shall be required to deliver

to the Agents, prior to the resumption of any sale of Securities hereunder, the most recent certificate, opinions and letter which would have been required except for the suspension.

9. Indemnification.

(a) FPL agrees to indemnify and hold harmless each Agent, each officer and director of each Agent and each person who controls such Agent within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or any other statute or common law, and to reimburse each such Agent, officer, director and controlling person for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus (if used prior to the Effective Date of the Registration Statement), including all Incorporated Documents, or in the Registration Statement or the Prospectus, or in the Registration Statement or Prospectus, as amended or supplemented (if any amendments or supplements thereto shall have been furnished), or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that the indemnity agreement contained in this subsection (a) of Section 9 shall not apply to any such losses, claims, damages, liabilities, expenses or actions arising out of, or based upon, any such untrue statement or alleged untrue statement, or any such omission or alleged omission, if such statement or omission was made in reliance upon and in conformity with information furnished in writing, to FPL or on behalf of any such Agent, expressly for use in connection with the preparation of the Registration Statement or the Prospectus or any amendment or supplement to either thereof, or arising out of, or based upon, statements in or omissions from the Statement of Eligibility on Form T-1 of the Mortgage Trustee; and provided, further, that the indemnity agreement contained in this subsection (a) of Section 9 in respect of any preliminary prospectus shall not inure to the benefit of such Agent (or of any person controlling such Agent) on account of any such losses, claims, damages, liabilities, expenses or actions arising from the sale of the Securities to any person if such Agent shall have failed to send or give to such person (i) with or prior to the written confirmation of such sale, a copy of the Prospectus or the Prospectus as amended or supplemented, if any amendments or supplements thereto shall have been furnished at or prior to the time of written confirmation of the sale involved, but exclusive of any Incorporated Documents unless, with respect to the delivery of any amendment or supplement, the alleged omission or alleged untrue statement is not corrected in such amendment or supplement at the time of confirmation, or (ii) with or prior to the delivery of such Securities to such person, a copy of any amendment or supplement to the Prospectus which shall have been furnished subsequent to such written confirmation and prior to the delivery of such Securities to such person, exclusive of any Incorporated Documents unless, with respect to the delivery of any amendment or supplement, the alleged omission or alleged untrue statement was not corrected in such amendment or supplement at the time of such delivery of such Securities. The indemnity agreement of FPL contained in this subsection (a) of Section 9 and the representations and warranties of FPL contained in Section 3 hereof shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Agent, officer, director or any such controlling person, and shall survive delivery of the Securities. Each Agent agrees promptly to notify FPL, and each other Agent, of the commencement of any litigation or proceedings against it or any such officer, director or controlling person in connection with the issuance and sale of the Securities.

(b) Each Agent, severally and not jointly, agrees to indemnify and hold harmless FPL, its officers and directors, and each person who controls FPL within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or any other statute or common law, and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities, or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or Prospectus as

amended or supplemented (if any amendments or supplements thereto shall have been furnished) or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading if such statement or omission was made in reliance upon and in conformity with information furnished in writing to FPL by or on behalf of such Agent, expressly for use in connection with the preparation of the Registration Statement or the Prospectus or any amendment or supplement to either thereof. The indemnity agreement of each Agent contained in this subsection (b) of Section 9 shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of FPL or any of its officers or directors or any such controlling person, and shall survive the delivery of the Securities. FPL agrees promptly to notify each Agent of the commencement of any litigation or proceedings against FPL (or any controlling person thereof) or any of its officers or directors in connection with the issuance and sale of the Securities.

(c) FPL and each of the Agents agree that, upon the receipt of notice of the commencement of any action against it, its officers and directors, or any person controlling it as aforesaid, in respect of which indemnity or contribution may be sought under the provisions of this Section 9, it will promptly give written notice of the commencement thereof to the party or parties against whom indemnity or contribution shall be sought thereunder, but the omission so to notify such indemnifying party or parties of any such action shall not relieve such indemnifying party or parties from any liability which it or they may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, such indemnifying party or parties shall be entitled to participate at its own expense in the defense or, if it so elects, to assume (in conjunction with any other indemnifying parties) the defense of such action, in which event such defense shall be conducted by counsel chosen by such indemnifying party or parties and reasonably satisfactory to the indemnified party or parties who shall be the defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the indemnifying party shall elect not to assume the defense of such action, such indemnifying party will reimburse such indemnified party or parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and counsel for the indemnifying party shall have reasonably concluded that there may be a conflict of interest in the representation by such counsel of both the indemnifying party and the indemnified party, the indemnified party or parties shall have the right to select separate counsel, satisfactory to the indemnifying party or parties, to participate in the defense of such action on behalf of such indemnified party or parties at the expense of the indemnifying party or parties (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel representing the indemnified parties who are parties to such action). FPL and each of the Agents agree that without the prior written consent of the other parties to such action who are parties to this agreement, which consent shall not be unreasonably withheld, it will not settle, compromise or consent to the entry of any judgment in any claim or proceeding in respect of which such party intends to seek indemnity or contribution under the provisions of this Section 9, unless such settlement, compromise or consent (i) includes an unconditional release of such other parties from all liability arising out of such claim or proceeding and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of such other parties.

(d) If, or to the extent, the indemnification provided for in subsections (a) or (b) above shall be unenforceable under applicable law by an indemnified party, each indemnifying party agrees to contribute to such indemnified party with respect to any and all losses, claims, damages, liabilities and expenses for which each such indemnification provided for in subsections (a) or (b) above shall be unenforceable, in such proportion as shall be appropriate to reflect (i) the relative fault of FPL on the one hand and the Agents on the other in connection with the statements or omissions which have resulted in such losses, claims, damages, liabilities and expenses, (ii) the relative benefits received by FPL on the one hand and the Agents on the other hand from the offering of the Securities pursuant to this agreement, and (iii) any other relevant equitable considerations; provided, however, that no indemnified party guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution with respect thereto from any indemnifying party not guilty of such fraudulent misrepresentation. Relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by FPL or the Agents and each such party's relative intent, knowledge,

access to information and opportunity to correct or prevent such untrue statement or omission. FPL and each of the Agents agree that it would not be just and equitable if contribution pursuant to this subsection (d) were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above. [Notwithstanding the provisions of this subsection (d), no Agent shall be required to contribute in excess of the amount equal to the excess of (i) the total price at which the Securities _____ by it were offered to the public, over (ii) the amount of any damages which such Agent has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission. The obligations of each Agent to contribute pursuant to this subsection (d) are several and not joint and shall be in the same proportion as such Agent's obligation to _____ the Securities with respect to which contribution is sought is to the total principal amount of the Securities.]

10. Survival. The indemnity agreements contained in Section 9 hereof and the representations, warranties and other statements of FPL and the Agents set forth in this agreement or any Terms Agreement or made by FPL and the Agents pursuant to this agreement or any Terms Agreement shall remain in full force and effect, regardless of (i) any termination of this agreement, (ii) any investigation made by or on behalf of the Agents or any of their controlling persons or by or on behalf of FPL or any of its officers, directors or controlling persons or (iii) acceptance of delivery of and payment for Securities sold hereunder.

11. Termination.

(a) This agreement may be terminated at any time by any party hereto upon the giving of written notice of such termination to the other parties hereto effective at the close of business on the date such notice is received. In the event of any such termination, no party shall have any liability to any other party hereto, except as provided in Section 1(e), Section 5(b), Section 6(b), (i), (j) and (k) and Section 9 hereof and except that, if at the time of any such termination the Agents shall have previously confirmed sales of Securities for which delivery and payment has not yet been made, FPL shall remain obligated in respect of such sales as provided in Section 4 hereof and shall continue to have the obligations provided in Section 8 hereof until delivery of and payment for all Securities so sold have been completed.

(b) The Agents may terminate a Terms Agreement by delivering written notice thereof to FPL, at any time after the date of the Terms Agreement and prior to the Settlement Date specified therein if:

(i) there shall have occurred any general suspension of trading in securities on The New York Stock Exchange, Inc. (the "NYSE") or there shall have been established by the NYSE or by the Commission or by any federal or state agency or by the decision of any court any limitation on prices for such trading or any general restrictions on the distribution of securities, or trading in any securities of FPL shall have been suspended or limited by any exchange located in the United States or on the over-the-counter market located in the United States or a general banking moratorium declared by New York or federal authorities or (ii) there shall have occurred any new material outbreak of hostilities, including, but not limited to, an escalation of hostilities which existed prior to the date of the Terms Agreement, or other national or international calamity or crisis, the effect of any such event specified in (i) or (ii) above on the financial markets of the United States shall be such as to make it impracticable for the Agent to enforce contracts for the sale of Securities; or

(ii) there shall have been any downgrading or any notice of any intended or potential downgrading in the ratings accorded to the Securities or any securities of FPL which are of the same class as the Securities by either [Moody's Investor Service, Inc. ("Moody's")] or [Standard & Poor's Ratings Services, a division of McGraw-Hill Companies, Inc. ("S&P")], or (ii) either [Moody's] or [S&P] shall have publicly announced that either has under surveillance or review, with possible negative implications, its ratings of the Securities or any securities of FPL which are of the same class as the Securities, the effect of any such event specified in (i) or (ii) above which, in the reasonable judgment of the Agents, makes it impracticable or inadvisable market the Securities.

A Terms Agreement may also be terminated at any time prior to the Settlement Date specified therein if in the judgment of the Agents the subject matter of any amendment or supplement to the Registration Statement or the Prospectus prepared and furnished by FPL after the date of the Terms Agreement reflects a material adverse change in the business, properties or financial condition of FPL which renders it either inadvisable to proceed with such offering, if any, or inadvisable to proceed with the delivery of the Securities to be purchased under such Terms Agreement. Any termination of a Terms Agreement shall be without liability of any party to any other party except as otherwise provided in Section 6(i), the first sentence of Section 6(j), Section 9 and Section 10 hereof.

12. Purchases as Principal. Unless FPL and the Agents shall otherwise agree, each sale of Securities to the Agents as principal for resale to others shall be made in accordance with the terms of this agreement and any separate agreement specified by FPL which will provide for the sale of such Securities to, and the purchase and reoffering thereof by, the Agents. Each such separate agreement, herein referred to as a "Terms Agreement," whether oral (it being understood that such oral agreement shall be confirmed in writing prior to the Settlement Date) or in writing shall be with respect to such information (as applicable) as is specified in Exhibit C hereto. Any such writing may take the form of an exchange of any standard form of written telecommunication between the Agents and FPL. The Agents' commitment to purchase Securities pursuant to any Terms Agreement shall be deemed to have been made on the basis of the representations and warranties of FPL herein contained and shall be subject to the terms and conditions herein set forth. Such Terms Agreement may also specify any requirements for the opinions of counsel, accountants' letters and officers' certificates pursuant to Section 8 hereof.

13. Miscellaneous. The validity and interpretation of this agreement shall be governed by the laws of the State of New York. This agreement shall inure to the benefit of FPL, the Agents and, with respect to the provisions of Section 9 hereof, each officer, director or controlling person referred to in said Section 9, and their respective successors. Nothing in this agreement is intended or shall be construed to give to any other person or entity any legal or equitable right, remedy or claim under or in respect of this agreement or any provision herein contained. The term "successors" as used in this agreement shall not include any purchaser, as such purchaser, of any Securities from the Agents.

14. Notices. Except as otherwise specifically provided herein or in the Procedures, all communications hereunder shall be in writing, or by telegram and, if to the Agents, shall be mailed or delivered to:

or, if to FPL, shall be mailed or delivered to it at 700 Universe Boulevard, Juno Beach, Florida 33408, Attention: Treasurer.

15. Counterparts. This agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter and your acceptance shall constitute a binding agreement between us.

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By _____

Accepted and delivered as of
the date first written above

_____

_____

_____

EXHIBIT A

FLORIDA POWER & LIGHT COMPANY
Secured Medium-Term Notes, Series ___
Administrative Procedures for Fixed and Variable Rate Securities Issued in Book-Entry Form

Secured Medium-Term Notes, Series ___, due from nine months to thirty years from date of issue (the "Securities") are to be offered on a continuing basis by Florida Power & Light Company ("FPL"). _____ as agents (each an "Agent" and collectively, the "Agents"), have agreed to use their reasonable best efforts to solicit offers to purchase the Securities. The Securities are being sold pursuant to a Distribution Agreement between FPL and the Agents dated _____, 200_ (the "Distribution Agreement") to which these administrative procedures are attached as an exhibit. The Securities will be issued under FPL's Mortgage and Deed of Trust, dated as of January 1, 1944, to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as Trustee (the "Mortgage Trustee"), and The Florida National Bank of Jacksonville (now resigned), as supplemented, pursuant to the _____ Supplemental Indenture dated as of _____, 200_ (the "Mortgage"). The Securities will either bear interest at a fixed rate (the "Fixed Rate Securities") or at a variable rate (the "Variable Rate Securities"). Deutsche Bank Trust Company Americas will act as the paying agent (the "Paying Agent") for the payment of principal of and premium, if any, and interest on the Securities and will perform, as the Paying Agent, unless otherwise specified, the other duties specified herein. Terms defined in the Distribution Agreement shall have the same meaning when used in this exhibit.

Each Security will be represented by a Global Security (as defined below) delivered to Deutsche Bank Trust Company Americas, as agent for The Depository Trust Company ("DTC") and recorded in the book-entry system maintained by DTC. An owner of a Security represented by a Global Security will not be entitled to receive a certificate representing such a Security.

Administrative procedures and specific terms of the offering are explained below. Administrative responsibilities and record-keeping functions will be performed by FPL's Treasurer or its Assistant Treasurer.

In connection with the qualification of the Securities for eligibility in the book-entry system maintained by DTC, Deutsche Bank Trust Company Americas will perform the custodial, document control and administrative functions described below, in accordance with its respective obligations under a Letter of Representations from FPL and Deutsche Bank Trust Company Americas (formerly known as Deutsche Bank Trust Company Americas) to DTC dated as of June 19, 1992, and a Medium-Term Note Certificate Agreement between Deutsche Bank Trust Company Americas (formerly known as Deutsche Bank Trust Company Americas) and DTC dated as of October 21, 1988, and its obligations as a participant in DTC, including DTC's Same-Day Funds Settlement System ("SDFS").

Price to Public

Each Security will be issued at 100% of principal amount, unless otherwise determined by FPL and specified in a supplement to the Prospectus ("Pricing Supplement").

Issuance

On any date of Settlement (as defined under "Settlement" below) for all Fixed Rate Securities, FPL will issue one or more global securities in fully registered form without coupons (a "Global Security") representing up to $_____ principal amount of all such Fixed Rate Securities that have the same Issue Price, Issue Date, Maturity Date, Interest Rate, Interest Payment Dates and terms for redemption, if any (in each case, and for all purposes of these administrative procedures, as defined in the Prospectus (as defined in Section 3(a) of the

Distribution Agreement)) (collectively the "Fixed Rate Terms"). On any date of Settlement for all Variable Rate Securities, FPL will issue one or more Global Securities representing up to $_____ principal amount of all such Variable Rate Securities that have the same Issue Price, Issue Date, Maturity Date, base rate upon which interest may be determined (a "Base Rate"), which may be the Commercial Paper Rate, the Treasury Rate, LIBOR, the Cost of Funds Rate, the CD Rate, the Federal Funds Rate, the Prime Rate or any other rate set forth by FPL, Initial Interest Rate, Index Maturity, Spread or Alternate Rate Event Spread, if any, minimum interest rate, if any, maximum interest rate, if any, Interest Payment Dates and terms for redemption, if any (collectively, the "Variable Rate Terms"). Each Global Security will be dated and issued as of the date of its authentication by the Mortgage Trustee. No Global Security will represent any securities in certificated form.

Maturities

Each Security will mature on a date mutually agreed upon by the purchaser and FPL, such date being at least nine months but not more than thirty years from the date of issuance.

Denominations

The Securities will be initially issued in denominations of $100,000 and any larger denomination which is an integral multiple of $1,000. Global Securities will be denominated in principal amounts not in excess of $[500,000,000]. If one or more Securities having an aggregate principal amount in excess of $[500,000,000] would, but for the preceding sentence, be represented by a single Global Security, then one Global Security will be issued to represent each $[500,000,000] principal amount of such Security or Securities and an additional Global Security will be issued to represent any remaining principal amount of such Security or Securities. In such a case, each of the Global Securities representing such Security or Securities shall be assigned the same CUSIP number.

Identification Numbers

FPL has arranged with the CUSIP Service Bureau of Standard & Poor's Corporation (the "CUSIP Service Bureau") for the reservation of one series of CUSIP numbers (including tranche numbers), which series consists of approximately 900 CUSIP numbers and relates to Global Securities representing the Securities. FPL has obtained from the CUSIP Service Bureau a written list of such series of reserved CUSIP numbers and has delivered to Deutsche Bank Trust Company Americas and to DTC's Underwriting Department a written list of such 900 CUSIP numbers. Deutsche Bank Trust Company Americas will assign CUSIP numbers to Global Securities as described below under Settlement Procedure "B". DTC will notify the CUSIP Service Bureau periodically of the CUSIP numbers that Deutsche Bank Trust Company Americas has assigned to Global Securities. At any time when fewer than 100 of the reserved CUSIP numbers of the series remain unassigned to Global Securities, and if it deems necessary, or Deutsche Bank Trust Company Americas FPL will reserve additional CUSIP numbers for assignment to Global Securities representing the Securities. Upon obtaining such additional CUSIP numbers, Deutsche Bank Trust Company Americas or FPL shall deliver a list of such additional CUSIP numbers to DTC's Underwriting Department.

Registration

Each Global Security will be registered in the name of Cede & Co., as nominee for DTC, on the bond register maintained under the Mortgage. The beneficial owner of a Security (or one or more indirect participants in DTC designated by such owner) will designate one or more participants in DTC (with respect to such Security, the "Participants") to act as agent or agents for such owner in connection with the book-entry system maintained by DTC, and DTC will record in book-entry form, in accordance with instructions provided by such Participants, a credit balance with respect to such beneficial owner in such Security in the account of such Participants. The ownership interest of such beneficial owner in such Security will be recorded through the records of such Participants or through the separate records of such Participants and one or more indirect participants in DTC.

Transfers

Transfers of a Security will be accomplished by book entries made by DTC and, in turn, by Participants (and in certain cases, one or more indirect participants in DTC) acting on behalf of beneficial transferees and transferors of such Security.

Consolidations

After the first Interest Payment Date on individual issues of the Securities, Deutsche Bank Trust Company Americas will deliver to DTC's Reorganization Department, Interactive Data Corporation and the CUSIP Service Bureau [at least 30 days before the day on which the consolidation is to be effective, as determined by Deutsche Bank Trust Company Americas (the "Exchange Date"),] a written notice of consolidation specifying (i) the CUSIP numbers of two or more outstanding Global Securities that represent Securities having different original Issue Dates but otherwise the same Fixed Rate Terms or Variable Rate Terms, as the case may be, and for which interest has been paid to the same date, (ii) a date, occurring at least thirty days after such written notice is delivered and at least thirty days before the next Interest Payment Date for such Securities, on which such Global Securities shall be exchanged for a single replacement Global Security, (iii) a new CUSIP number to be assigned to such replacement Global Security and (iv) that the CUSIP numbers of the Global Securities to be exchanged will no longer be valid. Upon receipt of such a notice, DTC will send to its Participants (including Deutsche Bank Trust Company Americas) a written reorganization notice to the effect that such exchange will occur on such date. On the specified Exchange Date, Deutsche Bank Trust Company Americas will exchange such Global Securities for a single Global Security bearing the new CUSIP number, the original Issue Dates, together with the respective principal amounts to which they relate, for all exchanged Global Securities and the CUSIP numbers of the exchanged Global Securities will, in accordance with CUSIP Service Bureau procedures, be canceled and not immediately reassigned. Notwithstanding the foregoing, if the Global Securities to be exchanged exceed $[500,000,000] in aggregate principal amount, one Global Security will be authenticated and issued to represent each $[500,000,000] of principal amount of the exchanged Global Security and an additional Global Security will be authenticated and issued to represent any remaining principal amount of such Global Securities (see "Denominations" above).

Interest

Interest on each Security will accrue from and including the original Issue Date of, or the last date to which interest has been paid on, the Global Security representing such Security. Each payment of interest on a Security will include interest accrued through the day preceding, as the case may be, the Interest Payment Date (provided, however, that in the case of Variable Rate Securities which reset daily or weekly, interest payments will include interest accrued to but excluding the Record Date (as defined below) immediately preceding the Interest Payment Date), date of redemption or Maturity Date. Interest payable on the Maturity Date or date of redemption of a Security will be payable to the person to whom the principal of such Security is payable. DTC will arrange for each pending deposit message described under Settlement Procedure "C" below to be transmitted to Standard & Poor's Corporation, which will use the information in the message to include certain terms of the related Global Security in the appropriate bond report published by Standard & Poor's Corporation.

The Record Date with respect to any Interest Payment Date for a Fixed Rate Security shall be the fifteenth business day preceding such Interest Payment Date. The Record Date with respect to any Interest Payment Date for a Variable Rate Security shall be the date 15 calendar days (whether or not a business day) preceding such Interest Payment Date.

Interest payments will be made on each Interest Payment Date commencing with the first Interest Payment Date following the original Issue Date; provided, however, that the first payment of interest on any Global Security originally issued between a Record Date and an Interest Payment Date will occur on the Interest Payment Date following the next Record Date.

If an Interest Payment Date with respect to any Variable Rate Security would otherwise fall on a day that is not a business day with respect to such Security, such Interest Payment Date will be the following day that is a business

day with respect to such Security (and no interest shall accrue on such payment for the period from and after such Interest Payment Date), except that in the case of a LIBOR Security, if such day falls in the next calendar month, such Interest Payment Date will be the preceding day that is a business day in London.

Calculation of Interest

In the case of Fixed Rate Securities, interest (including payments for partial periods) will be calculated on the basis of a 360-day year of twelve 30-day months. Interest does not accrue on the 31st day of any month. Interest rates on Variable Rate Securities will be determined as set forth in the related Global Security. Interest will be calculated in the case of (a) Commercial Paper Rate, Prime Rate, LIBOR, Federal Funds Rate, Cost of Funds Rate, and CD Rate Securities on the basis of the actual number of days in the interest period divided by 360; and (b) Treasury Rate Securities, on the basis of the actual number of days in the interest period divided by the actual number of days in the year.

Interest Payments

Interest on Fixed Rate Securities will be payable semiannually on [January 1 and July 1] and at maturity. Interest will be payable, in the case of the Variable Rate Securities which reset (a) daily, weekly or monthly (other than Cost of Funds Rate Securities), on [the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year], as specified pursuant to Settlement Procedure "A" below, or, in the case of the Cost of Funds Rate Securities, all of which reset monthly, on [the first business day of each month or the first business day of each March, June, September and December], as specified pursuant to Settlement Procedure "A" below; (b) quarterly, on [the third Wednesday of March, June, September and December] of each year; (c) semiannually, on [the third Wednesday] of each of the two months of each year specified pursuant to Settlement Procedure "A" below; and (d) annually, on [the third Wednesday] of the month specified pursuant to Settlement Procedure "A" below and, in each case, at maturity.

With regard to Variable Rate Securities on which the interest rate is reset daily or weekly, Deutsche Bank Trust Company Americas shall deliver to DTC's Dividend Department, Standard & Poor's Corporation and Interactive Data Corporation on each day on which the amount of interest to be paid on the following Interest Payment Date (including the issue's first Interest Payment Date) is determined a listing of the CUSIP number assigned to each such issue along with corresponding specifications of the Record Date, Interest Payment Date, and dollar amount of interest per $1,000 principal amount of the Securities to be paid on such Interest Payment Date. For Variable Rate Securities on which the interest rate is reset monthly, quarterly, semiannually, or annually, Deutsche Bank Trust Company Americas shall deliver a similar listing to Standard & Poor's Corporation and Interactive Data Corporation on the day interest payment amounts are determined.

Promptly after each Record Date for each issue of Fixed Rate Securities, Deutsche Bank Trust Company Americas will furnish FPL and DTC's Dividend Department a written notice specifying by CUSIP number the amount of interest to be paid on each Global Security on the following Interest Payment Date (other than an Interest Payment Date coinciding with the Maturity Date) and the total of such amounts. DTC will confirm the amount payable on each Global Security on such Interest Payment Date by reference to the appropriate bond reports published by Standard & Poor's Corporation. FPL will pay to Deutsche Bank Trust Company Americas the total amount of interest due on such Interest Payment Date (other than on the Maturity Date), and Deutsche Bank Trust Company Americas will pay such amount to DTC at the times and in the manner set forth under "Manner of Payment" below. The Participant, indirect participant in DTC or other person responsible for forwarding payments and materials directly to the beneficial owner of such Security, will assume responsibility for withholding taxes on interest paid as required by law.

Deutsche Bank Trust Company Americas will take all action necessary so that the Interest Payment Dates and the Record Dates with respect thereto, for each Global Security, together with the amount of interest payable on each of such Interest Payment Dates, shall be listed in the appropriate daily bond report published by Standard & Poor's Corporation.

Maturity

On or about the first business day of each month, Deutsche Bank Trust Company Americas will deliver to FPL and DTC a written list of principal, interest and premium, if any, to be paid on each Global Security maturing either on the Maturity Date or the date of redemption in the following month. FPL and DTC will confirm with Deutsche Bank Trust Company Americas the amounts of such principal, interest and premium, if any, payments with respect to each such Global Security on or about the fifth business day preceding the Maturity Date or the date of redemption, as the case may be, of such Global Security. FPL will pay to Deutsche Bank Trust Company Americas the principal amount of such Global Security, together with interest and premium, if any, due on such Maturity Date or date of redemption. Deutsche Bank Trust Company Americas will pay such amounts to DTC at the times and in the manner set forth below under "Manner of Payment". Promptly after payment to DTC of the principal, interest and premium, if any, due at the Maturity Date or the date of redemption of such Global Security, Deutsche Bank Trust Company Americas will cancel such Global Security in accordance with the terms of the Mortgage. On the first business day of each month, Deutsche Bank Trust Company Americas will deliver to FPL a written statement indicating the total principal amount of outstanding Global Securities as of the immediately preceding business day.

Manner of Payment

The total amount of any principal, interest and premium, if any, due on Global Securities on any Interest Payment Date or on the Maturity Date or the date of redemption shall be paid by FPL to Deutsche Bank Trust Company Americas in immediately available funds for use by Deutsche Bank Trust Company Americas on such date. FPL will make such payment on such Global Securities by wire transfer to Deutsche Bank Trust Company Americas or by Deutsche Bank Trust Company Americas' debiting the account of FPL maintained with Deutsche Bank Trust Company Americas. FPL will confirm such instructions in writing to Deutsche Bank Trust Company Americas. Prior to 10:00 a.m. (New York City time) on each Maturity Date or date of redemption or as soon as possible thereafter, Deutsche Bank Trust Company Americas will pay by separate wire transfer (using Fedwire message entry instructions in a form previously agreed to with DTC) to an account at the Federal Reserve Bank of New York previously agreed to with DTC, in funds available for immediate use by DTC, each payment of principal (together with interest thereon) and premium, if any, due on Global Securities on any Maturity Date or date of redemption. On each Interest Payment Date, interest payments shall be made to DTC in same day funds in accordance with existing arrangements between Deutsche Bank Trust Company Americas and DTC. Thereafter, on each such date, DTC will pay, in accordance with its SDFS operating procedures then in effect, such amounts in funds available for immediate use to the respective Participants in whose names the Securities represented by such Global Securities are recorded in the book-entry system maintained by DTC. Neither FPL nor Deutsche Bank Trust Company Americas shall have any direct responsibility or liability for the payment by DTC to such Participants of the principal of, interest on and premium, if any, on the Securities.

Procedure for Posting

FPL and the Agents will discuss from time to time the rates of interest per annum to be borne by, the maturity, and other terms of, Securities that may be sold as a result of the solicitation of offers to purchase by the Agents.

Acceptance and Rejection of Offers; Authorized Persons

Oral instructions regarding sales of Securities will be given for FPL by _____, or such other persons as may be designated from time to time. Oral instructions to _____ will be accepted by _____, or such other persons as may be designated from time to time. Oral instructions to _____ will be accepted by _____, or such other persons as may be designated from time to time. Oral instructions to _____ will be accepted by _____, or such other persons as may be designated from time to time. Oral instructions to _____ will be accepted by _____, or such other persons as may be designated from time to time.

FPL shall have the sole right to accept offers to purchase Securities from FPL and may reject any such offer in whole or in part. Each Agent shall promptly communicate to FPL, orally or in writing, each reasonable offer to

purchase Securities from FPL received by it other than those rejected by such Agent. Each Agent shall have the right, in its discretion reasonably exercised without advising FPL, to reject any offers in whole or in part.

Settlement

The receipt of immediately available funds by FPL in payment for a Security (less the applicable commission) and the authentication and issuance of the Global Security representing such Security shall, with respect to such Security, constitute "Settlement". All offers accepted by FPL will be settled three business days from the date of acceptance by FPL pursuant to the timetable for Settlement set forth below unless FPL and the purchaser agree to Settlement on another day that shall be no earlier than the next business day.

Settlement Procedures

In the event of a purchase of Securities by an Agent, as principal, appropriate settlement details will be set forth in a Terms Agreement to be entered into between such Agent and FPL.

Settlement procedures with regard to each Security sold through each Agent shall be as follows:

A. Such Agent will advise FPL by telephone (confirmed in writing, which may include telex or facsimile) or by telex or facsimile, of the following sale information:

1. Exact name of the purchaser.
2. Principal amount of the Security.
3. Issue price of the Security.
4. Issue date of the Security.
5. Settlement date.
6. Maturity date.
7. Interest rate.

(a) Fixed Rate Securities:

i) interest rate

(b) Variable Rate Securities:

i) base rate

ii) initial interest rate

iii) spread or alternate rate event spread, if any

iv) interest reset dates

v) interest reset period

vi) interest payment dates

vii) interest payment period

viii) interest determination dates

ix) index maturity

x) maximum and minimum interest rates, if any

xi) calculation date

8. Redemption dates, if any, including any initial redemption date, par date and limitation date.

9. Redemption premium, if any, including any initial percentage and reduction percentage.

10. Agent's commission (to be paid in the form of a discount from the proceeds remitted to FPL upon Settlement) and its certification that the purchasers of the Security have been solicited solely by such Agent.

11. Net proceeds to FPL.

B. Deutsche Bank Trust Company Americas will assign a CUSIP number to the Global Security representing such Security and FPL will advise Deutsche Bank Trust Company Americas by telephone or by telex or facsimile of the information set forth in Settlement Procedure "A" above to be confirmed in a written request for the authentication and delivery of such Global Security, such CUSIP number and the name of such Agent. Deutsche Bank Trust Company Americas will also notify the Agent of such CUSIP number by telephone as soon as practicable. Each such communication by FPL shall constitute a representation and warranty by FPL to Deutsche Bank Trust Company Americas and each Agent that (i) such Security is then, and at the time of issuance and sale thereof will be, duly authorized for issuance and sale by FPL, (ii) the Global Security representing such Security will conform with the terms of the Mortgage pursuant to which such Security and Global Security are issued and (iii) upon authentication and delivery of such Global Security, the aggregate principal amount of all Securities initially offered and issued under the Mortgage will not exceed $_____ (except for Global Securities or Securities represented by and authenticated and delivered in exchange for or in lieu of Securities in accordance with the Mortgage).

C. Deutsche Bank Trust Company Americas will enter a pending deposit message through DTC's Participant Terminal System, providing the following settlement information to DTC, and such information will be routed to Standard & Poor's Corporation through DTC:

1. The information set forth in Settlement Procedure "A".

2. Identification as a Fixed Rate Security or a Variable Rate Security.

3. Initial Interest Payment Date for such Security, number of days by which such date succeeds the related Record Date (or, in the case of Variable Rate Securities which reset daily or weekly, the date five calendar days preceding the Interest Payment Date) and amount of interest payable on such Interest Payment Date.

4. CUSIP number of the Global Security representing such Security.

5. Whether such Global Security will represent any other Security (to the extent known at such time).

6. Interest payment period.

D. Deutsche Bank Trust Company Americas will complete and authenticate the Global Security representing such Security.

E. FPL will cause the appropriate amount of intangible tax and document excise tax to be paid in accordance with applicable Florida law and Georgia law.

F. Steel Hector & Davis LLP will (by telecopy followed by an original copy) provide Deutsche Bank Trust Company Americas with an opinion regarding authentication.

G. DTC will credit such Security to Deutsche Bank Trust Company Americas' participant account at DTC.

H. Deutsche Bank Trust Company Americas will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC to (i) debit such Security to Deutsche Bank Trust Company Americas' participant account and credit such Security to such Agent's participant account and (ii) debit such Agent's settlement account and credit Deutsche Bank Trust Company Americas' settlement account for an amount equal to the price of such Security less such Agent's commission. The entry of such a deliver order shall constitute a representation and warranty by Deutsche Bank Trust Company Americas to DTC that (a) the Global Security representing such Security has been issued and authenticated and (b) Deutsche Bank Trust Company Americas is holding such Global Security pursuant to the Secured Medium-Term Note Certificate Agreement between Deutsche Bank Trust Company Americas and DTC.

I. Such Agent will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC (i) to debit such Security to such Agent's participant account and credit such Security to the participant accounts of the Participants with respect to such Security and (ii) to debit the settlement accounts of such Participants and credit the settlement account of such Agent for an amount equal to the price of such Security.

J. Deutsche Bank Trust Company Americas will transfer to the account of FPL maintained at Deutsche Bank Trust Company Americas of [New York, New York], in immediately available funds in the amount transferred to Deutsche Bank Trust Company Americas in accordance with Settlement Procedure "H" upon receipt of such funds.

K. Such Agent will confirm the purchase of such Security to the purchaser either by transmitting to the Participants with respect to such Security a confirmation order or orders through DTC's institutional delivery system or by mailing a written confirmation to such purchaser. Such Agent will deliver to the purchaser a copy of the most recent Prospectus applicable to the Security with or prior to any written offer of Securities and the confirmation and payment by the purchaser for the Security.

L. Transfers of funds in accordance with SDFS deliver orders described in Settlement Procedures "H" and "I" will be settled in accordance with SDFS operating procedures in effect on the Settlement Date.

M. Deutsche Bank Trust Company Americas will send a copy of the Global Security by first-class mail to FPL together with a statement setting forth the principal amount of Securities outstanding as of the related Settlement Date after giving effect to such transaction and all other offers to purchase Securities of which FPL has advised Deutsche Bank Trust Company Americas but which have not yet been settled.

Settlement Procedures Timetable

For offers accepted by FPL, Settlement procedures "A" through "L" set forth above shall be completed to the extent possible at or before the respective times set forth below:

Settlement Procedure	Time (New York)
A (1-11)	11 a.m. on the sale date
B	12 Noon on the sale date
C	2 p.m. on the sale date
D-F	9 a.m. on the Settlement Date
G	10 a.m. on the Settlement Date
H-I	2 p.m. on the Settlement Date
J-K	4:45 p.m. on the Settlement Date
L	3:30 p.m. on the Settlement Date

If a sale is to be settled more than one business day after the sale date, Settlement Procedures "A", "B" and "C" shall be completed as soon as practicable but no later than 11 a.m., 12 Noon and 2:00 p.m., as the case may be, on the first business day after the sale date. In connection with a sale which is to be settled more than one business day after the sale date, if the initial interest rate for a Variable Rate Note is not known at the time that Settlement Procedure "A" is completed, Settlement Procedures "B" and "C" shall be completed as soon as such rates have been determined, but no later than 12 Noon and 2:00 p.m., as the case may be, on the second business day before the Settlement Date. Settlement Procedures "L" and "J" are subject to extension in accordance with any extension of Fedwire closing deadlines and in other events specified in the SDFS operating procedures in effect on the Settlement Date.

If Settlement of a Security is rescheduled or canceled, FPL will instruct Deutsche Bank Trust Company Americas to deliver to DTC a cancellation message to such effect by no later than 12 Noon on the business day immediately preceding the scheduled Settlement Date and Deutsche Bank Trust Company Americas will enter such order by 2:00 p.m. through DTC's Participation Terminal System.

Pricing Supplement

If FPL accepts an offer to purchase a Security, FPL will prepare a Pricing Supplement reflecting the terms of such Security and will arrange to have ten copies of the Pricing Supplement filed with the Commission not later than the close of business on the second Business Day following such acceptance of an offer to purchase such Security and will supply at least ten copies of the Pricing Supplement to the Agent. The Agent will cause the Prospectus and Pricing Supplement to be delivered to the purchaser of the Security in accordance with the procedures set forth in "Delivery of Prospectus" below.

Failure to Settle

If Deutsche Bank Trust Company Americas or the Agent fails to enter an SDFS deliver order with respect to a Security pursuant to Settlement Procedure "H" or "I", Deutsche Bank Trust Company Americas may deliver to DTC, through DTC's Participant Terminal System, as soon as practicable, a withdrawal message instructing DTC to debit such Security to Deutsche Bank Trust Company Americas' participant account, provided that Deutsche Bank Trust Company Americas' participant account contains a principal amount of the Global Security representing such Security that is at least equal to the principal amount to be debited. If a withdrawal message is processed with respect to all the Securities represented by a Global Security, Deutsche Bank Trust Company Americas will mark such Global Security "canceled", make appropriate entries in Deutsche Bank Trust Company Americas' records and send such canceled Global Security to FPL. The CUSIP number assigned to such Global Security shall, in accordance with CUSIP Service Bureau procedures, be canceled and not immediately reassigned. If a withdrawal message is processed with respect to one or more, but not all, of the Securities represented by a Global Security, Deutsche Bank Trust Company Americas will exchange such Global Security for another Global Security, which shall represent the Securities previously represented by the surrendered Global Security with respect to which a withdrawal message has not been processed and shall bear the CUSIP number of the surrendered Global Security.

If the purchase price for any Security is not timely paid to the Participants with respect to such Security by the beneficial purchaser thereof (or a person, including an indirect participant in DTC, acting on behalf of such purchaser), such Participants and, in turn, the Agent for such Security may enter SDFS deliver orders through DTC's Participant Terminal System reversing the orders entered pursuant to Settlement Procedures "I" and "H", respectively. The Agent will notify _____ of FPL by telephone, confirmed in writing, of such failure. Thereafter, Deutsche Bank Trust Company Americas will deliver the withdrawal message and take the related actions described in the preceding paragraph.

Notwithstanding the foregoing, upon any failure to settle with respect to a Security, DTC may take any actions in accordance with its SDFS operating procedures then in effect. In the event of a failure to settle with respect to one or more, but not all, of the Securities to have been represented by a Global Security, the Mortgage Trustee will provide, in accordance with Settlement Procedure "D", for the authentication and issuance of a Global Security

representing the other Securities to have been represented by such Global Security and will make appropriate entries in its records.

Procedure for Rate Changes

When a decision has been reached to change interest rates on or other variable terms with respect to any Securities being sold by FPL, FPL will promptly advise the Agents and the Agents will forthwith suspend solicitation of offers to purchase such Securities. The Agents will telephone FPL with recommendations as to the changed interest rates or other variable terms. At such time as FPL has advised each of the Agents of the new interest rates on or other variable terms with respect to the Securities, the Agents may resume solicitation of offers to purchase such Securities. Until such time only "indications of interest" may be recorded.

Suspension of Solicitation; Amendment or Supplement

If, during any period in which, in the opinion of Counsel for the Agents, a prospectus relating to the Securities is required to be delivered under the Securities Act, any event occurs as a result of which the Prospectus would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary at any time to amend the Prospectus to comply with the Securities Act, FPL will notify the Agents promptly to suspend solicitation of purchases of the Securities and each Agent shall suspend its solicitations of purchases of Securities; and if FPL shall decide to amend or supplement the Registration Statement or the Prospectus, it will promptly advise the Agents by telephone (with confirmation in writing) and will promptly prepare and file with the Commission an amendment or supplement which will correct such statement or omission or an amendment which will effect such compliance. Upon the Agents' receipt of such amendment or supplement and advice from FPL that solicitations may be resumed, the Agents will resume solicitations of purchases of the Securities.

In addition, FPL may instruct the Agents to suspend solicitation of offers to purchase at any time. Upon receipt of such instructions the Agents will forthwith suspend solicitation of offers to purchase from FPL until such time as FPL has advised them that solicitation of offers to purchase may be resumed. If FPL decides to amend or supplement the Registration Statement or the Prospectus relating to the Securities (other than to change interest rates, maturity dates and/or redemption terms), it will promptly advise the Agents and Deutsche Bank Trust Company Americas and will furnish the Agents and Deutsche Bank Trust Company Americas copies of the proposed amendment or supplement.

In the event that at the time the Agents, at the direction of FPL, suspend solicitation of offers to purchase from FPL there shall be any orders outstanding which have been accepted but which have not been settled, FPL will promptly advise the Agents and Deutsche Bank Trust Company Americas whether such orders may be settled and whether copies of the Prospectus as theretofore amended and/or supplemented as in effect at the time of the suspension may be delivered in connection with the settlement of such orders. FPL will have the sole responsibility for such decision and for any arrangement which may be made in the event that FPL determines that such orders may not be settled or that copies of such Prospectus may not be so delivered.

Delivery of Prospectus

Each Agent will provide a copy of the relevant Prospectus, appropriately amended or supplemented, which must accompany or precede each written offer of a Security by such Agent, each written confirmation of a sale sent to a purchaser or his agent by such Agent and payment for each Security by a purchaser.

Authenticity of Signatures

FPL will cause Deutsche Bank Trust Company Americas to furnish the Agents from time to time with the specimen signatures of each of Deutsche Bank Trust Company Americas' officers, employees and agents who have been authorized by Deutsche Bank Trust Company Americas to authenticate Securities, but the Agents will have no

obligation or liability to FPL or Deutsche Bank Trust Company Americas in respect of the authenticity of the signature of any officer, employee or agent of FPL or Deutsche Bank Trust Company Americas on any Security.

Advertising Costs

FPL will determine with the Agents the amount and nature of advertising that may be appropriate in offering the Securities. Advertising expenses in connection with solicitation of offers to purchase Securities from FPL will be paid by FPL.

EXHIBIT B

FPL agrees to pay each Agent a commission in the range of the following percentages of the aggregate principal amount of Securities sold to purchasers solicited by such Agent or, in the event the Securities are being sold at a discount, the issue price thereof. The actual commission to be paid by FPL to each Agent will be set forth in separate agreements between FPL and each of the Agents.

Term	Commission Rate Range (as a percentage of aggregate principal amount of Securities sold or the issue price, as the case may be)
9 months to less than 12 months	
12 months to less than 18 months	
18 months to less than 24 months	
2 years to less than 3 years	
3 years to less than 4 years	
4 years to less than 5 years	
5 years to less than 6 years	
6 years to less than 7 years	
7 years to less than 8 years	
8 years to less than 9 years	
9 years to less than 10 years	
10 years to less than 15 years	
15 years to less than 20 years	
20 years to 30 years	

EXHIBIT C

TERMS AGREEMENT

_____, 20__

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408

Attention: Treasurer

The undersigned agrees to purchase $_____ principal amount of the Securities of Florida Power & Light Company pursuant to the terms and conditions set forth in the Distribution Agreement dated _____, ___(the "Distribution Agreement") and in the Schedule attached hereto.

[Indicate whether the officer's certificate, legal opinions and/or the accountant's letter described in Sections 8(c), 8(d) and 8(e), respectively, will or will not be required.]

[Additional terms]

This agreement shall be governed by and construed in accordance with the laws of New York.

By _____

Accepted: , 20
Florida Power & Light Company

By _____

SCHEDULE 1 TO EXHIBIT C

Registration Statement:

No. 333-_____

Mortgage:

Mortgage and Deed of Trust dated as of January 1, 1944, between FPL and Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as Trustee, and The Florida National Bank of Jacksonville (now resigned) as supplemented.

Aggregate Principal Amount:

Price to Public:

Purchase Price by _____:

__% of the principal amount of the purchased Securities, plus accrued interest from _____ to _____.

Purchase Date and Time:

Settlement Date:

Method of and Specified Funds for
Payment of Purchase Price:

Closing Location:

Redemption Provisions:

Maturity:

If fixed rate securities

Interest Rate: (%)

Interest Payment Date(s):

If variable rate securities

Base Rate:

Initial Interest Rate:

Interest Determination Dates:

Interest Reset Dates

Interest Reset Period:

Interest Payment Dates:

Index Maturity:

Interest Payment Period:

Maximum Interest Rate:

Minimum Interest Rate:

Calculation Date:

Spread or Alternate Rate Event Spread:

Spread Multiplier:

Syndicate Provisions:

(Set forth any provisions relating to underwriters' default and step-up of amounts to be purchased by underwriters acting with _____ or _____, as the case may be).

Additional terms:

EXHIBIT 4(j)

This instrument was prepared by:

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408

FLORIDA POWER & LIGHT COMPANY

to

DEUTSCHE BANK TRUST COMPANY AMERICAS

(formerly known as Bankers Trust Company)

As Trustee under Florida Power & Light Company's Mortgage and Deed of Trust, Dated as of January 1, 1944.

_____*Supplemental Indenture*

Relating to a Principal Amount Not To Exceed $____ of First Mortgage Bonds, designated Secured Medium-Term Notes, Series ____.

****[Relating to $_____ Principal Amount of First Mortgage Bonds, ____% Series due _____, ____.]***

Dated as of _____, ____

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* *These three lines will be inserted, in lieu of the four lines immediately preceding them, in any supplemental indenture relating to the issuance of First Mortgage Bonds other than those designated Secured Medium-Term Notes*

FLORIDA POWER & LIGHT COMPANY

Reconciliation and Tie of Provisions of Trust Indenture Act of 1939 to provisions of Mortgage and Deed of Trust to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company) and The Florida National Bank of Jacksonville (now resigned), as Trustees, dated as of January 1, 1944, as amended.

Sections of Act:	Sections of Mortgage and Supplemental Indentures
310(a) (1) (2) (3)	Mortgage, 35(a), 88 and 103
310(a) (4)	Not Applicable
310(b).....	Mortgage, 99; First Supplemental, 14; Seventh Supplemental, 6
310(c).....	Not Applicable
311(a).....	Mortgage, 98
311(b).....	Mortgage, 98
311(c).....	Not Applicable
312(a).....	Mortgage, 43(a) and 43(b)
312(b).....	Mortgage, 43(c)
312(c).....	Mortgage, 43(d)
313(a).....	Mortgage, 100(a)
313(b).....	Mortgage, 100(b); First Supplemental, 15
313(c).....	Mortgage, 100(c)
313(d).....	Mortgage, 100(d)
314(a).....	Mortgage, 44
314(b).....	Mortgage, 42
314(c).....	Mortgage, 121, 3, 61 and 7
314(d).....	Mortgage, 59(3), 60, 3 and 28(4)
314(e).....	Mortgage, 121, 3 and 61
314(f).....	Omitted
315(a).....	Mortgage, 89 and 88; First Supplemental, 13
315(b).....	Mortgage, 66 and 3; First Supplemental, 11
315(c).....	Mortgage, 88
315(d).....	Mortgage, 89; First Supplemental, 13
315(e).....	Mortgage, 122
316(a) (1)	Mortgage, 71; First Supplemental, 12
316(a) (2)	Omitted
316(b).....	Mortgage, 80
317(a).....	Mortgage, 78
317(b).....	Mortgage, 35(c) and 95; First Supplemental, 7
318(a).....	Mortgage, 124

_____ SUPPLEMENTAL INDENTURE

INDENTURE, dated as of the _____ day of _____, ___, made and entered into by and between FLORIDA POWER & LIGHT COMPANY, a corporation of the State of Florida, whose post office address is 700 Universe Boulevard, Juno Beach, Florida 33408 (hereinafter sometimes called FPL), and DEUTSCHE BANK TRUST COMPANY AMERICAS (formerly known as Bankers Trust Company), a corporation of the State of New York, whose post office address is _____, New York, New York _____, Attention: _____ (hereinafter called the Trustee), as the _____ supplemental indenture (hereinafter called the _____ Supplemental Indenture) to the Mortgage and Deed of Trust, dated as of January 1, 1944 (hereinafter called the Mortgage), made and entered into by FPL, the Trustee and The Florida National Bank of Jacksonville, as Co-Trustee (now resigned), the Trustee now acting as the sole trustee under the Mortgage, which Mortgage was executed and delivered by FPL to secure the payment of bonds issued or to be issued under and in accordance with the provisions thereof, reference to which Mortgage is hereby made, this _____ Supplemental Indenture being supplemental thereto;

WHEREAS, Section 8 of the Mortgage provides that the form of each series of bonds (other than the first series) issued thereunder shall be established by Resolution of the Board of Directors of FPL and that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof, and may also contain such provisions not inconsistent with the provisions of the Mortgage as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage; and

WHEREAS, Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon FPL by any provision of the Mortgage, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and FPL may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or FPL may cure any ambiguity contained therein, or in any supplemental indenture, or may establish the terms and provisions of any series of bonds other than said first series, by an instrument in writing executed and acknowledged by FPL in such manner as would be necessary to entitle a conveyance of real estate to be recorded in all of the states in which any property at the time subject to the Lien of the Mortgage shall be situated; and

WHEREAS, FPL now desires to create the series of bonds described in Article I hereof and to add to its covenants and agreements contained in the Mortgage certain other covenants and agreements to be observed by it and to alter

and amend in certain respects the covenants and provisions contained in the Mortgage; and

WHEREAS, the execution and delivery by FPL of this _____ Supplemental Indenture, and the terms of the bonds, hereinafter referred to in Article I, have been duly authorized by the Board of Directors of FPL by appropriate resolutions of said Board of Directors;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That FPL, in consideration of the premises and of One Dollar to it duly paid by the Trustee at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further evidence of assurance of the estate, title and rights of the Trustee and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, according to their tenor and effect, and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of said bonds, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms (subject, however, to Excepted Encumbrances as defined in Section 6 of the Mortgage) unto Deutsche Bank Trust Company Americas, as Trustee under the Mortgage, and to its successor or successors in said trust, and to said Trustee and its successors and assigns forever, all property, real, personal and mixed, acquired by FPL after the date of the execution and delivery of the Mortgage (except any herein or in the Mortgage, as heretofore supplemented, expressly excepted), now owned (except any properties heretofore released pursuant to any provisions of the Mortgage and in the process of being sold or disposed of by FPL) or, subject to the provisions of Section 87 of the Mortgage, hereafter acquired by FPL and wheresoever situated, including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing) all lands, power sites, flowage rights, water rights, water locations, water appropriations, ditches, flumes, reservoirs, reservoir sites, canals, raceways, dams, dam sites, aqueducts, and all rights or means for appropriating, conveying, storing and supplying water; all rights of way and roads; all plants for the generation of electricity by steam, water and/or other power; all power houses, gas plants, street lighting systems, standards and other equipment incidental thereto, telephone, radio and television systems, air-conditioning systems and equipment incidental thereto, water works, water systems, steam heat and hot water plants, substations, lines, service and supply systems, bridges, culverts, tracks, ice or refrigeration plants and equipment, offices, buildings and other structures and the equipment thereof; all machinery, engines, boilers, dynamos, electric, gas and other machines, regulators, meters, transformers, generators, motors, electrical, gas and mechanical appliances, conduits, cables, water, steam heat, gas or other pipes, gas mains and pipes, service pipes, fittings, valves and connections, pole and transmission lines, wires, cables, tools, implements, apparatus, furniture, chattels, and choses in action; all municipal and other franchises, consents or permits; all lines for the transmission and distribution of electric current, gas, steam heat or water for any purpose

including towers, poles, wires, cables, pipes, conduits, ducts and all apparatus for use in connection therewith; all real estate, lands, easements, servitudes, licenses, permits, franchises, privileges, rights of way and other rights in or relating to real estate or the occupancy of the same and (except as herein or in the Mortgage, as heretofore supplemented, expressly excepted) all the right, title and interest of FPL in and to all other property of any kind or nature appertaining to and/or used and/or occupied and/or enjoyed in connection with any property hereinbefore or in the Mortgage, as heretofore supplemented, described.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, products and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which FPL now has or may hereinafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by FPL that, subject to the provisions of Section 87 of the Mortgage, all the property, rights, and franchises acquired by FPL after the date hereof (except any herein or in the Mortgage, as heretofore supplemented, expressly excepted) shall be and are as fully granted and conveyed hereby and as fully embraced within the Lien of the Mortgage, as if such property, rights and franchises were now owned by FPL and were specifically described herein and conveyed hereby.

PROVIDED that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the Lien and operation of this _____ Supplemental Indenture and from the Lien and operation of the Mortgage, as heretofore supplemented, viz: (1) cash, shares of stock, bonds, notes and other obligations and other securities not hereafter specifically pledged, paid, deposited, delivered or held under the Mortgage or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business and fuel (including Nuclear Fuel unless expressly subjected to the Lien and operation of the Mortgage by FPL in a future Supplemental Indenture), oil and similar materials and supplies consumable in the operation of any properties of FPL; rolling stock, buses, motor coaches, automobiles and other vehicles; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage or covenanted so to be; (4) the last day of the term of any lease or leasehold which may hereafter become subject to the Lien of the Mortgage; (5) electric energy, gas, ice, and other materials or products generated, manufactured, produced or purchased by FPL for sale, distribution or use in the ordinary course of its business; all timber, minerals, mineral rights and royalties; (6) FPL's franchise to be a corporation; and (7) the properties already sold or in the process of being sold by FPL and heretofore

released from the Mortgage and Deed of Trust, dated as of January 1, 1926, from Florida Power & Light Company to Bankers Trust Company and The Florida National Bank of Jacksonville, trustees, and specifically described in three separate releases executed by Bankers Trust Company and The Florida National Bank of Jacksonville, dated July 28, 1943, October 6, 1943 and December 11, 1943, which releases have heretofore been delivered by the said trustees to FPL and recorded by FPL among the Public Records of all Counties in which such properties are located; provided, however, that the property and rights expressly excepted from the Lien and operation of the Mortgage in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event and as of the date that the Trustee or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XIII of the Mortgage by reason of the occurrence of a Default as defined in Section 65 thereof.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by FPL as aforesaid, or intended so to be, unto Deutsche Bank Trust Company Americas, the Trustee, and its successors and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, as heretofore supplemented, this _____ Supplemental Indenture being supplemental thereto.

AND IT IS HEREBY COVENANTED by FPL that all terms, conditions, provisos, covenants and provisions contained in the Mortgage shall affect and apply to the property hereinbefore described and conveyed and to the estate, rights, obligations and duties of FPL and the Trustee and the beneficiaries of the trust with respect to said property, and to the Trustee and its successors as Trustee of said property in the same manner and with the same effect as if said property had been owned by FPL at the time of the execution of the Mortgage, and had been specifically and at length described in and conveyed to said Trustee, by the Mortgage as a part of the property therein stated to be conveyed.

FPL further covenants and agrees to and with the Trustee and its successors in said trust under the Mortgage, as follows:

ARTICLE I

_____ Series of Bonds

**SECTION 1. (I) There shall be a series of bonds designated "Secured Medium-Term Notes, Series ___", herein sometimes referred to as the _____ Series", herein sometimes referred to as the _____ Series, each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof, which shall be established by Resolution of the Board of Directors of FPL, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the _____ Series shall be issued from time to time in an aggregate principal amount not to exceed $_____ at any one time Outstanding except as provided in Section 16 of the Mortgage. [The amount which may be Outstanding from time to time will be stated in one or more notices of receipt of advance under mortgage providing for future advances (a form of which is annexed hereto) executed by the Company and recorded in Palm Beach County, Florida, and in one or more acknowledgements of future advance (a form of which is annexed hereto) executed by FPL and the Trustee and recorded in Monroe County, Georgia.] Bonds of the _____ Series shall be issued as fully registered bonds in the denominations of [One] Thousand Dollars and, at the option of FPL, in any larger amount that is an integral multiple of [One] Thousand Dollars or any other denominations (the exercise of such option to be evidenced by the execution and delivery thereof); each bond of the _____ Series shall mature on [such date not less than _____ months nor more than _____ years from date of issue,] shall bear interest at [such rate or rates (which may be either fixed or variable) and have such other terms and provisions not inconsistent with the Mortgage as the Board of Directors may determine in accordance with a Resolution filed with the Trustee referring to this _____ Supplemental Indenture]; interest on bonds of the _____ Series [which bear interest at a fixed rate] shall be payable [semi-annually on _____ and _____ of each year] and at maturity (each an interest payment date); interest on bonds of the _____ Series [which bear interest at a variable rate] shall be payable [on the dates established on the Issue Date [or the Original Interest Accrual Date] with respect to such bonds and shall be set forth in such bonds.] [Notwithstanding the foregoing, so long as there is no existing default in the payment of interest on the bonds of the _____ Series, all bonds of the _____ Series authenticated by the Trustee after the Record Date hereinafter specified for any interest payment date, and prior to such interest payment date (unless the Issue Date [or the Original Interest Accrual Date] is after such Record Date), shall be dated the date of authentication, but shall bear interest from such interest payment date, and the person in whose name any bond of the _____ Series is registered at the close of business on any Record Date with respect to any interest payment date shall be entitled to receive the interest payable on such

** The provisions in this Section 1 will be inserted in supplemental indentures relating to the issuance of First Mortgage Bonds designated Secured Medium Term Notes, provided that the bracketed language may change.

interest payment date, notwithstanding the cancellation of such bond of the _____ Series, upon any transfer or exchange thereof subsequent to the Record Date and on or prior to such interest payment date. If the Issue Date [or the Original Interest Accrual Date] of the bonds of the _____ Series of a designated interest rate and maturity is after the Record Date, such bonds shall bear interest from the Issue Date [or the Original Interest Accrual Date] but payment of interest shall commence on the second interest payment date succeeding the Issue Date [or the Original Interest Accrual Date]. "Record Date" for bonds of the _____ Series which bear interest at a fixed rate shall mean _____ for interest payable _____ and _____ for interest payable _____, and for bonds of the _____ Series which bear interest at a variable rate, the date 15 calendar days prior to any interest payment date, provided that, interest payable on the maturity date will be payable to the person to whom the principal thereof shall be payable. "Issue Date" [or "Original Interest Accrual Date"] with respect to bonds of the _____ Series of a designated interest rate and maturity [unless a Resolution filed with the Trustee on or before such date shall specify another date from which interest shall accrue, then such other date for bonds of such designated interest rate and maturity.] shall mean the date of first authentication of bonds of such designated interest rate and maturity.] The principal of and interest on each said bond is payable at the office or agency of FPL in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Bonds of the _____ Series shall be dated as in Section 10 of the Mortgage provided.

***[(II) Bonds of the _____ Series may be redeemable either at the option of FPL or pursuant to the requirements of the Mortgage (including, among other requirements, the application of cash delivered to or deposited with the Trustee pursuant to the provisions of Section 39 or Section 64 of the Mortgage or with proceeds of Released Property) in whole at any time, or in part from time to time, prior to maturity, upon notice, as provided in Section 52 of the Mortgage, mailed at least thirty (30) days prior to the date fixed for redemption, as the Board of Directors may determine in accordance with a Resolution filed with the Trustee referring to this _____ Supplemental Indenture.]

[(III) At the option of the registered owner, any bonds of the _____ Series, upon surrender thereof for exchange at the office or agency of FPL in the Borough of Manhattan, The City of New York, together with a written instrument of transfer wherever required by FPL, duly executed by the registered owner or by his duly authorized attorney, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations which have the same issue date, maturity date, and redemption provisions, if any, and which bear interest at the same rate.]

*** These or other redemption provisions or other terms and conditions relating to the series of First Mortgage Bonds may be inserted here.

Bonds of the _____ Series shall be transferrable (subject to the provisions of Section 12 of the Mortgage) at the office or agency of FPL in the Borough of Manhattan, The City of New York.

Upon any exchange or transfer of bonds of the _____ Series, FPL may make a charge therefor sufficient to reimburse it for any tax or taxes or other governmental charge, as provided in Section 12 of the Mortgage, but FPL hereby waives any right to make a charge in addition thereto for any exchange or transfer of bonds of the _____ Series.

*****SECTION 1. (I) There shall be a series of bonds designated "__% Series due _____, ___", herein sometimes referred to as the "_____ Series", each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof, which shall be established by Resolution of the Board of Directors of FPL, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the _____ Series shall mature on _____, ___ and shall be issued as fully registered bonds in denominations of [One] Thousand Dollars and, at the option of FPL, in any multiple or multiples of [One] Thousand Dollars or any other denominations (the exercise of such option to be evidenced by the execution and delivery thereof); they shall bear interest from _____, __ [at the rate of ____% per annum, payable semi-annually on _____ and _____ of each year;] the principal of and interest on each said bond to be payable at the office or agency of FPL in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Bonds of the _____ Series shall be dated as in Section 10 of the Mortgage provided.*

[(II) Bonds of the _____ Series shall be redeemable either at the option of FPL or pursuant to the requirements of the Mortgage (including, among other requirements, the application of cash delivered to or deposited with the Trustee pursuant to the provisions of Section 39 or Section 64 of the Mortgage or with proceeds of Released Property) in whole at any time, or in part from time to time, prior to maturity, upon notice, as provided in Section 52 of the Mortgage, mailed at least thirty (30) days prior to the date fixed for redemption, at the following general redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

General Redemption Prices

If redeemed during the 12 month period ending _____,

**** *These provisions will be inserted in any supplemental indentures relating to the issuance of First Mortgage Bonds other than those designated Secured Medium-Term Notes, provided that the bracketed language may change.*

in each case, together with accrued interest to the date fixed for redemption.][*****]

(III) At the option of the registered owner, any bonds of the _____ Series, upon surrender thereof for exchange at the office or agency of FPL in the Borough of Manhattan, The City of New York, together with a written instrument of transfer wherever required by FPL, duly executed by the registered owner or by his duly authorized attorney, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations.

Bonds of the _____ Series shall be transferable (subject to the provisions of Section 12 of the Mortgage) at the office or agency of FPL in the Borough of Manhattan, The City of New York.

Upon any exchange or transfer of bonds of the _____ Series, FPL may make a charge therefor sufficient to reimburse it for any tax or taxes or other governmental charge, as provided in Section 12 of the Mortgage, but FPL hereby waives any right to make a charge in addition thereto for any exchange or transfer of bonds of the _____ Series.]

ARTICLE II

Dividend Covenant

SECTION 2. Section 3 of the Third Supplemental Indenture, as heretofore amended, is hereby further amended by inserting the words "or _____ Series" immediately before the words "remain Outstanding".

[*****] *These or other redemption provisions or other terms and conditions relating to the series of First Mortgage Bonds may be inserted here.*

ARTICLE III

Miscellaneous Provisions

SECTION 3. Subject to the amendments provided for in this _____ Supplemental Indenture, the terms defined in the Mortgage, as heretofore supplemented, shall, for all purposes of this _____ Supplemental Indenture, have the meanings specified in the Mortgage, as heretofore supplemented.

******SECTION 4. The holders of bonds of the _____ Series consent that FPL may, but shall not be obligated to, fix a record date for the purpose of determining the holders of bonds of the _____ Series entitled to consent to any amendment, supplement or waiver. If a record date is fixed, those persons who were holders at such record date (or their duly designated proxies), and only those persons, shall be entitled to consent to such amendment, supplement or waiver or to revoke any consent previously given, whether or not such persons continue to be holders after such record date. No such consent shall be valid or effective for more than 90 days after such record date.

SECTION 5. The Trustee hereby accepts the trust herein declared, provided, created or supplemented and agrees to perform the same upon the terms and conditions herein and in the Mortgage, as heretofore supplemented, set forth and upon the following terms and conditions:

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this _____ Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by FPL solely. In general, each and every term and condition contained in Article XVII of the Mortgage, as heretofore amended, shall apply to and form part of this _____ Supplemental Indenture with the same force and effect as if the same were herein set forth in full with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this _____ Supplemental Indenture.

SECTION 6. Whenever in this _____ Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XVI and XVII of the Mortgage, as heretofore amended, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this _____ Supplemental Indenture contained by or on behalf of FPL, or by or on behalf of the Trustee, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

****** This provision may be deleted in any supplemental indenture relating to the issuance of First Mortgage Bonds other than those which are issued to The Depository Trust Company, or its successor. The remaining sections will be renumbered accordingly.

SECTION 7. Nothing in this _____ Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons Outstanding under the Mortgage, any right, remedy or claim under or by reason of this _____ Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this _____ Supplemental Indenture contained by or on behalf of FPL shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and coupons Outstanding under the Mortgage.

SECTION 8. The Mortgage, as heretofore supplemented and amended and as supplemented hereby, is intended by the parties hereto, as to properties now or hereafter encumbered thereby and located within the State of Georgia, to operate and is to be construed as granting a lien only on such properties and not as a deed passing title thereto.

SECTION 9. This _____ Supplemental Indenture shall be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, FPL has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, and DEUTSCHE BANK TRUST COMPANY AMERICAS has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by one of its Vice Presidents or Assistant Vice Presidents, and its corporate seal to be attested by one of its Assistant Vice Presidents, one of its Assistant Secretaries or one of its Associates, all as of the day and year first above written.

FLORIDA POWER & LIGHT COMPANY

By:_____

Attest:_____

Executed, sealed and delivered by
FLORIDA POWER & LIGHT COMPANY
in the presence of:

_____

_____

DEUTSCHE BANK TRUST COMPANY AMERICAS,
As Trustee

By:_____

Attest:_____

Executed, sealed and delivered by
DEUTSCHE BANK TRUST COMPANY AMERICAS
in the presence of:

_____

_____

STATE OF FLORIDA
COUNTY OF PALM BEACH } SS:

On the _____ day of _____, in the year ___, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he resides at _____; that he is a _____ of FLORIDA POWER & LIGHT COMPANY, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

I HEREBY CERTIFY, that on this _____ day of _____, ___, before me personally appeared _____ and _____, respectively, the _____and an _____ of FLORIDA POWER & LIGHT COMPANY, a corporation under the laws of the State of Florida, to me known to be the persons described in and who executed the foregoing instrument and severally acknowledged the execution thereof to be their free act and deed as such officers, for the uses and purposes therein mentioned; and that they affixed thereto the official seal of said corporation, and that said instrument is the act and deed of said corporation.

_____ and _____ produced Florida Driver's License No. _____ and Florida Driver's License No. _____ as identification, respectively[, and did take an oath].

WITNESS my signature and official seal at Juno Beach, in the County of Palm Beach, and State of Florida, the day and year last aforesaid.

Notary Public, State of Florida
Commission No. _____
My Commission Expires _____

STATE OF NEW YORK
COUNTY OF NEW YORK } SS:

On the _____ day of _____, in the year ____, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he resides at _____; that he is a _____ of DEUTSCHE BANK TRUST COMPANY AMERICAS, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

I HEREBY CERTIFY, that on this _____ day of _____, ___, before me personally appeared _____ and _____, respectively, a _____ and an _____ of DEUTSCHE BANK TRUST COMPANY AMERICAS, a corporation under the laws of the state of New York, to me known to be the persons described in and who executed the foregoing instrument and severally acknowledged the execution thereof to be their free act and deed as such officers, for the uses and purposes therein mentioned; and that they affixed thereto the official seal of said corporation, and that said instrument is the act and deed of said corporation.

_____ and _____ produced _____ Driver's License No. _____ and _____ Driver's License No. _____ as identification, respectively[, and did take an oath].

WITNESS my signature and official seal at New York City, in the County of New York, and State of New York, the day and year last aforesaid.

Notary Public, State of New York
Commission No. _____
Qualified in _____ County
My Commission Expires _____

EXHIBIT 5(a)

STEEL HECTOR & DAVIS

Steel Hector & Davis LLP
200 South Biscayne Boulevard
Miami, Florida 33131-2398
305.577.7000
305.577.7001 Fax
www.steelhector.com

December 23, 2002

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408

Ladies and Gentlemen:

As counsel for Florida Power & Light Company, a Florida corporation (the "Company"), we have participated in the preparation of a registration statement on Form S-3 (the "Registration Statement"), to be filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, on or about the date hereof, in connection with the proposed offering of up to $1,000,000,000 in principal amount of the Company's First Mortgage Bonds (the "Bonds"). In connection therewith, we have reviewed such documents and records as we have deemed necessary to enable us to express an opinion on the matters covered hereby.

Based on the foregoing, we are of the opinion that the Bonds will be valid, legal and binding obligations of the Company, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and creditors' rights and remedies generally and general principles of equity, when:

1. the Bonds are issued and sold pursuant to the authority contained in an order of the Florida Public Service Commission;

2. a duly-authorized officer of the Company, acting within the authority granted by resolutions of the Board of Directors and the Finance Committee of the Board of Directors, approves and establishes the terms and provisions of the Bonds in accordance with the Mortgage and Deed of Trust dated as of January 1, 1944, as amended and supplemented, from the Company to Deutsche Bank Trust Company Americas, as Trustee; and

3. the Bonds are issued and sold in accordance with their terms and as contemplated by the Registration Statement.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. We also consent to the reference to us in the prospectus included in the Registration Statement under the captions "Experts" and "Legal Opinions."

We are members of the Florida Bar and this opinion is limited to the laws of the State of Florida and the federal laws of the United States insofar as they bear on the matters covered hereby. As to all matters of New York law, we have relied, with your consent, upon the opinion of even date herewith rendered to you by Thelen Reid & Priest LLP, New York, New York. As to all matters of Florida law, Thelen Reid & Priest LLP is authorized to rely upon this opinion as if it were addressed to it.

Very truly yours,

Steel Hector & Davis LLP

STEEL HECTOR & DAVIS LLP

MIA2001:179046

EXHIBIT 5(b)

Thelen Reid & Priest LLP
Attorneys At Law

875 Third Avenue
New York, NY 10022-6225

Tel. 212.603.2000
Fax 212.603.2001

www.thelenreid.com

December 23, 2002

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408

Ladies and Gentlemen:

As counsel for Florida Power & Light Company, a Florida corporation (the "Company"), we have participated in the preparation of a registration statement on Form S-3 (the "Registration Statement"), to be filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, on or about the date hereof, in connection with the proposed offering of up to $1,000,000,000 in principal amount of the Company's First Mortgage Bonds (the "Bonds"). In connection therewith, we have reviewed such documents and records as we have deemed necessary to enable us to express an opinion on the matters covered hereby.

Based on the foregoing, we are of the opinion that the Bonds will be valid, legal and binding obligations of the Company, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and creditors' rights and remedies generally and general principles of equity, when:

1. the Bonds are issued and sold pursuant to the authority contained in an order of the Florida Public Service Commission;

2. a duly-authorized officer of the Company, acting within the authority granted by resolutions of the Board of Directors and the Finance Committee of the Board of Directors, approves and establishes the terms and provisions of the Bonds in accordance with the Mortgage and Deed of Trust dated as of January 1, 1944, as amended and supplemented, from the Company to Deutsche Bank Trust Company Americas, as Trustee; and

3. the Bonds are issued and sold in accordance with their terms and as contemplated by the Registration Statement.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. We also consent to the reference to us in the prospectus included in the Registration Statement under the caption "Legal Opinions."

We are members of the New York Bar and this opinion is limited to the laws of the State of New York and the federal laws of the United States insofar as they bear on the matters covered hereby. As to all matters of Florida law, we have relied, with your consent, upon the opinion of even date herewith rendered to you by Steel Hector & Davis LLP, Miami, Florida. As to all matters of New York law, Steel Hector & Davis LLP is authorized to rely upon this opinion as if it were addressed to it.

Very truly yours,

Thelen Reid + Priest LLP

THELEN REID & PRIEST LLP

EXHIBIT 23(a)

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement of Florida Power & Light Company on Form S-3 of our report dated February 8, 2002, except for Note 18, as to which the date is March 25, 2002, appearing in the Annual Report on Form 10-K of Florida Power & Light Company for the year ended December 31, 2001 and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

Deloitte & Touche LLP

DELOITTE & TOUCHE LLP
Miami, Florida
December 20, 2002

EXHIBIT 25

Exhibit 25

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE
PURSUANT TO SECTION 305(b)(2)

DEUTSCHE BANK TRUST COMPANY AMERICAS
(formerly known as BANKERS TRUST COMPANY)

(Exact name of trustee as specified in its charter)

NEW YORK (Jurisdiction of Incorporation or organization if not a U.S. national bank)	**13-4941247** (I.R.S. Employer Identification no.)
60 WALL STREET **NEW YORK, NEW YORK** (Address of principal executive offices)	**10005** (Zip Code)

Deutsche Bank Trust Company Americas
Attention: Will Christoph
Legal Department
1301 6th Avenue, 8th Floor
New York, New York 10019
(212) 469-0378
(Name, address and telephone number of agent for service)

FLORIDA POWER & LIGHT COMPANY

(Exact name of obligor as specified in its charter)

Florida (State or other jurisdiction of Incorporation or organization)	**59-0247775** (I.R.S. employer Identification no.)

700 Universe Boulevard
Juno Beach, FL 33408
561-694-4000
(Address of principal executive offices)

First Mortgage Bonds
(Title of indenture securities)

Item 1. General Information.

Furnish the following information as to the trustee.

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Federal Reserve Bank (2nd District)	New York, NY
Federal Deposit Insurance Corporation	Washington, D.C.
New York State Banking Department	Albany, NY

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

Item 2. Affiliations with Obligor.

If the obligor is an affiliate of the Trustee, describe each such affiliation.

None.

Item 3. -15. Not Applicable

Item 16. List of Exhibits.

Exhibit 1 - Restated Organization Certificate of Bankers Trust Company dated August 6, 1998, Certificate of Amendment of the Organization Certificate of Bankers Trust Company dated September 25, 1998, Certificate of Amendment of the Organization Certificate of Bankers Trust Company dated December 16, 1998, and Certificate of Amendment of the Organization Certificate of Bankers Trust Company dated February 22, 2002, copies attached.

Exhibit 2 - Certificate of Authority to commence business - Incorporated herein by reference to Exhibit 2 filed with Form T-1 Statement, Registration No. 33-21047.

Exhibit 3 - Authorization of the Trustee to exercise corporate trust powers - Incorporated herein by reference to Exhibit 2 filed with Form T-1 Statement, Registration No. 33-21047.

Exhibit 4 - Existing By-Laws of Deutsche Bank Trust Company Americas, as amended on April 15, 2002. Copy attached.

Exhibit 5 - Not applicable.

Exhibit 6 - Consent of Bankers Trust Company required by Section 321(b) of the Act. - Incorporated herein by reference to Exhibit 4 filed with Form T-1 Statement, Registration No. 22-18864.

Exhibit 7 - The latest report of condition of Deutsche Bank Trust Company Americas dated as of September 30, 2002. Copy attached.

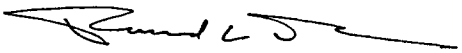
Exhibit 8 - Not Applicable.

Exhibit 9 - Not Applicable.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, Deutsche Bank Trust Company Americas, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on this 18th day of December, 2002.

DEUTSCHE BANK TRUST COMPANY AMERICAS



By: _____
Richard L. Buckwalter
Vice President

State of New York,

Banking Department

I, **MANUEL KURSKY**, Deputy Superintendent of Banks of the State of New York, **DO HEREBY APPROVE** the annexed Certificate entitled **"CERTIFICATE OF AMENDMENT OF THE ORGANIZATION CERTIFICATE OF BANKERS TRUST COMPANY Under Section 8005 of the Banking Law,"** dated September 16, 1998, providing for an increase in authorized capital stock from $3,001,666,670 consisting of 200,166,667 shares with a par value of $10 each designated as Common Stock and 1,000 shares with a par value of $1,000,000 each designated as Series Preferred Stock to $3,501,666,670 consisting of 200,166,667 shares with a par value of $10 each designated as Common Stock and 1,500 shares with a par value of $1,000,000 each designated as Series Preferred Stock.

Witness, *my hand and official seal of the Banking Department at the City of New York, this* ***25th*** *day of* ***September*** *in the Year of our Lord one thousand nine hundred and* ***ninety-eight.***

Manuel Kursky
Deputy Superintendent of Banks

RESTATED ORGANIZATION CERTIFICATE OF BANKERS TRUST COMPANY

Under Section 8007
Of the Banking Law

Bankers Trust Company
1301 6th Avenue, 8th Floor
New York, N.Y. 10019

Counterpart Filed in the Office of the Superintendent of Banks, State of New York, August 31, 1998

RESTATED ORGANIZATION CERTIFICATE
OF
BANKERS TRUST
Under Section 8007 of the Banking Law

We, James T. Byrne, Jr. and Lea Lahtinen, being respectively a Managing Director and an Assistant Secretary and a Vice President and an Assistant Secretary of BANKERS TRUST COMPANY, do hereby certify:

1. The name of the corporation is Bankers Trust Company.

2. The organization certificate of the corporation was filed by the Superintendent of Banks of the State of New York on March 5, 1903.

3. The text of the organization certificate, as amended heretofore, is hereby restated without further amendment or change to read as herein-set forth in full, to wit:

"Certificate of Organization
of
Bankers Trust Company

Know All Men By These Presents That we, the undersigned, James A. Blair, James G. Cannon, E. C. Converse, Henry P. Davison, Granville W. Garth, A. Barton Hepburn, Will Logan, Gates W. McGarrah, George W. Perkins, William H. Porter, John F. Thompson, Albert H. Wiggin, Samuel Woolverton and Edward F. C. Young, all being persons of full age and citizens of the United States, and a majority of us being residents of the State of New York, desiring to form a corporation to be known as a Trust Company, do hereby associate ourselves together for that purpose under and pursuant to the laws of the State of New York, and for such purpose we do hereby, under our respective hands and seals, execute and duly acknowledge this Organization Certificate in duplicate, and hereby specifically state as follows, to wit:

I. The name by which the said corporation shall be known is Bankers Trust Company.

II. The place where its business is to be transacted is the City of New York, in the State of New York.

III. Capital Stock: The amount of capital stock which the corporation is hereafter to have is Three Billion One Million, Six Hundred Sixty-Six Thousand, Six Hundred Seventy Dollars ($3,001,666,670), divided into Two Hundred Million, One Hundred Sixty-Six Thousand, Six Hundred Sixty-Seven (200,166,667) shares with a par value of $10 each designated as Common Stock and 1,000 shares with a par value of One Million Dollars ($1,000,000) each designated as Series Preferred Stock.

(a) *Common Stock*

1. Dividends: Subject to all of the rights of the Series Preferred Stock, dividends may be declared and paid or set apart for payment upon the Common Stock out of any assets or funds of the corporation legally available for the payment of dividends.

2. Voting Rights: Except as otherwise expressly provided with respect to the Series Preferred Stock or with respect to any series of the Series Preferred Stock, the Common Stock shall have the exclusive right to vote for the election of directors and for all other purposes, each holder of the Common Stock being entitled to one vote for each share thereof held.

3. Liquidation: Upon any liquidation, dissolution or winding up of the corporation, whether voluntary or involuntary, and after the holders of the Series Preferred Stock of each series shall have been paid in full the amounts to which they respectively shall be entitled, or a sum sufficient for the payment in full set aside, the remaining net assets of the corporation shall be distributed pro rata to the holders of the Common Stock in accordance with their respective rights and interests, to the exclusion of the holders of the Series Preferred Stock.

4. Preemptive Rights: No holder of Common Stock of the corporation shall be entitled, as such, as a matter of right, to subscribe for or purchase any part of any new or additional issue of stock of any class or series whatsoever, any rights or options to purchase stock of any class or series whatsoever, or any securities convertible into, exchangeable for or carrying rights or options to purchase stock of any class or series whatsoever, whether now or hereafter authorized, and whether issued for cash or other consideration, or by way of dividend or other distribution.

(b) *Series Preferred Stock*

1. Board Authority: The Series Preferred Stock may be issued from time to time by the Board of Directors as herein provided in one or more series. The designations, relative rights, preferences and limitations of the Series Preferred Stock, and particularly of the shares of each series thereof, may, to the extent permitted by law, be similar to or may differ from those of any other series. The Board of Directors of the corporation is hereby expressly granted authority, subject to the provisions of this Article III, to issue from time to time Series Preferred Stock in one or more series and to fix from time to time before issuance thereof, by filing a certificate pursuant to the Banking Law, the number of shares in each such series of such class and all designations, relative rights (including the right, to the extent permitted by law, to convert into shares of any class or into shares of any series of any class), preferences and limitations of the shares in each such series, including, buy without limiting the generality of the foregoing, the following:

(i) The number of shares to constitute such series (which number may at any time, or from time to time, be increased or decreased by the Board of Directors, notwithstanding that shares of the series may be outstanding at the time of such increase or decrease, unless the Board of Directors shall have otherwise provided in creating such series) and the distinctive designation thereof;

(ii) The dividend rate on the shares of such series, whether or not dividends on the shares of such series shall be cumulative, and the date or dates, if any, from which dividends thereon shall be cumulative;

(iii) Whether or not the share of such series shall be redeemable, and, if redeemable, the date or dates upon or after which they shall be redeemable, the amount or amounts per share (which shall be, in the case of each share, not less than its preference upon involuntary liquidation, plus an amount equal to all dividends thereon accrued and unpaid, whether or not earned or declared) payable thereon in the case of the redemption thereof, which amount may vary at different redemption dates or otherwise as permitted by law;

(iv) The right, if any, of holders of shares of such series to convert the same into, or exchange the same for, Common Stock or other stock as permitted by law, and the terms and conditions of such conversion or exchange, as well as provisions for adjustment of the conversion rate in such events as the Board of Directors shall determine;

(v) The amount per share payable on the shares of such series upon the voluntary and involuntary liquidation, dissolution or winding up of the corporation;

(vi) Whether the holders of shares of such series shall have voting power, full or limited, in addition to the voting powers provided by law and, in case additional voting powers are accorded, to fix the extent thereof; and

(vii) Generally to fix the other rights and privileges and any qualifications, limitations or restrictions of such rights and privileges of such series, provided, however, that no such rights, privileges, qualifications, limitations or restrictions shall be in conflict with the organization certificate of the corporation or with the resolution or resolutions adopted by the Board of Directors providing for the issue of any series of which there are shares outstanding.

All shares of Series Preferred Stock of the same series shall be identical in all respects, except that shares of any one series issued at different times may differ as to dates, if any, from which dividends thereon may accumulate. All shares of Series Preferred Stock of all series shall be of equal rank and shall be identical in all respects except that to the extent not otherwise limited in this Article III any series may differ from any other series with respect to any one or more of the designations, relative rights, preferences and limitations described or referred to in subparagraphs (I) to (vii) inclusive above.

2. Dividends: Dividends on the outstanding Series Preferred Stock of each series shall be declared and paid or set apart for payment before any dividends shall be declared and paid or set apart for payment on the Common Stock with respect to the same quarterly dividend period. Dividends on any shares of Series Preferred Stock shall be cumulative only if and to the extent set forth in a certificate filed pursuant to law. After dividends on all shares of Series Preferred Stock (including cumulative dividends if and to the extent any such shares shall be entitled thereto) shall have been declared and paid or set apart for payment with respect to any quarterly dividend period, then and not otherwise so long as any shares of Series Preferred Stock shall remain outstanding, dividends may be declared and paid or set apart for payment with respect to the same quarterly dividend period on the Common Stock out the assets or funds of the corporation legally available therefor.

All Shares of Series Preferred Stock of all series shall be of equal rank, preference and priority as to dividends irrespective of whether or not the rates of dividends to which the same shall be entitled shall be the same and when the stated dividends are not paid in full, the shares of all series of the Series Preferred Stock shall share ratably in the payment thereof in accordance with the sums which would be payable on such shares if all dividends were paid in full, provided, however, that any two or more series of the Series Preferred Stock may differ from each other as to the existence and extent of the right to cumulative dividends, as aforesaid.

3. Voting Rights: Except as otherwise specifically provided in the certificate filed pursuant to law with respect to any series of the Series Preferred Stock, or as otherwise provided by law, the Series Preferred Stock shall not have any right to vote for the election of directors or for any other purpose and the Common Stock shall have the exclusive right to vote for the election of directors and for all other purposes.

4. Liquidation: In the event of any liquidation, dissolution or winding up of the corporation, whether voluntary or involuntary, each series of Series Preferred Stock shall have preference and priority over the Common Stock for payment of the amount to which each outstanding series of Series Preferred Stock shall be entitled in accordance with the provisions thereof and each holder of Series Preferred Stock shall be entitled to be paid in full such amount, or have a sum sufficient for the payment in full set aside, before any payments shall be made to the holders of the Common Stock. If, upon liquidation, dissolution or winding up of the corporation, the assets of the corporation or proceeds thereof, distributable among the holders of the shares of all series of the Series Preferred Stock shall be insufficient to pay in full the preferential amount aforesaid, then such assets, or the proceeds thereof, shall be distributed among such holders ratably in accordance with the respective amounts which would be payable if all amounts payable thereon were paid in full. After the payment to the holders of Series Preferred Stock of all such amounts to which they are entitled, as above provided, the remaining assets and funds of the corporation shall be divided and paid to the holders of the Common Stock.

5. Redemption: In the event that the Series Preferred Stock of any series shall be made redeemable as provided in clause (iii) of paragraph 1 of section (b) of this Article III, the corporation, at the option of the Board of Directors, may redeem at any time or times, and from time to time, all or any part of any one or more series of Series Preferred Stock outstanding by paying for each share the then applicable redemption price fixed by the Board of Directors as provided herein, plus an amount equal to accrued and unpaid dividends to the date fixed for redemption, upon such notice and terms as may be specifically provided in the certificate filed pursuant to law with respect to the series.

6. Preemptive Rights: No holder of Series Preferred Stock of the corporation shall be entitled, as such, as a matter or right, to subscribe for or purchase any part of any new or additional issue of stock of any class or series whatsoever, any rights or options to purchase stock of any class or series whatsoever, or any securities convertible into, exchangeable for or carrying rights or options to purchase stock of any class or series whatsoever, whether now or hereafter authorized, and whether issued for cash or other consideration, or by way of dividend.

(c) *Provisions relating to Floating Rate Non-Cumulative Preferred Stock, Series A. (Liquidation value $1,000,000 per share.)*

1. Designation: The distinctive designation of the series established hereby shall be "Floating Rate Non-Cumulative Preferred Stock, Series A" (hereinafter called "Series A Preferred Stock").

2. Number: The number of shares of Series A Preferred Stock shall initially be 250 shares. Shares of Series A Preferred Stock redeemed, purchased or otherwise acquired by the corporation shall be cancelled and shall revert to authorized but unissued Series Preferred Stock undesignated as to series.

3. Dividends:

(a) Dividend Payments Dates. Holders of the Series A Preferred Stock shall be entitled to receive non-cumulative cash dividends when, as and if declared by the Board of Directors of the corporation, out of funds legally available therefor, from the date of original issuance of such shares (the "Issue Date") and such dividends will be payable on March 28, June 28, September 28 and December 28 of each year ("Dividend Payment Date") commencing September 28, 1990, at a rate per annum as determined in paragraph 3(b) below. The period beginning on the Issue Date and ending on the day preceding the first Dividend Payment Date and each successive period beginning on a Dividend Payment Date and ending on the date preceding the next succeeding Dividend Payment Date is herein called a "Dividend Period". If any Dividend Payment Date shall be, in The City of New York, a Sunday or a legal holiday or a day on which banking institutions are authorized by law to close, then payment will be postponed to the next succeeding business day with the same force and effect as if made on the Dividend Payment Date, and no interest shall accrue for such Dividend Period after such Dividend Payment Date.

(b) Dividend Rate. The dividend rate from time to time payable in respect of Series A Preferred Stock (the "Dividend Rate") shall be determined on the basis of the following provisions:

(i) On the Dividend Determination Date, LIBOR will be determined on the basis of the offered rates for deposits in U.S. dollars having a maturity of three months commencing on the second London Business Day immediately following such Dividend Determination Date, as such rates appear on the Reuters Screen LIBO Page as of 11:00 A.M. London time, on such Dividend Determination Date. If at least two such offered rates appear on the Reuters Screen LIBO Page, LIBOR in respect of such Dividend Determination Dates will be the arithmetic mean (rounded to the nearest one-hundredth of a percent, with five one-thousandths of a percent rounded upwards) of such offered rates. If fewer than those offered rates appear, LIBOR in respect of such Dividend Determination Date will be determined as described in paragraph (ii) below.

(ii) On any Dividend Determination Date on which fewer than those offered rates for the applicable maturity appear on the Reuters Screen LIBO Page as specified in paragraph (I) above, LIBOR will be determined on the basis of the rates at which deposits in U.S. dollars having a maturity of three months commencing on the second London Business Day immediately following such Dividend Determination Date and in a principal amount of not less than $1,000,000 that is representative of a single transaction in such market at such time are offered by three major banks in the London interbank market selected by the corporation at approximately 11:00 A.M., London time, on such Dividend Determination Date to prime banks in the London market. The corporation will request the principal London office of each of such banks to provide a quotation of its rate. If at least two such quotations are provided, LIBOR in respect of such Dividend Determination Date will be the arithmetic mean (rounded to the nearest one-hundredth of a percent, with five one-thousandths of a percent rounded upwards) of such quotations. If fewer than two quotations are provided, LIBOR in respect of such Dividend Determination Date will be the arithmetic mean (rounded to the nearest one-hundredth of a percent, with five one-thousandths of a percent rounded upwards) of the rates quoted by three major banks in New York City selected by the corporation at approximately 11:00 A.M., New York City time, on such Dividend Determination Date for loans in U.S. dollars to leading European banks having a maturity of three months commencing on the second London Business Day immediately following such Dividend Determination Date and in a principal amount of not less than $1,000,000 that is representative of a single transaction in such market at such time; provided, however, that if the banks selected as aforesaid by the corporation are not quoting as aforementioned in this sentence, then, with respect to such Dividend Period, LIBOR for the preceding Dividend Period will be continued as LIBOR for such Dividend Period.

(ii) The Dividend Rate for any Dividend Period shall be equal to the lower of 18% or 50 basis points above LIBOR for such Dividend Period as LIBOR is determined by sections (I) or (ii) above.

As used above, the term "Dividend Determination Date" shall mean, with respect to any Dividend Period, the second London Business Day prior to the commencement of such Dividend Period; and the term "London Business Day" shall mean any day that is not a Saturday or Sunday and that, in New York City, is not a day on which banking

institutions generally are authorized or required by law or executive order to close and that is a day on which dealings in deposits in U.S. dollars are transacted in the London interbank market.

4. Voting Rights: The holders of the Series A Preferred Stock shall have the voting power and rights set forth in this paragraph 4 and shall have no other voting power or rights except as otherwise may from time to time be required by law.

So long as any shares of Series A Preferred Stock remain outstanding, the corporation shall not, without the affirmative vote or consent of the holders of at least a majority of the votes of the Series Preferred Stock entitled to vote outstanding at the time, given in person or by proxy, either in writing or by resolution adopted at a meeting at which the holders of Series A Preferred Stock (alone or together with the holders of one or more other series of Series Preferred Stock at the time outstanding and entitled to vote) vote separately as a class, alter the provisions of the Series Preferred Stock so as to materially adversely affect its rights; provided, however, that in the event any such materially adverse alteration affects the rights of only the Series A Preferred Stock, then the alteration may be effected with the vote or consent of at least a majority of the votes of the Series A Preferred Stock; provided, further, that an increase in the amount of the authorized Series Preferred Stock and/or the creation and/or issuance of other series of Series Preferred Stock in accordance with the organization certificate shall not be, nor be deemed to be, materially adverse alterations. In connection with the exercise of the voting rights contained in the preceding sentence, holders of all series of Series Preferred Stock which are granted such voting rights (of which the Series A Preferred Stock is the initial series) shall vote as a class (except as specifically provided otherwise) and each holder of Series A Preferred Stock shall have one vote for each share of stock held and each other series shall have such number of votes, if any, for each share of stock held as may be granted to them.

The foregoing voting provisions will not apply if, in connection with the matters specified, provision is made for the redemption or retirement of all outstanding Series A Preferred Stock.

5. Liquidation: Subject to the provisions of section (b) of this Article III, upon any liquidation, dissolution or winding up of the corporation, whether voluntary or involuntary, the holders of the Series A Preferred Stock shall have preference and priority over the Common Stock for payment out of the assets of the corporation or proceeds thereof, whether from capital or surplus, of $1,000,000 per share (the "liquidation value") together with the amount of all dividends accrued and unpaid thereon, and after such payment the holders of Series A Preferred Stock shall be entitled to no other payments.

6. Redemption: Subject to the provisions of section (b) of this Article III, Series A Preferred Stock may be redeemed, at the option of the corporation in whole or part, at any time or from time to time at a redemption price of $1,000,000 per share, in each case plus accrued and unpaid dividends to the date of redemption.

At the option of the corporation, shares of Series A Preferred Stock redeemed or otherwise acquired may be restored to the status of authorized but unissued shares of Series Preferred Stock.

In the case of any redemption, the corporation shall give notice of such redemption to the holders of the Series A Preferred Stock to be redeemed in the following manner: a notice specifying the shares to be redeemed and the time and place of redemption (and, if less than the total outstanding shares are to be redeemed, specifying the certificate numbers and number of shares to be redeemed) shall be mailed by first class mail, addressed to the holders of record of the Series A Preferred Stock to be redeemed at their respective addresses as the same shall appear upon the books of the corporation, not more than sixty (60) days and not less than thirty (30) days previous to the date fixed for redemption. In the event such notice is not given to any shareholder such failure to give notice shall not affect the notice given to other shareholders. If less than the whole amount of outstanding Series A Preferred Stock is to be redeemed, the shares to be redeemed shall be selected by lot or pro rata in any manner determined by resolution of the Board of Directors to be fair and proper. From and after the date fixed in any such notice as the date of redemption (unless default shall be made by the corporation in providing moneys at the time and place of redemption for the payment of the redemption price) all dividends upon the Series A Preferred Stock so called for redemption shall cease to accrue, and all rights of the holders of said Series A Preferred Stock as stockholders in the corporation, except the right to receive the redemption price (without interest) upon surrender of the certificate representing the Series A Preferred Stock so called for redemption, duly endorsed for transfer, if required, shall cease and terminate. The corporation's obligation to provide moneys in accordance with the preceding sentence shall be deemed fulfilled if, on or before the redemption date, the corporation shall deposit with a bank or trust company (which may be an affiliate of the corporation) having an office in the Borough of Manhattan, City of New York, having a capital and surplus of at least $5,000,000 funds necessary for such redemption, in trust with irrevocable instructions that such funds be applied to the redemption of the shares of Series A Preferred Stock

so called for redemption. Any interest accrued on such funds shall be paid to the corporation from time to time. Any funds so deposited and unclaimed at the end of two (2) years from such redemption date shall be released or repaid to the corporation, after which the holders of such shares of Series A Preferred Stock so called for redemption shall look only to the corporation for payment of the redemption price.

IV. The name, residence and post office address of each member of the corporation are as follows:

Name	***Residence***	***Post Office Address***
James A. Blair	9 West 50th Street, Manhattan, New York City	33 Wall Street, Manhattan, New York City
James G. Cannon	72 East 54th Street, Manhattan New York City	14 Nassau Street, Manhattan, New York City
E. C. Converse	3 East 78th Street, Manhattan, New York City	139 Broadway, Manhattan, New York City
Henry P. Davison	Englewood, New Jersey	2 Wall Street, Manhattan, New York City
Granville W. Garth	160 West 57th Street, Manhattan, New York City	33 Wall Street Manhattan, New York City
A. Barton Hepburn	205 West 57th Street Manhattan, New York City	83 Cedar Street Manhattan, New York City
William Logan	Montclair, New Jersey	13 Nassau Street Manhattan, New York City
George W. Perkins	Riverdale, New York	23 Wall Street, Manhattan, New York City
William H. Porter	56 East 67th Street Manhattan, New York City	270 Broadway, Manhattan, New York City
John F. Thompson	Newark, New Jersey	143 Liberty Street, Manhattan, New York City
Albert H. Wiggin	42 West 49th Street, Manhattan, New York City	214 Broadway, Manhattan, New York City
Samuel Woolverton	Mount Vernon, New York	34 Wall Street, Manhattan, New York City
Edward F.C. Young	85 Glenwood Avenue, Jersey City, New Jersey	1 Exchange Place, Jersey City, New Jersey

V. The existence of the corporation shall be perpetual.

VI. The subscribers, the members of the said corporation, do, and each for himself does, hereby declare that he will accept the responsibilities and faithfully discharge the duties of a director therein, if elected to act as such, when authorized accordance with the provisions of the Banking Law of the State of New York.

VII. The number of directors of the corporation shall not be less than 10 nor more than 25."

4. The foregoing restatement of the organization certificate was authorized by the Board of Directors of the corporation at a meeting held on July 21, 1998.

IN WITNESS WHEREOF, we have made and subscribed this certificate this 6th day of August, 1998.

IN WITNESS WHEREOF, we have made and subscribed this certificate this 6th day of August, 1998.

James T. Byrne, Jr.
James T. Byrne, Jr.
Managing Director and Secretary

Lea Lahtinen
Lea Lahtinen
Vice President and Assistant Secretary

Lea Lahtinen
Lea Lahtinen

State of New York)
) ss:
County of New York)

Lea Lahtinen, being duly sworn, deposes and says that she is a Vice President and an Assistant Secretary of Bankers Trust Company, the corporation described in the foregoing certificate; that she has read the foregoing certificate and knows the contents thereof, and that the statements herein contained are true.

Lea Lahtinen
Lea Lahtinen

Sworn to before me this
6th day of August, 1998.

Sandra L. West
Notary Public

SANDRA L. WEST
Notary Public State of New York
No. 31-4942101
Qualified in New York County
Commission Expires September 19, 1998

State of New York,

Banking Department

I, MANUEL KURSKY, Deputy Superintendent of Banks of the State of New York, **DO HEREBY APPROVE** the annexed Certificate entitled **"RESTATED ORGANIZATION CERTIFICATE OF BANKERS TRUST COMPANY Under Section 8007 of the Banking Law,"** dated August 6, 1998, providing for the restatement of the Organization Certificate and all amendments into a single certificate.

Witness, *my hand and official seal of the Banking Department at the City of New York, this* ***31st*** *day of* ***August*** *in the Year of our Lord one thousand nine hundred and* ***ninety-eight.***

Manuel Kursky
Deputy *Superintendent of Banks*

CERTIFICATE OF AMENDMENT

OF THE

ORGANIZATION CERTIFICATE

OF BANKERS TRUST

Under Section 8005 of the Banking Law

We, James T. Byrne, Jr. and Lea Lahtinen, being respectively a Managing Director and Secretary and a Vice President and an Assistant Secretary of Bankers Trust Company, do hereby certify:

1. The name of the corporation is Bankers Trust Company.

2. The organization certificate of said corporation was filed by the Superintendent of Banks on the 5th of March, 1903.

3. The organization certificate as heretofore amended is hereby amended to increase the aggregate number of shares which the corporation shall have authority to issue and to increase the amount of its authorized capital stock in conformity therewith.

4. Article III of the organization certificate with reference to the authorized capital stock, the number of shares into which the capital stock shall be divided, the par value of the shares and the capital stock outstanding, which reads as follows:

> "III. The amount of capital stock which the corporation is hereafter to have is Three Billion, One Million, Six Hundred Sixty-Six Thousand, Six Hundred Seventy Dollars ($3,001,666,670), divided into Two Hundred Million, One Hundred Sixty-Six Thousand, Six Hundred Sixty-Seven (200,166,667) shares with a par value of $10 each designated as Common Stock and 1000 shares with a par value of One Million Dollars ($1,000,000) each designated as Series Preferred Stock."

is hereby amended to read as follows:

> "III. The amount of capital stock which the corporation is hereafter to have is Three Billion, Five Hundred One Million, Six Hundred Sixty-Six Thousand, Six Hundred Seventy Dollars ($3,501,666,670), divided into Two Hundred Million, One Hundred Sixty-Six Thousand, Six Hundred Sixty-Seven (200,166,667) shares with a par value of $10 each designated as Common Stock and 1500 shares with a par value of One Million Dollars ($1,000,000) each designated as Series Preferred Stock."

5. The foregoing amendment of the organization certificate was authorized by unanimous written consent signed by the holder of all outstanding shares entitled to vote thereon.

IN WITNESS WHEREOF, we have made and subscribed this certificate this 25th day of September, 1998

James T. Byrne, Jr.
James T. Byrne, Jr.
Managing Director and Secretary

Lea Lahtinen
Lea Lahtinen
Vice President and Assistant Secretary

State of New York)
) ss:
County of New York)

Lea Lahtinen, being fully sworn, deposes and says that she is a Vice President and an Assistant Secretary of Bankers Trust Company, the corporation described in the foregoing certificate; that she has read the foregoing certificate and knows the contents thereof, and that the statements herein contained are true.

Lea Lahtinen
Lea Lahtinen

Sworn to before me this 25th day
of September, 1998

Sandra L. West
Notary Public

SANDRA L. WEST
Notary Public State of New York
No. 31-4942101
Qualified in New York County
Commission Expires September 19, 2000

State of New York,

Banking Department

I, P. VINCENT CONLON, Deputy Superintendent of Banks of the State of New York, **DO HEREBY APPROVE** the annexed Certificate entitled **"CERTIFICATE OF AMENDMENT OF THE ORGANIZATION CERTIFICATE OF BANKERS TRUST COMPANY Under Section 8005 of the Banking Law,"** dated December 16, 1998, providing for an increase in authorized capital stock from $3,501,666,670 consisting of 200,166,667 shares with a par value of $10 each designated as Common Stock and 1,500 shares with a par value of $1,000,000 each designated as Series Preferred Stock to $3,627,308,670 consisting of 212,730,867 shares with a par value of $10 each designated as Common Stock and 1,500 shares with a par value of $1,000,000 each designated as Series Preferred Stock.

Witness, *my hand and official seal of the Banking Department at the City of New York, this* ***18th*** *day of* ***December*** *in the Year of our Lord one thousand nine hundred and* ***ninety-eight.***

P. Vincent Conlon
Deputy Superintendent of Banks

CERTIFICATE OF AMENDMENT

OF THE

ORGANIZATION CERTIFICATE

OF BANKERS TRUST

Under Section 8005 of the Banking Law

We, James T. Byrne, Jr. and Lea Lahtinen, being respectively a Managing Director and Secretary and a Vice President and an Assistant Secretary of Bankers Trust Company, do hereby certify:

1. The name of the corporation is Bankers Trust Company.

2. The organization certificate of said corporation was filed by the Superintendent of Banks on the 5th of March, 1903.

3. The organization certificate as heretofore amended is hereby amended to increase the aggregate number of shares which the corporation shall have authority to issue and to increase the amount of its authorized capital stock in conformity therewith.

4. Article III of the organization certificate with reference to the authorized capital stock, the number of shares into which the capital stock shall be divided, the par value of the shares and the capital stock outstanding, which reads as follows:

> "III. The amount of capital stock which the corporation is hereafter to have is Three Billion, Five Hundred One Million, Six Hundred Sixty-Six Thousand, Six Hundred Seventy Dollars ($3,501,666,670), divided into Two Hundred Million, One Hundred Sixty-Six Thousand, Six Hundred Sixty-Seven (200,166,667) shares with a par value of $10 each designated as Common Stock and 1500 shares with a par value of One Million Dollars ($1,000,000) each designated as Series Preferred Stock."

is hereby amended to read as follows:

> "III. The amount of capital stock which the corporation is hereafter to have is Three Billion, Six Hundred Twenty-Seven Million, Three Hundred Eight Thousand, Six Hundred Seventy Dollars ($3,627,308,670), divided into Two Hundred Twelve Million, Seven Hundred Thirty Thousand, Eight Hundred Sixty- Seven (212,730,867) shares with a par value of $10 each designated as Common Stock and 1500 shares with a par value of One Million Dollars ($1,000,000) each designated as Series Preferred Stock."

5. The foregoing amendment of the organization certificate was authorized by unanimous written consent signed by the holder of all outstanding shares entitled to vote thereon.

IN WITNESS WHEREOF, we have made and subscribed this certificate this 16th day of December, 1998

James T. Byrne, Jr.
James T. Byrne, Jr.
Managing Director and Secretary

Lea Lahtinen
Lea Lahtinen
Vice President and Assistant Secretary

State of New York)
) ss:
County of New York)

Lea Lahtinen, being fully sworn, deposes and says that she is a Vice President and an Assistant Secretary of Bankers Trust Company, the corporation described in the foregoing certificate; that she has read the foregoing certificate and knows the contents thereof, and that the statements herein contained are true.

Lea Lahtinen
Lea Lahtinen

Sworn to before me this 16th day
of December, 1998

Sandra L. West
Notary Public

SANDRA L. WEST
Notary Public State of New York
No. 31-4942101
Qualified in New York County
Commission Expires September 19, 2000

BANKERS TRUST COMPANY

ASSISTANT SECRETARY'S CERTIFICATE

I, Lea Lahtinen, Vice President and Assistant Secretary of Bankers Trust Company, a corporation duly organized and existing under the laws of the State of New York, the United States of America, do hereby certify that attached copy of the Certificate of Amendment of the Organization Certificate of Bankers Trust Company, dated February 27, 2002, providing for a change of name of Bankers Trust Company to Deutsche Bank Trust Company Americas and approved by the New York State Banking Department on March 14, 2002 to effective on April 15, 2002, is a true and correct copy of the original Certificate of Amendment of the Organization Certificate of Bankers Trust Company on file in the Banking Department, State of New York.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Bankers Trust Company this 4th day of April, 2002.

[SEAL]

/s/ Lea Lahtinen
Lea Lahtinen, Vice President and Assistant Secretary
Bankers Trust Company

State of New York)
) ss.:
County of New York)

On the 4th day of April in the year 2002 before me, the undersigned, a Notary Public in and for said state, personally appeared Lea Lahtinen, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

/s/ Sonja K. Olsen
Notary Public

SONJA K. OLSEN
Notary Public, State of New York
No. 01OL4974457
Qualified in New York County
Commission Expires November 13, 2002

State of New York,

Banking Department

I, P. VINCENT CONLON, Deputy Superintendent of Banks of the State of New York, DO HEREBY APPROVE the annexed Certificate entitled "CERTIFICATE OF AMENDMENT OF THE ORGANIZATION CERTIFICATE OF BANKERS TRUST COMPANY under Section 8005 of the Banking Law" dated February 27, 2002, providing for a change of name of BANKERS TRUST COMPANY to DEUTSCHE BANK TRUST COMPANY AMERICAS.

Witness, my hand and official seal of the Banking Department at the City of New York, this 14th day of March two thousand and two.

/s/ P. Vincent Conlon
Deputy Superintendent of Banks

CERTIFICATE OF AMENDMENT

OF THE

ORGANIZATION CERTIFICATE

OF

BANKERS TRUST COMPANY

Under Section 8005 of the Banking Law

We, James T. Byrne Jr., and Lea Lahtinen, being respectively the Secretary, and Vice President and an Assistant Secretary of Bankers Trust Company, do hereby certify:

1. The name of corporation is Bankers Trust Company.

2. The organization certificate of said corporation was filed by the Superintendent of Banks on the 5th day of March, 1903.

3. Pursuant to Section 8005 of the Banking Law, attached hereto as Exhibit A is a certificate issued by the State of New York, Banking Department listing all of the amendments to the Organization Certificate of Bankers Trust Company since its organization that have been filed in the Office of the Superintendent of Banks.

4. The organization certificate as heretofore amended is hereby amended to change the name of Bankers Trust Company to Deutsche Bank Trust Company Americas to be effective on April 15, 2002.

5. The first paragraph number 1 of the organization of Bankers Trust Company with the reference to the name of the Bankers Trust Company, which reads as follows:

> "1. The name of the corporation is Bankers Trust Company."

is hereby amended to read as follows effective on April 15, 2002:

> "1. The name of the corporation is Deutsche Bank Trust Company Americas."

6. The foregoing amendment of the organization certificate was authorized by unanimous written consent signed by the holder of all outstanding shares entitled to vote thereon.

IN WITNESS WHEREOF, we have made and subscribed this certificate this 27th day of February, 2002.

/s/ James T. Byrne Jr.
James T. Byrne Jr.
Secretary

/s/ Lea Lahtinen
Lea Lahtinen
Vice President and Assistant Secretary

State of New York)
) ss.:
County of New York)

Lea Lahtinen, being duly sworn, deposes and says that she is a Vice President and an Assistant Secretary of Bankers Trust Company, the corporation described in the foregoing certificate; that she has read the foregoing certificate and knows the contents thereof, and that the statements therein contained are true.

/s/ Lea Lahtinen
Lea Lahtinen

Sworn to before me this 27th day
of February, 2002

/s/ Sandra L. West
Notary Public

SANDRA L. WEST
Notary Public, State of New York
No. 01WE4942401
Qualified in New York County
Commission Expires September 19, 2002

EXHIBIT A

State of New York

Banking Department

I, P. VINCENT CONLON, Deputy Superintendent of Banks of the State of New York, DO HEREBY CERTIFY:

THAT, the records in the Office of the Superintendent of Banks indicate that BANKERS TRUST COMPANY is a corporation duly organized and existing under the laws of the State of New York as a trust company, pursuant to Article III of the Banking Law; and

THAT, the Organization Certificate of BANKERS TRUST COMPANY was filed in the Office of the Superintendent of Banks on March 5, 1903, and such corporation was authorized to commence business on March 24, 1903; and

THAT, the following amendments to its Organization Certificate have been filed in the Office of the Superintendent of Banks as of the dates specified:

Certificate of Amendment of Certificate of Incorporation providing for an increase in number of directors - filed on January 14, 1905

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on August 4, 1909

Certificate of Amendment of Certificate of Incorporation providing for an increase in number of directors - filed on February 1, 1911

Certificate of Amendment of Certificate of Incorporation providing for an increase in number of directors - filed on June 17, 1911

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on August 8, 1911

Certificate of Amendment of Certificate of Incorporation providing for an increase in number of directors - filed on August 8, 1911

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on March 21, 1912

Certificate of Amendment of Certificate of Incorporation providing for a decrease in number of directors - filed on January 15, 1915

Certificate of Amendment of Certificate of Incorporation providing for a decrease in number of directors - filed on December 18, 1916

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on April 20, 1917

Certificate of Amendment of Certificate of Incorporation providing for an increase in number of directors - filed on April 20, 1917

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on December 28, 1918

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on December 4, 1919

Certificate of Amendment of Certificate of Incorporation providing for an increase in number of directors - filed on January 15, 1926

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on June 12, 1928

Certificate of Amendment of Certificate of Incorporation providing for a change in shares - filed on April 4, 1929

Certificate of Amendment of Certificate of Incorporation providing for a minimum and maximum number of directors - filed on January 11, 1934

Certificate of Extension to perpetual - filed on January 13, 1941

Certificate of Amendment of Certificate of Incorporation providing for a minimum and maximum number of directors - filed on January 13, 1941

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on December 11, 1944

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed January 30, 1953

Restated Certificate of Incorporation - filed November 6, 1953

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on April 8, 1955

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on February 1, 1960

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on July 14, 1960

Certificate of Amendment of Certificate of Incorporation providing for a change in shares - filed on September 30, 1960

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on January 26, 1962

Certificate of Amendment of Certificate of Incorporation providing for a change in shares - filed on September 9, 1963

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on February 7, 1964

Certificate of Amendment of Certificate of Incorporation providing for an increase in capital stock - filed on February 24, 1965

Certificate of Amendment of the Organization Certificate providing for a decrease in capital stock - filed January 24, 1967

Restated Organization Certificate - filed June 1, 1971

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed October 29, 1976

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed December 22, 1977

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed August 5, 1980

Restated Organization Certificate - filed July 1, 1982

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed December 27, 1984

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed September 18, 1986

Certificate of Amendment of the Organization Certificate providing for a minimum and maximum number of directors - filed January 22, 1990

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed June 28, 1990

Restated Organization Certificate - filed August 20, 1990

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed June 26, 1992

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed March 28, 1994

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed June 23, 1995

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed December 27, 1995

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed March 21, 1996

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed December 27, 1996

Certificate of Amendment to the Organization Certificate providing for an increase in capital stock - filed June 27, 1997

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed September 26, 1997

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed December 29, 1997

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed March 26, 1998

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed June 23, 1998

Restated Organization Certificate - filed August 31, 1998

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed September 25, 1998

Certificate of Amendment of the Organization Certificate providing for an increase in capital stock - filed December 18, 1998; and

Certificate of Amendment of the Organization Certificate providing for a change in the number of directors - filed September 3, 1999; and

THAT, no amendments to its Restated Organization Certificate have been filed in the Office of the Superintendent of Banks except those set forth above; and attached hereto; and

I DO FURTHER CERTIFY THAT, BANKERS TRUST COMPANY is validly existing as a banking organization with its principal office and place of business located at 130 Liberty Street, New York, New York.

WITNESS, my hand and official seal of the Banking Department at the City of New York this 16th day of October in the Year Two Thousand and One.

/s/ P. Vincent Conlon
Deputy Superintendent of Banks

DEUTSCHE BANK TRUST COMPANY AMERICAS

BY-LAWS

APRIL 15, 2002

Deutsche Bank Trust Company Americas

New York

BY-LAWS

of

Deutsche Bank Trust Company Americas

ARTICLE I

MEETINGS OF STOCKHOLDERS

SECTION 1. The annual meeting of the stockholders of this Company shall be held at the office of the Company in the Borough of Manhattan, City of New York, in January of each year, for the election of directors and such other business as may properly come before said meeting.

SECTION 2. Special meetings of stockholders other than those regulated by statute may be called at any time by a majority of the directors. It shall be the duty of the Chairman of the Board, the Chief Executive Officer, the President or any Co-President to call such meetings whenever requested in writing to do so by stockholders owning a majority of the capital stock.

SECTION 3. At all meetings of stockholders, there shall be present, either in person or by proxy, stockholders owning a majority of the capital stock of the Company, in order to constitute a quorum, except at special elections of directors, as provided by law, but less than a quorum shall have power to adjourn any meeting.

SECTION 4. The Chairman of the Board or, in his absence, the Chief Executive Officer or, in his absence, the President or any Co-President or, in their absence, the senior officer present, shall preside at meetings of the stockholders and shall direct the proceedings and the order of business. The Secretary shall act as secretary of such meetings and record the proceedings.

ARTICLE II

DIRECTORS

SECTION 1. The affairs of the Company shall be managed and its corporate powers exercised by a Board of Directors consisting of such number of directors, but not less than seven nor more than fifteen, as may from time to time be fixed by resolution adopted by a majority of the directors then in office, or by the stockholders. In the event of any increase in the number of directors, additional directors may be elected within the limitations so fixed, either by the stockholders or within the limitations imposed by law, by a majority of directors then in office. One-third of the number of directors, as fixed from time to time, shall constitute a quorum. Any one or more members of the Board of Directors or any Committee thereof may participate in a meeting of the Board of Directors or Committee thereof by means of a conference telephone, video conference or similar communications equipment which allows all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at such a meeting.

All directors hereafter elected shall hold office until the next annual meeting of the stockholders and until their successors are elected and have qualified.

No Officer-Director who shall have attained age 65, or earlier relinquishes his responsibilities and title, shall be eligible to serve as a director.

SECTION 2. Vacancies not exceeding one-third of the whole number of the Board of Directors may be filled by the affirmative vote of a majority of the directors then in office, and the directors so elected shall hold office for the balance of the unexpired term.

SECTION 3. The Chairman of the Board shall preside at meetings of the Board of Directors. In his absence, the Chief Executive Officer or, in his absence the President or any Co-President or, in their absence such other director as the Board of Directors from time to time may designate shall preside at such meetings.

SECTION 4. The Board of Directors may adopt such Rules and Regulations for the conduct of its meetings and the management of the affairs of the Company as it may deem proper, not inconsistent with the laws of the State of New York, or these By-Laws, and all officers and employees shall strictly adhere to, and be bound by, such Rules and Regulations.

SECTION 5. Regular meetings of the Board of Directors shall be held from time to time provided, however, that the Board of Directors shall hold a regular meeting not less than six times a year, provided that during any three consecutive calendar months the Board of Directors shall meet at least once, and its Executive Committee shall not be required to meet at least once in each thirty day period during which the Board of Directors does not meet. Special meetings of the Board of Directors may be called upon at least two day's notice whenever it may be deemed proper by the Chairman of the Board or, the Chief Executive Officer or, the President or any Co-President or, in their absence, by such other director as the Board of Directors may have designated pursuant to Section 3 of this Article, and shall be called upon like notice whenever any three of the directors so request in writing.

SECTION 6. The compensation of directors as such or as members of committees shall be fixed from time to time by resolution of the Board of Directors.

ARTICLE III

COMMITTEES

SECTION 1. There shall be an Executive Committee of the Board consisting of not less than five directors who shall be appointed annually by the Board of Directors. The Chairman of the Board shall preside at meetings of the Executive Committee. In his absence, the Chief Executive Officer or, in his absence, the President or any Co-President or, in their absence, such other member of the Committee as the Committee from time to time may designate shall preside at such meetings.

The Executive Committee shall possess and exercise to the extent permitted by law all of the powers of the Board of Directors, except when the latter is in session, and shall keep minutes of its proceedings, which shall be presented to the Board of Directors at its next subsequent meeting. All acts done and powers and authority conferred by the Executive Committee from time to time shall be and be deemed to be, and may be certified as being, the act and under the authority of the Board of Directors.

A majority of the Committee shall constitute a quorum, but the Committee may act only by the concurrent vote of not less than one-third of its members, at least one of who must be a director other than an officer. Any one or more directors, even though not members of the Executive Committee, may attend any meeting of the Committee, and the member or members of the Committee present, even though less than a quorum, may designate any one or more of such directors as a substitute or substitutes for any absent member or members of the Committee, and each such substitute or substitutes shall be counted for quorum, voting, and all other purposes as a member or members of the Committee.

SECTION 2. There shall be an Audit Committee appointed annually by resolution adopted by a majority of the entire Board of Directors which shall consist of such number of directors, who are not also officers of the Company, as may from time to time be fixed by resolution adopted by the Board of Directors. The Chairman shall be designated by the Board of Directors, who shall also from time to time fix a quorum for meetings of the Committee. Such Committee shall conduct the annual directors' examinations of the Company as required by the New York State Banking Law; shall review the reports of all examinations made of the Company by public authorities and report thereon to the Board of Directors; and shall report to the Board of Directors such other matters as it deems advisable with respect to the Company, its various departments and the conduct of its operations.

In the performance of its duties, the Audit Committee may employ or retain, from time to time, expert assistants, independent of the officers or personnel of the Company, to make studies of the Company's assets and liabilities as the Committee may request and to make an examination of the accounting and auditing methods of the Company and its system of internal protective controls to the extent considered necessary or advisable in order to determine that the operations of the Company, including its fiduciary departments, are being audited by the General Auditor in such a manner as to provide prudent and adequate protection. The Committee also may direct the General Auditor to make such investigation as it deems necessary or advisable with respect to the Company, its various departments and the conduct of its operations. The Committee shall hold regular quarterly meetings and during the intervals thereof shall meet at other times on call of the Chairman.

SECTION 3. The Board of Directors shall have the power to appoint any other Committees as may seem necessary, and from time to time to suspend or continue the powers and duties of such Committees. Each Committee appointed pursuant to this Article shall serve at the pleasure of the Board of Directors.

ARTICLE IV

OFFICERS

SECTION 1. The Board of Directors shall elect from among their number a Chairman of the Board and a Chief Executive Officer; and shall also elect a President, or two or more Co-Presidents, and may also elect, one or more Vice Chairmen, one or more Executive Vice Presidents, one or more Managing Directors, one or more Senior Vice Presidents, one or more Directors, one or more Vice Presidents, one or more General Managers, a Secretary, a Controller, a Treasurer, a General Counsel, a General Auditor, a General Credit Auditor, who need not be directors. The officers of the corporation may also include such other officers or assistant officers as shall from time to time be elected or appointed by the Board. The Chairman of the Board or the Chief Executive Officer or, in their absence, the President or any Co-President, or any Vice Chairman, may from time to time appoint assistant officers. All officers elected or appointed by the Board of Directors shall hold their respective offices during the pleasure of the Board of Directors, and all assistant officers shall hold office at the pleasure of the Board or the Chairman of the Board or the Chief Executive Officer or, in their absence, the President, or any Co-President or any Vice Chairman. The Board of Directors may require any and all officers and employees to give security for the faithful performance of their duties.

SECTION 2. The Board of Directors shall designate the Chief Executive Officer of the Company who may also hold the additional title of Chairman of the Board, or President, or any Co-President, and such person shall have, subject to the supervision and direction of the Board of Directors or the Executive Committee, all of the powers vested in such Chief Executive Officer by law or by these By-Laws, or which usually attach or pertain to such office. The other officers shall have, subject to the supervision and direction of the Board of Directors or the Executive Committee or the Chairman of the Board or, the Chief Executive Officer, the powers vested by law or by these By-Laws in them as holders of their respective offices and, in addition, shall perform such other duties as shall be assigned to them by the Board of Directors or the Executive Committee or the Chairman of the Board or the Chief Executive Officer.

The General Auditor shall be responsible, through the Audit Committee, to the Board of Directors for the determination of the program of the internal audit function and the evaluation of the adequacy of the system of internal controls. Subject to the Board of Directors, the General Auditor shall have and may exercise all the powers and shall perform all the duties usual to such office and shall have such other powers as may be prescribed or assigned to him from time to time by the Board of Directors or vested in him by law or by these By-Laws. He shall perform such other duties and shall make such investigations, examinations and reports as may be prescribed or required by the Audit Committee. The General Auditor shall have unrestricted access to all records and premises of the Company and shall delegate such authority to his subordinates. He shall have the duty to report to the Audit Committee on all matters concerning the internal audit program and the adequacy of the system of internal controls of the Company which he deems advisable or which the Audit Committee may request. Additionally, the General Auditor shall have the duty of reporting independently of all officers of the Company to the Audit Committee at least quarterly on any matters concerning the internal audit program and the adequacy of the system of internal controls of the Company that should be brought to the attention of the directors except those matters responsibility for which has been vested in the General Credit Auditor. Should the General

Auditor deem any matter to be of special immediate importance, he shall report thereon forthwith to the Audit Committee. The General Auditor shall report to the Chief Financial Officer only for administrative purposes.

The General Credit Auditor shall be responsible to the Chief Executive Officer and, through the Audit Committee, to the Board of Directors for the systems of internal credit audit, shall perform such other duties as the Chief Executive Officer may prescribe, and shall make such examinations and reports as may be required by the Audit Committee. The General Credit Auditor shall have unrestricted access to all records and may delegate such authority to subordinates.

SECTION 3. The compensation of all officers shall be fixed under such plan or plans of position evaluation and salary administration as shall be approved from time to time by resolution of the Board of Directors.

SECTION 4. The Board of Directors, the Executive Committee, the Chairman of the Board, the Chief Executive Officer or any person authorized for this purpose by the Chief Executive Officer, shall appoint or engage all other employees and agents and fix their compensation. The employment of all such employees and agents shall continue during the pleasure of the Board of Directors or the Executive Committee or the Chairman of the Board or the Chief Executive Officer or any such authorized person; and the Board of Directors, the Executive Committee, the Chairman of the Board, the Chief Executive Officer or any such authorized person may discharge any such employees and agents at will.

ARTICLE V

INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHERS

SECTION 1. The Company shall, to the fullest extent permitted by Section 7018 of the New York Banking Law, indemnify any person who is or was made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, whether involving any actual or alleged breach of duty, neglect or error, any accountability, or any actual or alleged misstatement, misleading statement or other act or omission and whether brought or threatened in any court or administrative or legislative body or agency, including an action by or in the right of the Company to procure a judgment in its favor and an action by or in the right of any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any director or officer of the Company is servicing or served in any capacity at the request of the Company by reason of the fact that he, his testator or intestate, is or was a director or officer of the Company, or is serving or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, against judgments, fines, amounts paid in settlement, and costs, charges and expenses, including attorneys' fees, or any appeal therein; provided, however, that no indemnification shall be provided to any such person if a judgment or other final adjudication adverse to the director or officer establishes that (i) his acts were committed in bad faith or were the result of active and deliberate dishonesty and, in either case, were material to the cause of action so adjudicated, or (ii) he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

SECTION 2. The Company may indemnify any other person to whom the Company is permitted to provide indemnification or the advancement of expenses by applicable law, whether pursuant to rights granted pursuant to, or provided by, the New York Banking Law or other rights created by (i) a resolution of stockholders, (ii) a resolution of directors, or (iii) an agreement providing for such indemnification, it being expressly intended that these By-Laws authorize the creation of other rights in any such manner.

SECTION 3. The Company shall, from time to time, reimburse or advance to any person referred to in Section 1 the funds necessary for payment of expenses, including attorneys' fees, incurred in connection with any action or proceeding referred to in Section 1, upon receipt of a written undertaking by or on behalf of such person to repay such amount(s) if a judgment or other final adjudication adverse to the director or officer establishes that (i) his acts were committed in bad faith or were the result of active and deliberate dishonesty and, in either case, were material to the cause of action so adjudicated, or (ii) he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

SECTION 4. Any director or officer of the Company serving (i) another corporation, of which a majority of the shares entitled to vote in the election of its directors is held by the Company, or (ii) any employee benefit plan of the Company or any corporation referred to in clause (i) in any capacity shall be deemed to be doing so at the request of the Company. In all other cases, the provisions of this Article V will apply (i) only if the person serving another corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise so served at the specific request of the Company, evidenced by a written communication signed by the Chairman of the Board, the Chief Executive Officer, the President or any Co-President, and (ii) only if and to the extent that, after making such efforts as the Chairman of the Board, the Chief Executive Officer, the President or any Co-President shall deem adequate in the circumstances, such person shall be unable to obtain indemnification from such other enterprise or its insurer.

SECTION 5. Any person entitled to be indemnified or to the reimbursement or advancement of expenses as a matter of right pursuant to this Article V may elect to have the right to indemnification (or advancement of expenses) interpreted on the basis of the applicable law in effect at the time of occurrence of the event or events giving rise to the action or proceeding, to the extent permitted by law, or on the basis of the applicable law in effect at the time indemnification is sought.

SECTION 6. The right to be indemnified or to the reimbursement or advancement of expense pursuant to this Article V (i) is a contract right pursuant to which the person entitled thereto may bring suit as if the provisions hereof were set forth in a separate written contract between the Company and the director or officer, (ii) is intended to be retroactive and shall be available with respect to events occurring prior to the adoption hereof, and (iii) shall continue to exist after the rescission or restrictive modification hereof with respect to events occurring prior thereto.

SECTION 7. If a request to be indemnified or for the reimbursement or advancement of expenses pursuant hereto is not paid in full by the Company within thirty days after a written claim has been received by the Company, the claimant may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled also to be paid the expenses of prosecuting such claim. Neither the failure of the Company

(including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses to the claimant is proper in the circumstance, nor an actual determination by the Company (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant is not entitled to indemnification or to the reimbursement or advancement of expenses, shall be a defense to the action or create a presumption that the claimant is not so entitled.

SECTION 8. A person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in Section 1 shall be entitled to indemnification only as provided in Sections 1 and 3, notwithstanding any provision of the New York Banking Law to the contrary.

ARTICLE VI

SEAL

SECTION 1. The Board of Directors shall provide a seal for the Company, the counterpart dies of which shall be in the charge of the Secretary of the Company and such officers as the Chairman of the Board, the Chief Executive Officer or the Secretary may from time to time direct in writing, to be affixed to certificates of stock and other documents in accordance with the directions of the Board of Directors or the Executive Committee.

SECTION 2. The Board of Directors may provide, in proper cases on a specified occasion and for a specified transaction or transactions, for the use of a printed or engraved facsimile seal of the Company.

ARTICLE VII

CAPITAL STOCK

SECTION 1. Registration of transfer of shares shall only be made upon the books of the Company by the registered holder in person, or by power of attorney, duly executed, witnessed and filed with the Secretary or other proper officer of the Company, on the surrender of the certificate or certificates of such shares properly assigned for transfer.

ARTICLE VIII

CONSTRUCTION

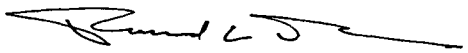
SECTION 1. The masculine gender, when appearing in these By-Laws, shall be deemed to include the feminine gender.

ARTICLE IX

AMENDMENTS

SECTION 1. These By-Laws may be altered, amended or added to by the Board of Directors at any meeting, or by the stockholders at any annual or special meeting, provided notice thereof has been given.

I, Richard L. Buckwalter, Vice President, of Deutsche Bank Trust Company Americas, New York, New York, hereby certify that the foregoing is a complete, true and correct copy of the By-Laws of Deutsche Bank Trust Company Americas, and that the same are in full force and effect at this date.



Vice President

DATED AS OF: December 18, 2002

11

Consolidated Report of Condition for Insured Commercial and State-Chartered Savings Banks for September 30, 2002

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, reported the amount outstanding as of the last business day of the quarter.

Schedule RC--Balance Sheet

	Dollar Amounts in Thousands		RCFD		
ASSETS			////////////////		
1. Cash and balances due from depository institutions (from Schedule RC-A):			////////////////		
a. Noninterest-bearing balances and currency and coin (1)			0081	2,138,000	1.a.
b. Interest-bearing balances (2)			0071	371,000	1.b.
2. Securities:			////////////////		
a. Held-to-maturity securities (from Schedule RC-B, column A)			1754	0	2.a.
b. Available-for-sale securities (from Schedule RC-B, column D)			1773	84,000	2.b.
3. Federal funds sold and securities purchased under agreements to resell			RCON		3.
a. Federal funds sold in domestic offices			B987	2,894,000	3.a
			RCFD		
b. Securities purchased under agreements to resell (3)			B989	5,439,000	3.b
4. Loans and lease financing receivables (from Schedule RC-C):			////////////////		
a. Loans and leases held for sale			5369	0	4.a.
b. Loans and leases, net unearned income	B528	13,672,000	////////////////		4.b.
c. LESS: Allowance for loan and lease losses	3123	462,000	////////////////		4.c.
d. Loans and leases, net of unearned income and allowance (item 4.b minus 4.c)			////////////////		
			B529	13,210,000	4.d.
5. Trading Assets (from schedule RC-D)			3545	10,466,000	5.
6. Premises and fixed assets (including capitalized leases)			2145	642,000	6.
7. Other real estate owned (from Schedule RC-M)			2150	90,000	7.
8. Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M)			2130	2,977,000	8.
9. Customers' liability to this bank on acceptances outstanding			2155	0	9.
10. Intangible assets			////// //////////		
a. Goodwill			3163	55,000	10.a
b. Other intangible assets (from Schedule RC-M)			0426	8,000	10.b
11. Other assets (from Schedule RC-F)			2160	2,073,000	11.
12. Total assets (sum of items 1 through 11)			2170	40,447,000	12.

(1) Includes cash items in process of collection and unposted debits.
(2) Includes time certificates of deposit not held for trading.
(3) Includes all securities resale agreements in domestic and foreign offices, regardless of maturity.

Schedule RC--Continued

			Dollar Amounts in Thousands		
LIABILITIES					
13. Deposits:					
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E, part I)			RCON 2200	10,578,000	13.a.
(1) Noninterest-bearing(1)	RCON 6631	3,365,000			13.a.(1)
(2) Interest-bearing	RCON 6636	7,213,000			13.a.(2)
b. In foreign offices, Edge and Agreement subsidiaries, and IBFs (from Schedule RC-E part II)			RCFN 2200	9,334,000	13.b.
(1) Noninterest-bearing	RCFN 6631	1,984,000			13.b.(1)
(2) Interest-bearing	RCFN 6636	7,350,000			13.b.(2)
14. Federal funds purchased and securities sold under agreements to repurchase:					
a. Federal Funds purchased in domestic offices (2)			RCON B993	7,897,000	14.a
b. Securities sold under agreements to repurchase (3)			RCFD 8995	0	14.b
15. Trading liabilities (from Schedule RC-D)			RCFD 3548	1,348,000	15.
16. Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases): (from Schedule RC-M)			RCFD 3190	1,839,000	16.
17. Not Applicable.					17.
18. Bank's liability on acceptances executed and outstanding			RCFD 2920	0	18.
19. Subordinated notes and debentures (2)			RCFD 3200	258,000	19.
20. Other liabilities (from Schedule RC-G)			RCFD 2930	1,727,000	20.
21. Total liabilities (sum of items 13 through 20)			RCFD 2948	32,981,000	21.
22. Minority interest in consolidated subsidiaries			RCFD 3000	627,000	22.
EQUITY CAPITAL					
23. Perpetual preferred stock and related surplus			RCFD 3838	1,500,000	23.
24. Common stock			RCFD 3230	2,127,000	24.
25. Surplus (exclude all surplus related to preferred stock)			RCFD 3839	584,000	25.
26. a. Retained earnings			RCFD 3632	2,712,000	26.a.
b. Accumulated other comprehensive Income (3)			RCFD B530	(84,000)	26.b.
27. Other equity capital components (4)			RCFD A130	0	27.
28. Total equity capital (sum of items 23 through 27)			RCFD 3210	6,839,000	28.
29. Total liabilities, minority interest, and equity capital (sum of items 21, 22, and 28)			RCFD 3300	40,447,000	29.

Memorandum

To be reported only with the March Report of Condition.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 2000		Number	
	RCFD 6724	N/A	M.1

1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank

2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)

3 = Attestation on bank management's assertion on the effectiveness of the bank's internal control over financial reporting by a certified public accounting firm

4 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)

5 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)

6 = Review of the bank's financial statements by external auditors

7 = Compilation of the bank's financial statements by external auditors

8 = Other audit procedures (excluding tax preparation work)

9 = No external audit work

(1) Includes total demand deposits and noninterest-bearing time and savings deposits.

(2) Report overnight Federal Home Loan Bank advances in Schedule RC, Item 16, "other borrowed money."

(3) Includes all securities repurchase agreements in domestic and foreign offices, regardless of maturity.

(4) Includes limited-life preferred stock and related surplus.

(5) Includes net unrealized holding gains (losses) on available-for-sale securities, accumulated net gains (losses) on cash flow hedges, cumulative foreign currency translation adjustments, and minimum pension liability adjustments.

(6) Includes treasury stock and unearned Employee Stock Plan shares.

Exhibit (c)-1A

PROSPECTUS SUPPLEMENT
(To prospectus dated March 28, 2003)



Florida Power & Light Company

First Mortgage Bonds, $500,000,000 5⅝% Series due April 1, 2034

Florida Power & Light Company will pay interest on the securities on April 1 and October 1 of each year, beginning October 1, 2003. Florida Power & Light Company may redeem some or all of the securities at any time before their maturity date at the redemption prices discussed under "Certain Terms of the Offered Bonds—Redemption" beginning on page S-4 of this prospectus supplement.

Florida Power & Light Company does not plan to list the securities on any securities exchange. The securities are secured by the lien of Florida Power & Light Company's mortgage and rank equally with all of Florida Power & Light Company's first mortgage bonds. The lien of the mortgage is discussed under "Description of the Bonds—Security" on page 7 of the accompanying prospectus.

See "Risk Factors" beginning on page 2 of the accompanying prospectus to read about certain factors you should consider before making an investment in these securities.

Florida Power & Light Company's principal executive offices are located at 700 Universe Boulevard, Juno Beach, Florida 33408, telephone number (561) 694-4000, and its mailing address is P.O. Box 14000, Juno Beach, Florida 33408-0420.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement and the accompanying prospectus are truthful or complete. Any representation to the contrary is a criminal offense.

	Per First Mortgage Bond	Total
Price to Public	99.579%	$497,895,000
Underwriting Discount	0.875%	$ 4,375,000
Proceeds to Florida Power & Light Company (before expenses)	98.704%	$493,520,000

In addition to the Price to Public set forth above, each purchaser will pay an amount equal to the interest accrued, if any, on these securities from the date that these securities are originally issued to the date that they are delivered to that purchaser.

These securities are expected to be delivered to the underwriters in book-entry only form through The Depository Trust Company and its participants, on or about April 4, 2003.

The following underwriters have agreed to purchase these securities on a firm commitment basis.

Banc of America Securities LLC **Wachovia Securities**
JPMorgan Salomon Smith Barney
Mellon Financial Markets, LLC
Merrill Lynch & Co.
Scotia Capital
SunTrust Robinson Humphrey

March 31, 2003

TABLE OF CONTENTS

Prospectus Supplement

	Page
Use of Proceeds	S-3
Capitalization of FPL	S-3
Certain Terms of the Offered Bonds	S-4
Underwriting	S-7

Prospectus

About this Prospectus	2
Risk Factors	2
FPL	4
Use of Proceeds	4
Ratio of Earnings to Fixed Charges	4
Where You Can Find More Information	4
Incorporation By Reference	5
Cautionary Statements	5
Description of the Bonds	5
Plan of Distribution	11
Experts	11
Legal Opinions	12

The accompanying prospectus is part of a registration statement filed with the Securities and Exchange Commission. You should rely only on the information incorporated by reference or provided in this prospectus supplement and in the accompanying prospectus. Florida Power & Light Company ("FPL") has not authorized anyone else to provide you with additional or different information. FPL is not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus supplement or in the accompanying prospectus is accurate as of any date other than the date on the front of those documents or that the information incorporated by reference is accurate as of any date other than the date of the document incorporated by reference.

USE OF PROCEEDS

The information in this section adds to the information in the "Use of Proceeds" section on page 4 of the accompanying prospectus. Please read these two sections together.

The First Mortgage Bonds, 5 5/8% Series due April 1, 2034 are referred to in this prospectus supplement as the "Offered Bonds." FPL will add the net proceeds from the sale of the Offered Bonds to its general funds and expects to use its general funds to repay FPL's short-term borrowings and for other corporate purposes. As of March 31, 2003, FPL had an aggregate of $590 million of commercial paper outstanding, which had maturities of up to 51 days and which had annual interest rates ranging from 1.29% to 1.35%. FPL will temporarily invest in short-term instruments any proceeds that are not immediately required for these purposes.

CAPITALIZATION OF FPL

The following table shows FPL's capitalization as of December 31, 2002, and as adjusted. This table is qualified in its entirety by, and should be considered in conjunction with, the more detailed information incorporated by reference or provided in this prospectus supplement or in the accompanying prospectus.

	Outstanding at December 31, 2002	Adjusted(a)	
		Amount	Percent
	(Unaudited) (In Millions)		
Common Shareholders' Equity	$5,382	$5,382	63.5%
Long-term debt (excluding current maturities)	$2,364	$2,864	33.8%
Preferred stock without sinking fund requirements	$ 226	$ 226	2.7%
Total Capitalization	$7,972	$8,472	100.0%

(a) To give effect to the issuance of the Offered Bonds offered by this prospectus supplement. Adjusted amounts do not reflect any possible future issuance and sale from time to time by FPL of additional securities.

CERTAIN TERMS OF THE OFFERED BONDS

The information in this section adds to the information in the "Description of the Bonds" section beginning on page 5 of the accompanying prospectus. Please read these two sections together.

General. FPL will issue $500,000,000 aggregate principal amount of the Offered Bonds as a new series of First Mortgage Bonds under the Mortgage (as defined in the accompanying prospectus). The One Hundred Third Supplemental Indenture, dated as of April 1, 2003, supplements the Mortgage and establishes the specific terms of the Offered Bonds.

Interest and Payment. FPL will pay interest semi-annually on the Offered Bonds at 5 5/8% per annum. The Offered Bonds will mature on April 1, 2034. FPL will pay interest on the Offered Bonds on April 1 and October 1 of each year (each an "Interest Payment Date"). The first Interest Payment Date will be October 1, 2003. The record date for interest payable on any Interest Payment Date on the Offered Bonds shall be the close of business (1) on the business day immediately preceding such Interest Payment Date so long as the Offered Bonds remain in book-entry only form, or (2) on the 15th calendar day before each Interest Payment Date if the Offered Bonds do not remain in book-entry only form. See "—Book-Entry Only Issuance—The Depository Trust Company."

Interest on the Offered Bonds will accrue from and including the date of original issuance to and excluding the first Interest Payment Date. Starting on the first Interest Payment Date, interest on each Offered Bond will accrue from and including the last Interest Payment Date to which FPL has paid or duly provided for the payment of interest on that Offered Bond. No interest will accrue on an Offered Bond for the day that the Offered Bond matures. The amount of interest payable for any period will be computed on the basis of a 360-day year consisting of twelve 30-day months. The amount of interest payable for any period shorter than a full semi-annual period for which interest is computed will be computed on the basis of the number of days in the period using 30-day calendar months.

FPL will pay interest on any overdue principal and (to the extent that payment of such interest is enforceable under applicable law) on any overdue installment of interest on the Offered Bonds at the rate of 6% per annum.

Redemption. FPL may redeem any of the Offered Bonds at its option or if and when required by the Mortgage. FPL may redeem any of the Offered Bonds at any time or from time to time, on any date prior to their maturity (each a "Redemption Date"). FPL will give notice of its intent to redeem Offered Bonds at least 30 days prior to a Redemption Date. If FPL redeems all or any part of the Offered Bonds, it will pay a redemption price ("Redemption Price") equal to the sum of:

(1) 100% of the principal amount of the Offered Bonds being redeemed plus

(2) accrued and unpaid interest thereon, if any, to the Redemption Date plus

(3) any applicable "make-whole premium."

The Redemption Price for the Offered Bonds will never be less than 100% of the principal amount of those Offered Bonds plus accrued and unpaid interest on those Offered Bonds to the Redemption Date.

The amount of the make-whole premium with respect to any Offered Bonds to be redeemed will be equal to the excess, if any, of:

(1) the sum of the present values, calculated as of the Redemption Date, of:

(a) each interest payment that, but for such redemption, would have been payable on the Offered Bonds being redeemed on each Interest Payment Date occurring after the Redemption Date (excluding any accrued interest for the period prior to the Redemption Date); and

(b) the principal amount that, but for such redemption, would have been payable at the final maturity of the Offered Bonds being redeemed; over

(2) the principal amount of the Offered Bonds being redeemed.

The present values of interest and principal payments referred to in clause (1) above will be determined in accordance with generally accepted principles of financial analysis. Such present values will be calculated by discounting the amount of each payment of interest or principal from the date that each such payment would have been payable, but for the redemption, to the Redemption Date at a discount rate equal to the Treasury Yield (as defined below) plus 20 basis points.

FPL will appoint an independent investment banking institution of national standing to calculate the make-whole premium; provided that Banc of America Securities LLC or Wachovia Securities, Inc. will make such calculation if (1) FPL fails to make such appointment at least 30 days prior to the Redemption Date, or (2) the institution so appointed is unwilling or unable to make such calculation. If Banc of America Securities LLC or Wachovia Securities, Inc. is to make such calculation but is unwilling or unable to do so, then the Trustee will appoint an independent investment banking institution of national standing to make such calculation. In any case, the institution making such calculation is referred to in this prospectus supplement as an "Independent Investment Banker."

For purposes of determining the make-whole premium, "Treasury Yield" means a rate of interest per annum equal to the weekly average yield to maturity of United States Treasury Notes that have a constant maturity that corresponds to the remaining term to maturity of the Offered Bonds to be redeemed, calculated to the nearest 1/12th of a year (the "Remaining Term"). The Independent Investment Banker will determine the Treasury Yield as of the third business day immediately preceding the applicable Redemption Date.

The Independent Investment Banker will determine the weekly average yields of United States Treasury Notes by reference to the most recent statistical release published by the Federal Reserve Bank of New York and designated "H.15(519) Selected Interest Rates" or any successor release (the "H.15 Statistical Release"). If the H.15 Statistical Release sets forth a weekly average yield for United States Treasury Notes having a constant maturity that is the same as the Remaining Term, then the Treasury Yield will be equal to such weekly average yield. In all other cases, the Independent Investment Banker will calculate the Treasury Yield by interpolation, on a straight-line basis, between the weekly average yields on the United States Treasury Notes that have a constant maturity closest to and greater than the Remaining Term and the United States Treasury Notes that have a constant maturity closest to and less than the Remaining Term (in each case as set forth in the H.15 Statistical Release). The Independent Investment Banker will round any weekly average yields so calculated to the nearest 1/100th of 1%, and will round upward for any figure of 1/200th of 1% or above. If weekly average yields for United States Treasury Notes are not available in the H.15 Statistical Release or otherwise, then the Independent Investment Banker will select comparable rates and calculate the Treasury Yield by reference to those rates.

The Mortgage provides that if FPL at any time elects to redeem only a part of the Offered Bonds, the Trustee will select the particular Offered Bonds to be redeemed by proration among registered holders of the Offered Bonds or, in some cases, by such other method that it deems proper as provided in the Mortgage. However, if the Offered Bonds are solely registered in the name of Cede & Co. and traded through DTC, then DTC will select the Offered Bonds to be redeemed in accordance with its practices as described below in "—Book-Entry Only Issuance—The Depository Trust Company."

If at the time notice of redemption is given, the redemption moneys are not on deposit with the Trustee, then the redemption shall be subject to their receipt before the Redemption Date and such notice shall be of no effect unless such moneys are received.

Cash deposited under any provisions of the Mortgage (with certain exceptions) may be applied to the purchase of First Mortgage Bonds of any series.

Book-Entry Only Issuance—The Depository Trust Company. The Offered Bonds will trade through DTC. The Offered Bonds will be represented by one or more global certificates and registered in the name of Cede & Co., DTC's nominee.

DTC is a New York clearing corporation and a clearing agency registered under Section 17A of the Securities Exchange Act of 1934. DTC holds securities for its participants. DTC also facilitates settlement of securities transactions among its participants through electronic computerized book-entry changes in the participants' accounts. This eliminates the need for physical movement of securities certificates. The participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other corporations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of participants of DTC, members of other clearing corporations and by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Others who maintain a custodial relationship with a participant can use the DTC system. The rules that apply to DTC and those using its systems are on file with the Securities and Exchange Commission.

Purchases of the Offered Bonds within the DTC system must be made through participants, which will receive a credit for the Offered Bonds on DTC's records. The beneficial ownership interest of each purchaser will be recorded on the participants' records. Beneficial owners will not receive written confirmation from DTC of their purchases, but beneficial owners should receive written confirmations of the transactions, as well as periodic statements of their holdings, from the participants through which they purchased Offered Bonds. Beneficial owners will not receive certificates for their Offered Bonds, except if use of the book-entry system for the Offered Bonds is discontinued.

To facilitate subsequent transfers, all Offered Bonds deposited by participants with DTC are registered in the name of DTC's nominee, Cede & Co. The deposit of the Offered Bonds with DTC and their registration in the name of Cede & Co. effects no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the Offered Bonds. DTC's records reflect only the identity of the participants to whose accounts such Offered Bonds are credited. These participants may or may not be the beneficial owners. Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to participants, and by participants to beneficial owners, will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial owners of Offered Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Offered Bonds, such as redemptions, tenders and defaults.

Redemption notices will be sent to Cede & Co., as registered holder of the Offered Bonds. If less than all of the Offered Bonds are being redeemed, DTC's practice is to determine by lot the amount of Offered Bonds of each participant to be redeemed.

Neither DTC nor Cede & Co. will itself consent or vote with respect to Offered Bonds. Under its usual procedures, DTC would mail an omnibus proxy to FPL as soon as possible after the record date. The omnibus proxy assigns the consenting or voting rights of Cede & Co. to those participants to whose accounts the Offered Bonds are credited on the record date. FPL believes that these arrangements will enable the beneficial owners to exercise rights equivalent in substance to the rights that can be directly exercised by a registered holder of the Offered Bonds.

Payments of redemption proceeds, principal of, and interest on the Offered Bonds will be made to Cede & Co., or such other nominee as may be requested by DTC. DTC's practice is to credit participants' accounts on the relevant payment date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payments on that payment date. Payments by participants to beneficial owners will be governed by standing instructions and customary practices. Payments will be the responsibility of participants and not of DTC, Deutsche Bank Trust Company Americas (the Trustee under the Mortgage) or FPL. Payment of redemption proceeds, principal and interest to Cede & Co. (or such other nominee as may be requested by DTC) is the responsibility of FPL. Disbursement of payments to participants is the responsibility of DTC, and disbursement of payments to the beneficial owners is the responsibility of participants.

Except as provided in this prospectus supplement, a beneficial owner will not be entitled to receive physical delivery of the Offered Bonds. Accordingly, each beneficial owner must rely on the procedures of DTC to exercise any rights under the Offered Bonds.

DTC may discontinue providing its services as securities depositary with respect to the Offered Bonds at any time by giving reasonable notice to FPL. In the event no successor securities depositary is obtained, certificates for the Offered Bonds will be printed and delivered. FPL may decide to replace DTC or any successor depositary. Additionally, FPL may decide to discontinue use of the system of book-entry transfers through DTC (or a successor depositary) with respect to the Offered Bonds. In that event, certificates for the Offered Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that FPL believes to be reliable, but FPL does not take responsibility for the accuracy of this information.

UNDERWRITING

FPL is selling the Offered Bonds to the underwriters named in the table below pursuant to an underwriting agreement dated the date of this prospectus supplement. Subject to certain conditions, FPL has agreed to sell to each of the underwriters, and each of the underwriters has severally agreed to purchase, the principal amount of Offered Bonds set forth opposite that underwriter's name in the table below:

Underwriter	Principal Amount of Offered Bonds
Banc of America Securities LLC	$175,000,000
Wachovia Securities, Inc.	175,000,000
J.P. Morgan Securities Inc.	35,000,000
Salomon Smith Barney Inc.	35,000,000
Mellon Financial Markets, LLC	20,000,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	20,000,000
Scotia Capital (USA) Inc.	20,000,000
SunTrust Capital Markets, Inc.	20,000,000
Total	$500,000,000

Under the terms and conditions of the underwriting agreement, the underwriters must buy all of the Offered Bonds if they buy any of them. The underwriting agreement provides that the obligations of the underwriters pursuant thereto are subject to certain conditions. In the event of a default by an underwriter, the underwriting agreement provides that, in certain circumstances, the purchase commitment of the non-defaulting underwriters may be increased or the underwriting agreement may be terminated. The underwriters will offer the Offered Bonds to the public when and if the underwriters buy the Offered Bonds from FPL.

FPL will compensate the underwriters by selling the Offered Bonds to them at a price that is less than the price to the public by the amount of the "Underwriting Discount" set forth in the table below. The underwriters will sell the Offered Bonds to the public at the respective price to the public set forth on the cover page of this prospectus supplement and may sell the Offered Bonds to certain dealers at a price that is less than the price to the public by no more than the amount of the "Initial Dealers' Concession" set forth in the table below. The underwriters and such dealers may sell the Offered Bonds to certain other dealers at a price that is less than the price to the public by no more than the amount of the "Reallowed Dealers' Concession" set forth in the table below.

	(expressed as a percentage of principal amount)
Underwriting Discount	0.875%
Initial Dealers' Concession	0.500%
Reallowed Dealers' Concession	0.250%

An underwriter may reject offers for the Offered Bonds. After the initial public offering of the Offered Bonds, the underwriters may change the offering price and other selling terms of the Offered Bonds.

There is no established trading market for the Offered Bonds. The underwriters have advised FPL that they intend to make a trading market in the Offered Bonds but are not obligated to do so and may discontinue such market-making activities at any time without notice. FPL cannot give any assurance as to the maintenance of the trading market for, or the liquidity of, the Offered Bonds.

In connection with the offering, Banc of America Securities LLC and Wachovia Securities, Inc. on behalf of the underwriters may each purchase and sell the Offered Bonds in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment includes syndicate sales of Offered Bonds in excess of the principal amount of Offered Bonds to be purchased by the underwriters in the offering, which creates a syndicate short position. Syndicate covering transactions involve purchases of the Offered Bonds in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing transactions consist of certain bids or purchases of Offered Bonds made for the purpose of preventing or retarding a decline in the market price of the Offered Bonds while the offering is in progress.

The underwriters may also impose a penalty bid. Penalty bids permit the underwriters to reclaim an initial dealers' concession from a syndicate member when Banc of America Securities LLC or Wachovia Securities, Inc., in covering syndicate short positions or making stabilizing purchases, repurchases the Offered Bonds originally sold by that syndicate member.

Any of these activities may cause the price of the Offered Bonds to be higher than the price that otherwise would exist in the open market in the absence of such transactions. These transactions may be effected in the over-the-counter market or otherwise and, if commenced, may be discontinued at any time.

FPL estimates that its expenses in connection with the sale of the Offered Bonds, other than underwriting discounts, will be $2,700,000. This estimate includes expenses relating to Florida taxes, printing, rating agency fees, trustee's fees and legal fees, among other expenses.

FPL has agreed to indemnify the underwriters against, or to contribute to payments the underwriters may be required to make in respect of, certain liabilities, including liabilities under the Securities Act of 1933.

Certain of the underwriters or their affiliates may engage from time to time in various general financings and banking transactions with FPL and its affiliates.

PROSPECTUS

$1,000,000,000

Florida Power & Light Company

First Mortgage Bonds

Florida Power & Light Company may offer from time to time up to $1,000,000,000 of its first mortgage bonds.

Florida Power & Light Company will provide specific terms of these securities, including their offering prices, in supplements to this prospectus. The supplements may also add, update or change information contained in this prospectus. You should read this prospectus and any supplements carefully before you invest.

Florida Power & Light Company may offer these securities directly or through underwriters, agents or dealers. The supplements to this prospectus will describe the terms of any particular plan of distribution, including any underwriting arrangements. The "Plan of Distribution" section on page 11 of this prospectus also provides more information on this topic.

See "Risk Factors" beginning on page 2 of this prospectus to read about certain factors you should consider before making an investment in these securities.

Florida Power & Light Company's principal executive offices are located at 700 Universe Boulevard, Juno Beach, Florida 33408, telephone number (561) 694-4000, and its mailing address is P.O. Box 14000, Juno Beach, Florida 33408-0420.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

March 28, 2003

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that Florida Power & Light Company ("FPL") has filed with the Securities and Exchange Commission ("SEC") using a "shelf" registration process. Under this shelf registration process, FPL may sell the securities described in this prospectus in one or more offerings up to a total dollar amount of $1,000,000,000. This prospectus provides you with a general description of the securities that FPL may offer. Each time FPL sells securities, FPL will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under the headings "Where You Can Find More Information" and "Incorporation by Reference."

For more detailed information about the securities, you can read the exhibits to the registration statement. Those exhibits have been either filed with the registration statement or incorporated by reference to earlier SEC filings listed in the registration statement.

RISK FACTORS

Before purchasing the securities, investors should carefully consider the following risk factors together with the other information incorporated by reference or provided in this prospectus or in a prospectus supplement in order to evaluate an investment in the securities.

FPL is subject to complex laws and regulations and to changes in laws and regulations, including initiatives regarding restructuring of the energy industry. These factors may have a negative impact on the business and results of operations of FPL.

FPL is subject to changes in laws or regulations, including the Public Utility Regulatory Policies Act of 1978 and the Public Utility Holding Company Act of 1935, changing governmental policies and regulatory actions, including those of the Federal Energy Regulatory Commission, the Florida Public Service Commission, and the U.S. Nuclear Regulatory Commission, with respect to, among other things, allowed rates of return, industry and rate structure, operation of nuclear power facilities, operation and construction of plant facilities, operation and construction of transmission facilities, acquisition, disposal, depreciation and amortization of assets and facilities, recovery of fuel and purchased power costs, decommissioning costs, return on common equity and equity ratio limits, and present or prospective wholesale and retail competition (including but not limited to retail wheeling and transmission costs). The Florida Public Service Commission has the authority to disallow recovery of costs that it considers excessive or imprudently incurred.

The regulatory process generally restricts FPL's ability to grow earnings and does not provide any assurance as to achievement of earnings levels.

FPL is subject to extensive federal, state and local environmental statutes, rules and regulations relating to air quality, water quality, waste management, natural resources and health and safety that could, among other things, restrict or limit the use of certain fuels required for the production of electricity. There are significant capital, operating and other costs associated with compliance with these environmental statutes, rules and regulations, and those costs could be even more significant in the future.

FPL operates in a changing market environment influenced by various legislative and regulatory initiatives regarding deregulation, regulation or restructuring of the energy industry, including deregulation of the production and sale of electricity. FPL will need to adapt to these changes and may face increasing competitive pressure.

The operation of power generation facilities, including nuclear facilities, involves significant risks that could adversely affect the results of operations and financial condition of FPL.

The operation of power generation facilities involves many risks, including start up risks, breakdown or failure of equipment, transmission lines or pipelines, the dependence on a specific fuel source or the impact of

unusual or adverse weather conditions (including natural disasters such as hurricanes), as well as the risk of performance below expected levels of output or efficiency. This could result in lost revenues and/or increased expenses. Insurance, warranties or performance guarantees may not cover any or all of the lost revenues or increased expenses, including the cost of replacement power. In addition to these risks, FPL's nuclear units face certain risks that are unique to the nuclear industry including additional regulatory actions up to and including shut down of the units stemming from public safety concerns, whether at FPL's plants or at the plants of other nuclear operators.

The construction of, and capital improvements to, power generation facilities involve substantial risks. Should construction or capital improvement efforts be unsuccessful, the results of operations and financial condition of FPL could be negatively affected.

FPL's ability to successfully and timely complete its power generation facilities currently under construction, those projects yet to begin construction or capital improvements to existing facilities is contingent upon many variables and subject to substantial risks. Should any such efforts be unsuccessful, FPL could be subject to additional costs, termination payments under committed contracts and/or the write off of its investment in the project or improvement.

The use of derivative contracts by FPL in the normal course of business could result in financial losses that negatively impact the results of operations of FPL.

FPL uses derivative instruments, such as swaps, options, futures and forwards to manage its commodity and financial market risks, and to a lesser extent, engages in limited trading activities. FPL could recognize financial losses as a result of volatility in the market values of these contracts, or if a counterparty fails to perform. In addition, FPL's use of such instruments could be subject to prudency challenges by the Florida Public Service Commission and if found imprudent, cost disallowance.

Because FPL and FPL Group rely on access to capital markets, the inability to access capital markets on favorable terms may limit the ability of FPL to grow its business and would likely increase interest costs.

FPL as well as FPL Group, Inc., which owns all of the common stock of FPL, rely on access to capital markets as a significant source of liquidity for capital requirements not satisfied by operating cash flows. The inability of FPL and FPL Group to maintain their current credit ratings could affect FPL's ability to raise capital on favorable terms, particularly during times of uncertainty in the capital markets which, in turn, could impact FPL's ability to grow its business and would likely increase its interest costs.

Weather conditions can affect FPL's results of operations.

FPL's results of operations can be affected by changes in the weather. Weather conditions directly influence the demand for electricity and natural gas and affect the price of energy commodities. In addition, severe weather can be destructive, causing outages and/or property damage, which could require additional costs to be incurred.

FPL is subject to costs and other effects of legal proceedings, changes in tax and inflation rates, and changes in or additions to applicable tax policies, rates of inflation and accounting standards.

FPL is subject to costs and other effects of legal and administrative proceedings, settlements, investigations and claims; as well as the effect of new, or changes in, tax rates or policies, rates of inflation or accounting standards.

Threats of terrorism and catastrophic events that could result from terrorism may impact the operations of FPL in unpredictable ways.

FPL is subject to direct and indirect effects of terrorist threats and activities. Generation and transmission facilities, in general, have been identified as potential targets. The effects of terrorist threats and activities include,

among other things, terrorist actions or responses to such actions or threats, the inability to generate, purchase or transmit power, the risk of a significant slowdown in growth or a decline in the U.S. economy, delay in economic recovery in the U.S., and the increased cost and adequacy of security and insurance.

The ability of FPL to obtain insurance and the terms of any available insurance coverage could be affected by national and company-specific events.

FPL's ability to obtain insurance, and the cost of and coverage provided by such insurance, could be affected by national events as well as company-specific events.

FPL is subject to employee workforce factors that could affect the business and financial condition of FPL.

FPL is subject to employee workforce factors, including loss or retirement of key executives, availability of qualified personnel, collective bargaining agreements with union employees or work stoppage that could affect the business and financial condition of FPL.

FPL

FPL was incorporated under the laws of Florida in 1925 and is engaged in the generation, transmission, distribution and sale of electric energy. FPL supplies electric service throughout most of the east and lower west coasts of the State of Florida, serving a population of nearly 8 million. At December 31, 2002, FPL served approximately 4.0 million customer accounts. FPL Group, Inc. owns all of FPL's common stock. FPL Group is a public utility holding company, as defined in the Public Utility Holding Company Act of 1935. FPL Group is exempt from substantially all of the provisions of the Public Utility Holding Company Act of 1935 on the basis that FPL Group's and FPL's businesses are predominantly intrastate in character.

USE OF PROCEEDS

Unless otherwise stated in a prospectus supplement, FPL will add the net proceeds from the sale of these securities to its general funds. FPL uses its general funds for corporate purposes, including to repay, redeem or purchase outstanding debt and preferred stock, to repay short-term borrowings and to finance the acquisition or construction of additional electric facilities. FPL will temporarily invest any proceeds that it does not need to use immediately in short-term instruments.

RATIO OF EARNINGS TO FIXED CHARGES

The following table shows FPL's ratio of earnings to fixed charges for each of its last five fiscal years:

Years Ended December 31,				
2002	2001	2000	1999	1998
7.47	6.44	6.02	6.26	5.69

WHERE YOU CAN FIND MORE INFORMATION

FPL files annual, quarterly and other reports and other information with the SEC. You can read and copy any information filed by FPL with the SEC at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. You can obtain additional information about the Public Reference Room by calling the SEC at 1-800-SEC-0330.

In addition, the SEC maintains an Internet site (http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including FPL. FPL also maintains an Internet site (http://www.fpl.com).

INCORPORATION BY REFERENCE

The SEC allows FPL to "incorporate by reference" the information that FPL files with the SEC, which means that FPL may, in this prospectus, disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus. Information that FPL files in the future with the SEC will automatically update and supersede this information. FPL is incorporating by reference the document listed below and any future filings FPL makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 between the date of this prospectus until FPL sells all of these securities:

(1) FPL's Annual Report on Form 10-K for the year ended December 31, 2002.

You may request a copy of these documents, at no cost to you, by writing or calling Robert J. Reger, Jr., Esq., Thelen Reid & Priest LLP, 875 Third Avenue, New York, New York, 10022, (212) 603-2000. FPL will provide to each person, including any beneficial owner, to whom this prospectus is delivered, a copy of any or all of the information that has been incorporated by reference in this prospectus but not delivered with this prospectus.

CAUTIONARY STATEMENTS

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, FPL is hereby filing cautionary statements identifying important factors that could cause FPL's actual results to differ materially from those projected in forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) made by or on behalf of FPL in this prospectus or any supplement to this prospectus, in presentations, in response to questions or otherwise. Any statements that express, or involve discussions as to expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result," "are expected to," "will continue," "is anticipated," "estimated," "projection," "target," "outlook") are not statements of historical facts and may be forward-looking. Forward-looking statements involve estimates, assumptions and uncertainties. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the specific factors discussed in "Risk Factors" herein and in the reports that are incorporated herein by reference (in addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements) that could cause FPL's actual results to differ materially from those contained in forward-looking statements made by or on behalf of FPL.

Any forward-looking statement speaks only as of the date on which that statement is made, and FPL undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which that statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for management to predict all of those factors, nor can it assess the impact of each of those factors on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

The issues and associated risks and uncertainties discussed in "Risk Factors" herein and in the reports that are incorporated by reference herein are not the only ones FPL may face. Additional issues may arise or become material as the energy industry evolves. The risks and uncertainties associated with those additional issues could impair FPL's business in the future.

DESCRIPTION OF THE BONDS

General. FPL will issue these securities, in one or more series, under its Mortgage and Deed of Trust dated as of January 1, 1944, with Deutsche Bank Trust Company Americas, as Trustee, which has been amended and supplemented in the past and which will be supplemented again by one or more supplemental indentures relating to these securities. This Mortgage and Deed of Trust, as amended and supplemented, is referred to in this prospectus as the "Mortgage." These securities are referred to in this prospectus as the "Bonds." All first mortgage bonds issued or to be issued under the Mortgage, including the Bonds, are referred to herein as "First Mortgage Bonds."

This section briefly summarizes some of the terms of the Bonds and some of the provisions of the Mortgage and uses some terms that are not defined in this prospectus but that are defined in the Mortgage. This summary is not complete. You should read this summary together with the Mortgage and the supplemental indenture establishing the Bonds for a complete understanding of all the provisions. The Mortgage and the form of supplemental indenture have been previously filed with the SEC, and are exhibits to the registration statement filed with the SEC of which this prospectus is a part. In addition, the Mortgage is qualified as an indenture under the Trust Indenture Act of 1939 and is therefore subject to the provisions of the Trust Indenture Act of 1939. You should read the Trust Indenture Act of 1939 for a complete understanding of its provisions.

Each series of Bonds may have different terms. FPL will include some or all of the following information about a specific series of Bonds in the prospectus supplement relating to those Bonds:

(1) the designation and series of those Bonds,

(2) the aggregate principal amount of those Bonds,

(3) the offering price of those Bonds,

(4) the date(s) on which those Bonds will mature,

(5) the interest rate(s) for those Bonds, or how the interest rate(s) will be determined,

(6) the dates on which FPL will pay the interest on those Bonds,

(7) the denominations in which FPL may issue those Bonds, if other than denominations of $1,000 or multiples of $1,000,

(8) the place where the principal of and interest on those Bonds will be payable, if other than at Deutsche Bank Trust Company Americas in New York City,

(9) the currency or currencies in which payment of the principal of and interest on those Bonds may be made, if other than U.S. dollars,

(10) the terms pursuant to which FPL may redeem any of those Bonds,

(11) whether all or a portion of those Bonds will be in global form, and

(12) any other terms or provisions relating to those Bonds that are not inconsistent with the provisions of the Mortgage.

FPL will issue the Bonds in fully registered form without coupons, unless otherwise stated in a prospectus supplement. A holder of Bonds may exchange those Bonds, without charge, for an equal aggregate principal amount of Bonds of the same series, having the same issue date and with identical terms and provisions, unless otherwise stated in a prospectus supplement. A holder of Bonds may transfer those Bonds without cost to the holder, other than for applicable stamp taxes or other governmental charges, unless otherwise stated in a prospectus supplement. FPL may issue all or some of the Bonds in "book-entry" form, which means that they will be represented by global notes, instead of certificates. If FPL issues global notes representing any Bonds, then a depository selected by FPL will keep a record of the beneficial interests in those global notes and record any transfers of those beneficial interests and the depository, or its custodian, will hold those global notes. Any additional requirements as to the form and method of exchange of Bonds will be described in a prospectus supplement.

Special Provisions for Retirement of Bonds. If, during any 12 month period, any governmental body orders FPL to dispose of mortgaged property, or buys mortgaged property from FPL, and FPL receives $10 million or more from the sale or disposition, then, in most cases, FPL must use that money to redeem First Mortgage Bonds.

If this occurs, FPL may redeem First Mortgage Bonds of any series that are redeemable at the redemption prices applicable to those First Mortgage Bonds. If any Bonds are redeemable, the redemption prices applicable to those Bonds will be set forth in a prospectus supplement.

Security. The Mortgage secures the Bonds as well as all other First Mortgage Bonds already issued under the Mortgage and still outstanding. FPL may issue more First Mortgage Bonds in the future and those First Mortgage Bonds will also be secured by the Mortgage. The Mortgage constitutes a first mortgage lien on all of the properties and franchises that FPL owns, except as discussed below.

The lien of the Mortgage is or may be subject to the following:

(1) leases of minor portions of FPL's property to others for uses that do not interfere with FPL's business,

(2) leases of certain property that is not used in FPL's electric business,

(3) Excepted Encumbrances, which include certain tax and real estate liens, and specified rights, easements, restrictions and other obligations, and

(4) vendors' liens, purchase money mortgages and liens on property that already exist at the time FPL acquires that property.

The Mortgage does not create a lien on the following "excepted property":

(1) cash and securities,

(2) certain equipment, materials or supplies and fuel (including nuclear fuel unless it is expressly subjected to the lien of the Mortgage),

(3) automobiles and other vehicles,

(4) receivables, contracts, leases and operating agreements,

(5) materials or products, including electric energy, that FPL generates, produces or purchases for sale or use by FPL, and

(6) timber, minerals, mineral rights and royalties.

The Mortgage will generally also create a lien on property that FPL acquires after the date of this prospectus, other than "excepted property". However, if FPL consolidates or merges with, or sells substantially all of its assets to, another corporation, the lien created by the Mortgage will generally not cover the property of the successor company, other than the property that it acquires from FPL and improvements, replacements and additions to that property.

The Mortgage provides that the Trustee has a lien on the mortgaged property for the payment of its reasonable compensation and expenses and for indemnity against certain liabilities. This lien takes priority over the lien securing the Bonds.

Issuance of Additional Bonds. FPL may issue an unlimited amount of First Mortgage Bonds under the Mortgage so long as it meets the issuance tests set forth in the Mortgage, which are generally described below. FPL may issue Bonds from time to time in an amount equal to:

(1) 60% of unfunded Property Additions after adjustments to offset retirements,

(2) the amount of retired First Mortgage Bonds or Qualified Lien Bonds, and

(3) the amount of cash that FPL deposits with the Trustee.

Property Additions generally include the following:

(1) plants, lines, pipes, mains, cables, machinery, boilers, transmission lines, pipe lines, distribution systems, service systems and supply systems,

(2) nuclear fuel that has been expressly subjected to the lien of the Mortgage,

(3) railroad cars, barges and other transportation equipment (other than trucks) for the transportation of fuel, and

(4) other property, real or personal, and improvements, extensions, additions, renewals or replacements located within the United States of America or its coastal waters.

FPL may use any property of the type described in (1) through (4) above as Property Additions whether or not that property is in operation and prior to obtaining permits or licenses relating to that property. Securities, fuel (including nuclear fuel unless expressly subjected to the lien of the Mortgage), automobiles or other vehicles, or property used principally for the production or gathering of natural gas will not qualify as Property Additions. The Mortgage contains restrictions on the issuance of First Mortgage Bonds based on Property Additions that are subject to other liens and upon the increase of the amount of those liens.

In most cases, FPL may not issue Bonds unless it meets the "net earnings" test set forth in the Mortgage, which requires, generally, that FPL's adjusted net earnings (before income taxes) for 12 consecutive months out of the 15 months preceding the issuance must have been either:

(1) at least twice the annual interest requirements on all First Mortgage Bonds at the time outstanding, including the Bonds that FPL proposes to issue at the time, and all indebtedness of FPL that ranks prior or equal to the First Mortgage Bonds, or

(2) at least 10% of the principal amount of all First Mortgage Bonds at the time outstanding, including the Bonds that FPL proposes to issue at the time, and all indebtedness of FPL that ranks prior or equal to the First Mortgage Bonds.

The Mortgage requires FPL to replace obsolete or worn out property and specifies certain deductions to FPL's adjusted net earnings for property repairs, retirement, additions and maintenance. With certain exceptions, FPL does not need to meet the "net earnings" test to issue Bonds if the issuance is based on retired First Mortgage Bonds or Qualified Lien Bonds.

As of December 31, 2002, FPL could issue under the Mortgage approximately $5.5 billion of additional First Mortgage Bonds based on unfunded Property Additions and $5.4 billion of additional First Mortgage Bonds based on retired First Mortgage Bonds.

Release and Substitution of Property. FPL may release property from the lien of the Mortgage if it does any of the following in an aggregate amount equal to the fair value of the property to be released:

(1) deposits with the Trustee, cash or, to a limited extent, purchase money mortgages,

(2) uses unfunded Property Additions acquired by FPL in the last five years, or

(3) waives its right to issue First Mortgage Bonds

in each case without satisfying any net earnings requirement.

If FPL deposits cash so that it may release property from the lien of the Mortgage or so that it may issue additional First Mortgage Bonds, it may withdraw that cash if it uses unfunded Property Additions or waives its right to issue First Mortgage Bonds without satisfying any net earnings requirement in an amount equal to the cash that FPL seeks to withdraw.

When property released from the lien of the Mortgage is not Funded Property, then, if FPL acquires new Property Additions within two years:

(1) Property Additions used for the release of that property will not (subject to some exceptions) be considered Funded Property, and

(2) any waiver by FPL of its right to issue First Mortgage Bonds, which is used for the release of that property, will cease to be an effective waiver and FPL will regain the right to issue those First Mortgage Bonds.

The Mortgage contains provisions relating to cash proceeds of property that is not Funded Property that are similar to the provisions relating to release of that property. The Mortgage contains special provisions relating to pledged Qualified Lien Bonds and the disposition of money received on those Qualified Lien Bonds.

FPL does not need a release from the Mortgage in order to use its nuclear fuel even if that nuclear fuel has been expressly subjected to the lien and operation of the Mortgage.

Dividend Restrictions. In some cases, the Mortgage restricts the amount of retained earnings that FPL can use to pay cash dividends on its common stock. The restricted amount may change depending on factors set out in the Mortgage. Other than this restriction on the payment of common stock dividends, the Mortgage does not restrict FPL's use of retained earnings. As of December 31, 2002, no retained earnings were restricted by these provisions of the Mortgage.

Modification of the Mortgage. Generally the rights of all of the holders of First Mortgage Bonds may be modified with the consent of the holders of 66-2/3% of the principal amount of all of the outstanding First Mortgage Bonds. However, if less than all series of First Mortgage Bonds are affected by a modification, that modification also requires the consent of the holders of 66-2/3% of the principal amount of all of the outstanding First Mortgage Bonds of each series affected.

FPL has reserved the right to amend the Mortgage without the consent of the holders of any series of First Mortgage Bonds created after April 30, 1992 (including the Bonds) to permit modification of the Mortgage generally with the consent of the holders of only a majority of the First Mortgage Bonds affected by the modification.

In most cases, the following modifications will not be effective against any holder of First Mortgage Bonds affected by the modification unless that holder consents:

(1) modification of the terms of payment of principal and interest payable to that holder,

(2) modification creating an equal or prior lien on the mortgaged property or depriving that holder of the benefit of the lien of the Mortgage, and

(3) modification reducing the percentage vote required for modification (except as described above).

Default and Notice Thereof. The following are defaults under the Mortgage:

(1) failure to pay the principal of any First Mortgage Bond,

(2) failure to pay interest on any First Mortgage Bond for 60 days after that interest is due,

(3) failure to pay principal of or interest on any Qualified Lien Bond beyond any applicable grace period for the payment of that principal or interest,

(4) failure to pay any installments of funds for retirement of First Mortgage Bonds for 60 days after that installment is due,

(5) certain events in bankruptcy, insolvency or reorganization, and

(6) the expiration of 90 days following notice by the Trustee or the holders of 15% of the First Mortgage Bonds relating to other covenants of FPL.

Except in the case of failure to pay principal, interest or any installment for retirement of First Mortgage Bonds, the Trustee may withhold notice of default if it believes that withholding the notice is in the interests of the holders of First Mortgage Bonds.

Holders of 25% of the First Mortgage Bonds may declare the principal and the interest due on default. A majority of the holders of First Mortgage Bonds may annul that declaration if the default has been cured. No holder of First Mortgage Bonds may enforce the lien of the Mortgage unless the following things have occurred:

(1) the holder has given the Trustee written notice of a default,

(2) the holders of 25% of the First Mortgage Bonds have requested the Trustee to act and offered it reasonable opportunity to act and indemnity satisfactory to the Trustee for the costs, expenses and liabilities that the Trustee may incur by acting, and

(3) the Trustee has failed to act.

Notwithstanding the foregoing, a holder of First Mortgage Bonds has the right to sue FPL if FPL fails to pay, when due, interest or principal on those First Mortgage Bonds, unless that holder gives up that right.

The Trustee is not required to risk its funds or incur personal liability if there is reasonable ground for believing that the repayment is not reasonably assured. The holders of a majority of the First Mortgage Bonds may direct the time, method, and place of conducting any proceedings for any remedy available to the Trustee, or exercising any of the Trustee's powers.

Satisfaction and Discharge of Mortgage. The Mortgage may be satisfied and discharged if and when FPL provides for the payment of all of the First Mortgage Bonds and all other sums due under the Mortgage.

Evidence to be Furnished to the Trustee. FPL furnishes written statements of FPL's officers, or persons selected or paid by FPL, annually (and when certain events occur) to the Trustee to show that FPL is in compliance with Mortgage provisions and that there are no defaults under the Mortgage. In some cases, these written statements must be provided by an independent accountant, appraiser, engineer or counsel.

Concerning the Trustee. In the regular course of business, FPL may obtain short-term funds from several banks, including Deutsche Bank Trust Company Americas.

PLAN OF DISTRIBUTION

FPL may sell the Bonds:

(1) through underwriters or dealers,

(2) through agents, or

(3) directly to one or more purchasers.

Through Underwriters or Dealers. If FPL uses underwriters in the sale of the Bonds, the underwriters will acquire the Bonds for their own account. The underwriters may resell the Bonds in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The underwriters may sell the Bonds directly or through underwriting syndicates represented by managing underwriters. Unless otherwise stated in the prospectus supplement relating to the Bonds, the obligations of the underwriters to purchase those Bonds will be subject to certain conditions, and the underwriters will be obligated to purchase all of those Bonds if they purchase any of them. If FPL uses a dealer in the sale, FPL will sell the Bonds to the dealer as principal. The dealer may then resell those Bonds at varying prices determined at the time of resale.

Any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers may be changed from time to time.

Through Agents. FPL may designate one or more agents to sell the Bonds. Unless otherwise stated in a prospectus supplement, the agents will agree to use their best efforts to solicit purchases for the period of their appointment.

Directly. FPL may sell the Bonds directly to one or more purchasers. In this case, no underwriters, dealers or agents would be involved.

General Information. A prospectus supplement will state the name of any underwriter, dealer or agent and the amount of any compensation, underwriting discounts or concessions paid, allowed or reallowed to them. A prospectus supplement will also state the proceeds to FPL from the sale of the Bonds, any initial public offering price and other terms of the offering of those Bonds.

FPL may authorize underwriters, dealers or agents to solicit offers by certain institutions to purchase the Bonds from FPL at the public offering price and on the terms described in the related prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future.

FPL may have agreements to indemnify underwriters, dealers and agents against, or to contribute to payments which the underwriters, dealers and agents may be required to make in respect of, certain civil liabilities, including liabilities under the Securities Act of 1933.

EXPERTS

The consolidated financial statements incorporated by reference in this prospectus from FPL's Annual Report on Form 10-K have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated by reference herein, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

LEGAL OPINIONS

Steel Hector & Davis LLP, Miami, Florida, and Thelen Reid & Priest LLP, New York, New York, co-counsel to FPL, will pass upon the legality of the Bonds for FPL. Hunton & Williams, New York, New York, will pass upon the legality of the Bonds for any underwriter, dealer or agent. Thelen Reid & Priest LLP and Hunton & Williams may rely as to all matters of Florida law upon the opinion of Steel Hector & Davis LLP. Steel Hector & Davis LLP may rely as to all matters of New York law upon the opinion of Thelen Reid & Priest LLP.

You should rely only on the information incorporated by reference or provided in this prospectus or any prospectus supplement. FPL has not authorized anyone else to provide you with additional or different information. FPL is not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of those documents or that the information incorporated by reference is accurate as of any date other than the date of the document incorporated by reference.

Florida Power & Light Company

First Mortgage Bonds,
$500,000,000 5⅝% Series due April 1, 2034



PROSPECTUS SUPPLEMENT
March 31, 2003

Banc of America Securities LLC **Wachovia Securities**

JPMorgan **Salomon Smith Barney**

Mellon Financial Markets, LLC

Merrill Lynch & Co.

Scotia Capital

SunTrust Robinson Humphrey

Exhibit (c)-1B

PROSPECTUS SUPPLEMENT
(To prospectus dated March 28, 2003)



Florida Power & Light Company

First Mortgage Bonds, $300,000,000 5.95% Series due October 1, 2033

Florida Power & Light Company will pay interest on the securities on April 1 and October 1 of each year, beginning April 1, 2004. Florida Power & Light Company may redeem some or all of the securities at any time before their maturity date at the redemption prices discussed under "Certain Terms of the Offered Bonds—Redemption" beginning on page S-7 of this prospectus supplement.

Florida Power & Light Company does not plan to list the securities on any securities exchange. The securities are secured by the lien of Florida Power & Light Company's mortgage and rank equally with all of Florida Power & Light Company's first mortgage bonds. The lien of the mortgage is discussed under "Description of the Bonds—Security" on page 7 of the accompanying prospectus.

See "Risk Factors" beginning on page S-3 to read about certain factors you should consider before making an investment in these securities.

Florida Power & Light Company's principal executive offices are located at 700 Universe Boulevard, Juno Beach, Florida 33408, telephone number (561) 694-4000, and its mailing address is P.O. Box 14000, Juno Beach, Florida 33408-0420.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus are truthful or complete. Any representation to the contrary is a criminal offense.

	Per First Mortgage Bond	Total
Price to Public	98.941%	$296,823,000
Underwriting Discount	0.875%	$ 2,625,000
Proceeds to Florida Power & Light Company (before expenses)	98.066%	$294,198,000

In addition to the Price to Public set forth above, each purchaser will pay an amount equal to the interest accrued, if any, on these securities from the date that these securities are originally issued to the date that they are delivered to that purchaser.

These securities are expected to be delivered to the underwriters in book-entry only form through The Depository Trust Company, on or about October 15, 2003.

The following underwriters have agreed to purchase these securities on a firm commitment basis.

Barclays Capital **Lehman Brothers**

Credit Lyonnais Securities (USA) Scotia Capital

Fleet Securities, Inc.

Mellon Financial Markets, LLC

SunTrust Robinson Humphrey

The date of this prospectus supplement is October 9, 2003.

TABLE OF CONTENTS

Prospectus Supplement

	Page
Risk Factors	S-3
Use of Proceeds	S-5
Ratio of Earnings to Fixed Charges	S-5
Capitalization of FPL	S-6
Certain Terms of the Offered Bonds	S-6
Underwriting	S-10
Legal Opinions	S-11

Prospectus

About this Prospectus	2
Risk Factors	2
FPL	4
Use of Proceeds	4
Ratio of Earnings to Fixed Charges	4
Where You Can Find More Information	4
Incorporation By Reference	5
Cautionary Statements	5
Description of the Bonds	5
Plan of Distribution	11
Experts	11
Legal Opinions	12

The accompanying prospectus is part of a registration statement filed with the Securities and Exchange Commission. You should rely only on the information incorporated by reference or provided in this prospectus supplement and in the accompanying prospectus. Neither Florida Power & Light Company ("FPL") nor the underwriters has authorized anyone else to provide you with additional or different information. Neither FPL nor the underwriters is making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus supplement or in the accompanying prospectus is accurate as of any date other than the date on the front of those documents or that the information incorporated by reference is accurate as of any date other than the date of the document incorporated by reference.

RISK FACTORS

The information in this section replaces the information in the "Risk Factors" section beginning on page 2 of the accompanying prospectus.

Before purchasing the securities, investors should carefully consider the following risk factors together with the other information incorporated by reference or provided in this prospectus supplement or in the prospectus in order to evaluate an investment in the securities.

FPL is subject to complex laws and regulations and to changes in laws and regulations, including initiatives regarding restructuring of the energy industry. These factors may have a negative impact on the business and results of operations of FPL.

FPL is subject to changes in laws or regulations, including the Public Utility Regulatory Policies Act of 1978 and the Public Utility Holding Company Act of 1935, changing governmental policies and regulatory actions, including those of the Federal Energy Regulatory Commission, the Florida Public Service Commission, and the U.S. Nuclear Regulatory Commission, with respect to, among other things, allowed rates of return, industry and rate structure, operation of nuclear power facilities, operation and construction of plant facilities, operation and construction of transmission facilities, acquisition, disposal, depreciation and amortization of assets and facilities, recovery of fuel and purchased power costs, decommissioning costs, return on common equity and equity ratio limits, and present or prospective wholesale and retail competition (including but not limited to retail wheeling and transmission costs). The Florida Public Service Commission has the authority to disallow recovery of costs that it considers excessive or imprudently incurred.

The regulatory process generally restricts FPL's ability to grow earnings and does not provide any assurance as to achievement of earnings levels.

FPL is subject to extensive federal, state and local environmental statutes, rules and regulations relating to air quality, water quality, waste management, natural resources and health and safety that could, among other things, restrict or limit the output of certain facilities or the use of certain fuels required for the production of electricity and/or increase costs. There are significant capital, operating and other costs associated with compliance with these environmental statutes, rules and regulations, and those costs could be even more significant in the future.

FPL operates in a changing market environment influenced by various legislative and regulatory initiatives regarding deregulation, regulation or restructuring of the energy industry, including deregulation of the production and sale of electricity. FPL will need to adapt to these changes and may face increasing competitive pressure.

The operation of power generation facilities, including nuclear facilities, involves significant risks that could adversely affect the results of operations and financial condition of FPL.

The operation of power generation facilities involves many risks, including start up risks, breakdown or failure of equipment, transmission lines or pipelines, use of new technology, the dependence on a specific fuel source or the impact of unusual or adverse weather conditions (including natural disasters such as hurricanes), as well as the risk of performance below expected levels of output or efficiency. This could result in lost revenues and/or increased expenses. Insurance, warranties or performance guarantees may not cover any or all of the lost revenues or increased expenses, including the cost of replacement power. In addition to these risks, FPL's nuclear units face certain risks that are unique to the nuclear industry including the ability to dispose of spent nuclear fuel, as well as additional regulatory actions up to and including shutdown of the units stemming from public safety concerns, whether at FPL's plants or at the plants of other nuclear operators.

The construction of, and capital improvements to, power generation facilities involve substantial risks. Should construction or capital improvement efforts be unsuccessful, the results of operations and financial condition of FPL could be negatively affected.

FPL's ability to successfully and timely complete its power generation facilities currently under construction, those projects yet to begin construction or capital improvements to existing facilities is contingent upon many variables and subject to substantial risks. Should any such efforts be unsuccessful, FPL could be subject to additional costs, termination payments under committed contracts and/or the write off of its investment in the project or improvement.

The use of derivative contracts by FPL in the normal course of business could result in financial losses that negatively impact the results of operations of FPL.

FPL uses derivative instruments, such as swaps, options, futures and forwards to manage its commodity price risks. FPL could recognize financial losses if a counterparty fails to perform. In the absence of actively quoted market prices and pricing information from external sources, the valuation of these derivative instruments involves management's judgment or use of estimates. As a result, changes in the underlying assumptions or use of alternative valuation methods could affect the value of the reported fair value of these contracts. In addition, FPL's use of such instruments could be subject to prudency challenges by the Florida Public Service Commission and if found imprudent, cost disallowance.

Because FPL and FPL Group rely on access to capital markets, the inability to access capital markets on favorable terms may limit the ability of FPL to grow its business and would likely increase interest costs.

FPL as well as FPL Group, Inc., which owns all of the common stock of FPL, rely on access to capital markets as a significant source of liquidity for capital requirements not satisfied by operating cash flows. The inability of FPL and FPL Group to maintain their current credit ratings could affect FPL's ability to raise capital on favorable terms, particularly during times of uncertainty in the capital markets which, in turn, could impact FPL's ability to grow its business and would likely increase its interest costs.

Weather conditions can affect FPL's results of operations.

FPL's results of operations can be affected by changes in the weather. Weather conditions directly influence the demand for electricity and natural gas and affect the price of energy commodities. In addition, severe weather can be destructive, causing outages and/or property damage, which could require additional costs to be incurred.

FPL is subject to costs and other effects of legal proceedings, changes in tax and inflation rates, and changes in or additions to applicable tax policies, rates of inflation, accounting standards, securities laws and corporate governance requirements.

FPL is subject to costs and other effects of legal and administrative proceedings, settlements, investigations and claims; as well as the effect of new, or changes in, tax rates or policies, rates of inflation, accounting standards, securities laws and corporate governance requirements.

Threats of terrorism and catastrophic events that could result from terrorism may impact the operations of FPL in unpredictable ways.

FPL is subject to direct and indirect effects of terrorist threats and activities. Generation and transmission facilities, in general, have been identified as potential targets. The effects of terrorist threats and activities include, among other things, terrorist actions or responses to such actions or threats, the inability to generate, purchase or transmit power, the risk of a significant slowdown in growth or a decline in the U.S. economy, delay in economic recovery in the U.S., and the increased cost and adequacy of security and insurance.

The ability of FPL to obtain insurance and the terms of any available insurance coverage could be affected by national and company-specific events.

FPL's ability to obtain insurance, and the cost of and coverage provided by such insurance, could be affected by national events as well as company-specific events.

FPL is subject to employee workforce factors that could affect the business and financial condition of FPL.

FPL is subject to employee workforce factors, including loss or retirement of key executives, availability of qualified personnel, collective bargaining agreements with union employees or work stoppage that could affect the business and financial condition of FPL.

USE OF PROCEEDS

The information in this section adds to the information in the "Use of Proceeds" section on page 4 of the accompanying prospectus. Please read these two sections together.

The First Mortgage Bonds, 5.95% Series due October 1, 2033 are referred to in this prospectus supplement as the "Offered Bonds." FPL will add the net proceeds from the sale of the Offered Bonds to its general funds. FPL expects to use its general funds to repay FPL's short-term borrowings and for other corporate purposes. As of June 30, 2003, FPL had an aggregate of $391.6 million of commercial paper outstanding, which had maturities of up to 34 days and which had annual interest rates ranging from 0.99% to 1.32%. FPL will temporarily invest in short-term instruments any proceeds that are not immediately required for these purposes.

RATIO OF EARNINGS TO FIXED CHARGES

The information in this section adds to the information in the "Ratio of Earnings to Fixed Charges" section on page 4 of the accompanying prospectus. Please read these two sections together. For the six months ended June 30, 2003, FPL's ratio of earnings to fixed charges was 6.94.

CAPITALIZATION OF FPL

The following table shows FPL's capitalization as of June 30, 2003, and as adjusted. This table, which is presented in this prospectus supplement solely to provide limited introductory information, is qualified in its entirety by, and should be considered in conjunction with, the more detailed information incorporated by reference or provided in this prospectus supplement or in the accompanying prospectus.

		Adjusted(a)	
	June 30, 2003	Amount	Percent
	(Unaudited) (In Millions)		
Common Shareholder's Equity	$5,461	$5,461	61.7%
Long-term debt (excluding current maturities)	$2,858	$3,158	35.7%
Preferred stock without sinking fund requirements	$ 226	$ 226	2.6%
Total Capitalization	$8,545	$8,845	100.0%

(a) To give effect to the issuance of the Offered Bonds offered by this prospectus supplement. Adjusted amounts do not reflect the effect of the application of Financial Accounting Standards Board Interpretation No. 46, "Consolidation of Variable Interest Entities," or the reduction in long-term debt resulting from reclassification after June 30, 2003 into current maturities. Adjusted amounts also do not reflect any possible issuance and sale from time to time after the date of this prospectus supplement by FPL of additional securities.

CERTAIN TERMS OF THE OFFERED BONDS

The information in this section adds to the information in the "Description of the Bonds" section beginning on page 5 of the accompanying prospectus. Please read these two sections together.

General. FPL will issue $300,000,000 aggregate principal amount of the Offered Bonds as a new series of First Mortgage Bonds under the Mortgage (as defined in the accompanying prospectus). The One Hundred Fourth Supplemental Indenture, dated as of October 1, 2003, supplements the Mortgage and establishes the specific terms of the Offered Bonds.

Interest and Payment. FPL will pay interest semi-annually on the Offered Bonds at 5.95% per annum. The Offered Bonds will mature on October 1, 2033. FPL will pay interest on the Offered Bonds on April 1 and October 1 of each year (each an "Interest Payment Date"). The first Interest Payment Date will be April 1, 2004. The record date for interest payable on any Interest Payment Date on the Offered Bonds shall be the close of business (1) on the business day immediately preceding such Interest Payment Date so long as the Offered Bonds remain in book-entry only form, or (2) on the 15th calendar day before each Interest Payment Date if the Offered Bonds do not remain in book-entry only form. See "—Book-Entry Only Issuance—The Depository Trust Company."

Interest on the Offered Bonds will accrue from and including the date of original issuance to but excluding the first Interest Payment Date. Starting on the first Interest Payment Date, interest on each Offered Bond will accrue from and including the last Interest Payment Date to which FPL has paid, or duly provided for the payment of, interest on that Offered Bond to but excluding the next succeeding Interest Payment Date. No interest will accrue on an Offered Bond for the day that the Offered Bond matures. The amount of interest payable for any period will be computed on the basis of a 360-day year consisting of twelve 30-day months. The amount of interest

payable for any period shorter than a full semi-annual period for which interest is computed will be computed on the basis of the number of days in the period using 30-day calendar months.

FPL will pay interest on any overdue principal and (to the extent that payment of such interest is enforceable under applicable law) on any overdue installment of interest on the Offered Bonds at the rate of 6% per annum.

Redemption. FPL may redeem any of the Offered Bonds at its option or if and when required by the Mortgage. FPL may redeem any of the Offered Bonds at any time or from time to time, on any date prior to their maturity (each a "Redemption Date"). FPL will give notice of its intent to redeem Offered Bonds at least 30 days prior to a Redemption Date. If FPL redeems all or any part of the Offered Bonds, it will pay a redemption price ("Redemption Price") equal to the sum of:

(1) 100% of the principal amount of the Offered Bonds being redeemed plus

(2) accrued and unpaid interest thereon, if any, to the Redemption Date plus

(3) any applicable "make-whole premium."

The Redemption Price for the Offered Bonds will never be less than 100% of the principal amount of those Offered Bonds plus accrued and unpaid interest on those Offered Bonds to the Redemption Date.

The amount of the make-whole premium with respect to any Offered Bonds to be redeemed will be equal to the excess, if any, of:

(1) the sum of the present values, calculated as of the Redemption Date, of:

  (a) each interest payment that, but for such redemption, would have been payable on the Offered Bonds being redeemed on each Interest Payment Date occurring after the Redemption Date (excluding any accrued interest for the period prior to the Redemption Date); and

  (b) the principal amount that, but for such redemption, would have been payable at the final maturity of the Offered Bonds being redeemed; over

(2) the principal amount of the Offered Bonds being redeemed.

The present values of interest and principal payments referred to in clause (1) above will be determined in accordance with generally accepted principles of financial analysis. Such present values will be calculated by discounting the amount of each payment of interest or principal from the date that each such payment would have been payable, but for the redemption, to the Redemption Date at a discount rate equal to the Treasury Yield (as defined below) plus 15 basis points.

FPL will appoint an independent investment banking institution of national standing to calculate the make-whole premium; provided that Barclays Capital Inc. or Lehman Brothers Inc. will make such calculation if (1) FPL fails to make such appointment at least 30 days prior to the Redemption Date, or (2) the institution so appointed is unwilling or unable to make such calculation. If Barclays Capital Inc. or Lehman Brothers Inc. is to make such calculation but is unwilling or unable to do so, then the Trustee will appoint an independent investment banking institution of national standing to make such calculation. In any case, the institution making such calculation is referred to in this prospectus supplement as an "Independent Investment Banker."

For purposes of determining the make-whole premium, "Treasury Yield" means a rate of interest per annum equal to the weekly average yield to maturity of United States Treasury Notes that have a constant maturity that corresponds to the remaining term to maturity of the Offered Bonds to be redeemed, calculated to the nearest

1/12th of a year (the "Remaining Term"). The Independent Investment Banker will determine the Treasury Yield as of the third business day immediately preceding the applicable Redemption Date.

The Independent Investment Banker will determine the weekly average yields of United States Treasury Notes by reference to the most recent statistical release published by the Federal Reserve Bank of New York and designated "H.15(519) Selected Interest Rates" or any successor release (the "H.15 Statistical Release"). If the H.15 Statistical Release sets forth a weekly average yield for United States Treasury Notes having a constant maturity that is the same as the Remaining Term, then the Treasury Yield will be equal to such weekly average yield. In all other cases, the Independent Investment Banker will calculate the Treasury Yield by interpolation, on a straight-line basis, between the weekly average yields on the United States Treasury Notes that have a constant maturity closest to and greater than the Remaining Term and the United States Treasury Notes that have a constant maturity closest to and less than the Remaining Term (in each case as set forth in the H.15 Statistical Release). The Independent Investment Banker will round any weekly average yields so calculated to the nearest 1/100th of 1%, and will round upward for any figure of 1/200th of 1% or above. If weekly average yields for United States Treasury Notes are not available in the H.15 Statistical Release or otherwise, then the Independent Investment Banker will select comparable rates and calculate the Treasury Yield by reference to those rates.

The Mortgage provides that if FPL at any time elects to redeem only a part of the Offered Bonds, the Trustee will select the particular Offered Bonds to be redeemed by proration among registered holders of the Offered Bonds or, in some cases, by such other method that it deems proper as provided in the Mortgage. However, if the Offered Bonds are solely registered in the name of Cede & Co. and traded through DTC, then DTC will select the Offered Bonds to be redeemed in accordance with its practices as described below in "—Book-Entry Only Issuance—The Depository Trust Company."

If at the time notice of redemption is given, the redemption moneys are not on deposit with the Trustee, then the redemption shall be subject to their receipt before the Redemption Date and such notice shall be of no effect unless such moneys are received.

Cash deposited under any provisions of the Mortgage (with certain exceptions) may be applied to the purchase of First Mortgage Bonds of any series.

Book-Entry Only Issuance—The Depository Trust Company. The Offered Bonds will trade through DTC. The Offered Bonds will be represented by one or more global certificates and registered in the name of Cede & Co., DTC's nominee.

DTC is a New York clearing corporation and a clearing agency registered under Section 17A of the Securities Exchange Act of 1934. DTC holds securities for its participants. DTC also facilitates settlement of securities transactions among its participants through electronic computerized book-entry changes in the participants' accounts. This eliminates the need for physical movement of securities certificates. The participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other corporations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of participants of DTC, members of other clearing corporations and by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Others who maintain a custodial relationship with a participant can use the DTC system. The rules that apply to DTC and those using its systems are on file with the Securities and Exchange Commission.

Purchases of the Offered Bonds within the DTC system must be made through participants, which will receive a credit for the Offered Bonds on DTC's records. The beneficial ownership interest of each purchaser will be recorded on the participants' records. Beneficial owners will not receive written confirmation from DTC of their purchases, but beneficial owners should receive written confirmations of the transactions, as well as periodic statements of their holdings, from the participants through which they purchased Offered Bonds. Beneficial owners will not receive certificates for their Offered Bonds, except if use of the book-entry system for the Offered Bonds is discontinued.

To facilitate subsequent transfers, all Offered Bonds deposited by participants with DTC are registered in the name of DTC's nominee, Cede & Co. The deposit of the Offered Bonds with DTC and their registration in the name of Cede & Co. effects no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the Offered Bonds. DTC's records reflect only the identity of the participants to whose accounts such Offered Bonds are credited. These participants may or may not be the beneficial owners. Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to participants, and by participants to beneficial owners, will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial owners of Offered Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Offered Bonds, such as redemptions, tenders and defaults.

Redemption notices will be sent to Cede & Co., as registered holder of the Offered Bonds. If less than all of the Offered Bonds are being redeemed, DTC's practice is to determine by lot the amount of Offered Bonds of each participant to be redeemed.

Neither DTC nor Cede & Co. will itself consent or vote with respect to Offered Bonds. Under its usual procedures, DTC would mail an omnibus proxy to FPL as soon as possible after the record date. The omnibus proxy assigns the consenting or voting rights of Cede & Co. to those participants to whose accounts the Offered Bonds are credited on the record date. FPL believes that these arrangements will enable the beneficial owners to exercise rights equivalent in substance to the rights that can be directly exercised by a registered holder of the Offered Bonds.

Payments of redemption proceeds, principal of, and interest on the Offered Bonds will be made to Cede & Co., or such other nominee as may be requested by DTC. DTC's practice is to credit participants' accounts on the relevant payment date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payments on that payment date. Payments by participants to beneficial owners will be governed by standing instructions and customary practices. Payments will be the responsibility of participants and not of DTC, Deutsche Bank Trust Company Americas (the Trustee under the Mortgage) or FPL. Payment of redemption proceeds, principal and interest to Cede & Co. (or such other nominee as may be requested by DTC) is the responsibility of FPL. Disbursement of payments to participants is the responsibility of DTC, and disbursement of payments to the beneficial owners is the responsibility of participants.

Except as provided in this prospectus supplement, a beneficial owner will not be entitled to receive physical delivery of the Offered Bonds. Accordingly, each beneficial owner must rely on the procedures of DTC to exercise any rights under the Offered Bonds.

DTC may discontinue providing its services as securities depositary with respect to the Offered Bonds at any time by giving reasonable notice to FPL. In the event no successor securities depositary is obtained, certificates for the Offered Bonds will be printed and delivered. FPL may decide to replace DTC or any successor depositary. Additionally, FPL may decide to discontinue use of the system of book-entry transfers through DTC (or a successor depositary) with respect to the Offered Bonds. In that event, certificates for the Offered Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that FPL believes to be reliable, but FPL does not take responsibility for the accuracy of this information.

UNDERWRITING

FPL is selling the Offered Bonds to the underwriters named in the table below pursuant to an underwriting agreement dated the date of this prospectus supplement. Subject to certain conditions, FPL has agreed to sell to each of the underwriters, and each of the underwriters has severally agreed to purchase, the principal amount of Offered Bonds set forth opposite that underwriter's name in the table below:

Underwriter	Principal Amount of Offered Bonds
Barclays Capital Inc.	$105,000,000
Lehman Brothers Inc.	105,000,000
Credit Lyonnais Securities (USA) Inc.	27,000,000
Scotia Capital (USA) Inc.	27,000,000
Fleet Securities, Inc.	12,000,000
Mellon Financial Markets, LLC	12,000,000
SunTrust Capital Markets, Inc.	12,000,000
Total	$300,000,000

Under the terms and conditions of the underwriting agreement, the underwriters must buy all of the Offered Bonds if they buy any of them. The underwriting agreement provides that the obligations of the underwriters pursuant thereto are subject to certain conditions. In the event of a default by an underwriter, the underwriting agreement provides that, in certain circumstances, the purchase commitment of the non-defaulting underwriters may be increased or the underwriting agreement may be terminated. The underwriters will sell the Offered Bonds to the public when and if the underwriters buy the Offered Bonds from FPL.

FPL will compensate the underwriters by selling the Offered Bonds to them at a price that is less than the price to the public by the amount of the "Underwriting Discount" set forth in the table below. The underwriters will sell the Offered Bonds to the public at the respective price to the public set forth on the cover page of this prospectus supplement and may sell the Offered Bonds to certain dealers at a price that is less than the price to the public by no more than the amount of the "Initial Dealers' Concession" set forth in the table below. The underwriters and such dealers may sell the Offered Bonds to certain other dealers at a price that is less than the price to the public by no more than the amount of the "Reallowed Dealers' Concession" set forth in the table below.

	(expressed as a percentage of principal amount)
Underwriting Discount	0.875%
Initial Dealers' Concession	0.500%
Reallowed Dealers' Concession	0.250%

An underwriter may reject offers for the Offered Bonds. After the initial public offering of the Offered Bonds, the underwriters may change the offering price and other selling terms of the Offered Bonds.

There is currently no established trading market for the Offered Bonds. The underwriters have advised FPL that they intend to make a trading market in the Offered Bonds but are not obligated to do so and may discontinue such market-making activities at any time without notice. FPL cannot give any assurance as to the maintenance of the trading market for, or the liquidity of, the Offered Bonds.

In connection with the offering, Barclays Capital Inc. and Lehman Brothers Inc. on behalf of the underwriters may purchase and sell the Offered Bonds in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment includes syndicate sales of Offered Bonds in excess of the principal amount of Offered Bonds to be purchased by the underwriters in the offering, which creates a syndicate short position. Syndicate covering transactions involve purchases of the Offered Bonds in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing transactions consist of certain bids or purchases of Offered Bonds made for the purpose of preventing or retarding a decline in the market price of the Offered Bonds while the offering is in progress.

The underwriters may also impose a penalty bid. Penalty bids permit the underwriters to reclaim an initial dealers' concession from a syndicate member when Barclays Capital Inc. or Lehman Brothers Inc., in covering syndicate short positions or making stabilizing purchases, repurchases the Offered Bonds originally sold by that syndicate member.

Any of these activities may cause the price of the Offered Bonds to be higher than the price that otherwise would exist in the open market in the absence of such transactions. These transactions may be effected in the over-the-counter market or otherwise and, if commenced, may be discontinued at any time.

FPL estimates that its expenses in connection with the sale of the Offered Bonds, other than underwriting discounts, will be $1,700,000. This estimate includes expenses relating to Florida taxes, printing, rating agency fees, trustee's fees and legal fees, among other expenses.

FPL has agreed to indemnify the underwriters against, or to contribute to payments the underwriters may be required to make in respect of, certain liabilities, including liabilities under the Securities Act of 1933.

Certain of the underwriters or their affiliates may engage from time to time in various general financing and banking transactions with FPL and its affiliates.

LEGAL OPINIONS

The information in this section replaces the information in the "Legal Opinions" section on page 12 of the accompanying prospectus.

Steel Hector & Davis LLP, Miami, Florida, and Thelen Reid & Priest LLP, New York, New York, co-counsel to FPL, will pass upon the legality of the Offered Bonds for FPL. Hunton & Williams LLP, New York, New York, will pass upon the legality of the Offered Bonds for the underwriters. Thelen Reid & Priest LLP and Hunton & Williams LLP may rely as to all matters of Florida law upon the opinion of Steel Hector & Davis LLP, and Steel Hector & Davis LLP may rely as to all matters of New York law upon the opinion of Thelen Reid & Priest LLP.

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PROSPECTUS

$1,000,000,000

Florida Power & Light Company

First Mortgage Bonds

Florida Power & Light Company may offer from time to time up to $1,000,000,000 of its first mortgage bonds.

Florida Power & Light Company will provide specific terms of these securities, including their offering prices, in supplements to this prospectus. The supplements may also add, update or change information contained in this prospectus. You should read this prospectus and any supplements carefully before you invest.

Florida Power & Light Company may offer these securities directly or through underwriters, agents or dealers. The supplements to this prospectus will describe the terms of any particular plan of distribution, including any underwriting arrangements. The "Plan of Distribution" section on page 11 of this prospectus also provides more information on this topic.

See "Risk Factors" beginning on page 2 of this prospectus to read about certain factors you should consider before making an investment in these securities.

Florida Power & Light Company's principal executive offices are located at 700 Universe Boulevard, Juno Beach, Florida 33408, telephone number (561) 694-4000, and its mailing address is P.O. Box 14000, Juno Beach, Florida 33408-0420.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

March 28, 2003

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that Florida Power & Light Company ("FPL") has filed with the Securities and Exchange Commission ("SEC") using a "shelf" registration process. Under this shelf registration process, FPL may sell the securities described in this prospectus in one or more offerings up to a total dollar amount of $1,000,000,000. This prospectus provides you with a general description of the securities that FPL may offer. Each time FPL sells securities, FPL will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under the headings "Where You Can Find More Information" and "Incorporation by Reference."

For more detailed information about the securities, you can read the exhibits to the registration statement. Those exhibits have been either filed with the registration statement or incorporated by reference to earlier SEC filings listed in the registration statement.

RISK FACTORS

Before purchasing the securities, investors should carefully consider the following risk factors together with the other information incorporated by reference or provided in this prospectus or in a prospectus supplement in order to evaluate an investment in the securities.

FPL is subject to complex laws and regulations and to changes in laws and regulations, including initiatives regarding restructuring of the energy industry. These factors may have a negative impact on the business and results of operations of FPL.

FPL is subject to changes in laws or regulations, including the Public Utility Regulatory Policies Act of 1978 and the Public Utility Holding Company Act of 1935, changing governmental policies and regulatory actions, including those of the Federal Energy Regulatory Commission, the Florida Public Service Commission, and the U.S. Nuclear Regulatory Commission, with respect to, among other things, allowed rates of return, industry and rate structure, operation of nuclear power facilities, operation and construction of plant facilities, operation and construction of transmission facilities, acquisition, disposal, depreciation and amortization of assets and facilities, recovery of fuel and purchased power costs, decommissioning costs, return on common equity and equity ratio limits, and present or prospective wholesale and retail competition (including but not limited to retail wheeling and transmission costs). The Florida Public Service Commission has the authority to disallow recovery of costs that it considers excessive or imprudently incurred.

The regulatory process generally restricts FPL's ability to grow earnings and does not provide any assurance as to achievement of earnings levels.

FPL is subject to extensive federal, state and local environmental statutes, rules and regulations relating to air quality, water quality, waste management, natural resources and health and safety that could, among other things, restrict or limit the use of certain fuels required for the production of electricity. There are significant capital, operating and other costs associated with compliance with these environmental statutes, rules and regulations, and those costs could be even more significant in the future.

FPL operates in a changing market environment influenced by various legislative and regulatory initiatives regarding deregulation, regulation or restructuring of the energy industry, including deregulation of the production and sale of electricity. FPL will need to adapt to these changes and may face increasing competitive pressure.

The operation of power generation facilities, including nuclear facilities, involves significant risks that could adversely affect the results of operations and financial condition of FPL.

The operation of power generation facilities involves many risks, including start up risks, breakdown or failure of equipment, transmission lines or pipelines, the dependence on a specific fuel source or the impact of

unusual or adverse weather conditions (including natural disasters such as hurricanes), as well as the risk of performance below expected levels of output or efficiency. This could result in lost revenues and/or increased expenses. Insurance, warranties or performance guarantees may not cover any or all of the lost revenues or increased expenses, including the cost of replacement power. In addition to these risks, FPL's nuclear units face certain risks that are unique to the nuclear industry including additional regulatory actions up to and including shut down of the units stemming from public safety concerns, whether at FPL's plants or at the plants of other nuclear operators.

The construction of, and capital improvements to, power generation facilities involve substantial risks. Should construction or capital improvement efforts be unsuccessful, the results of operations and financial condition of FPL could be negatively affected.

FPL's ability to successfully and timely complete its power generation facilities currently under construction, those projects yet to begin construction or capital improvements to existing facilities is contingent upon many variables and subject to substantial risks. Should any such efforts be unsuccessful, FPL could be subject to additional costs, termination payments under committed contracts and/or the write off of its investment in the project or improvement.

The use of derivative contracts by FPL in the normal course of business could result in financial losses that negatively impact the results of operations of FPL.

FPL uses derivative instruments, such as swaps, options, futures and forwards to manage its commodity and financial market risks, and to a lesser extent, engages in limited trading activities. FPL could recognize financial losses as a result of volatility in the market values of these contracts, or if a counterparty fails to perform. In addition, FPL's use of such instruments could be subject to prudency challenges by the Florida Public Service Commission and if found imprudent, cost disallowance.

Because FPL and FPL Group rely on access to capital markets, the inability to access capital markets on favorable terms may limit the ability of FPL to grow its business and would likely increase interest costs.

FPL as well as FPL Group, Inc., which owns all of the common stock of FPL, rely on access to capital markets as a significant source of liquidity for capital requirements not satisfied by operating cash flows. The inability of FPL and FPL Group to maintain their current credit ratings could affect FPL's ability to raise capital on favorable terms, particularly during times of uncertainty in the capital markets which, in turn, could impact FPL's ability to grow its business and would likely increase its interest costs.

Weather conditions can affect FPL's results of operations.

FPL's results of operations can be affected by changes in the weather. Weather conditions directly influence the demand for electricity and natural gas and affect the price of energy commodities. In addition, severe weather can be destructive, causing outages and/or property damage, which could require additional costs to be incurred.

FPL is subject to costs and other effects of legal proceedings, changes in tax and inflation rates, and changes in or additions to applicable tax policies, rates of inflation and accounting standards.

FPL is subject to costs and other effects of legal and administrative proceedings, settlements, investigations and claims; as well as the effect of new, or changes in, tax rates or policies, rates of inflation or accounting standards.

Threats of terrorism and catastrophic events that could result from terrorism may impact the operations of FPL in unpredictable ways.

FPL is subject to direct and indirect effects of terrorist threats and activities. Generation and transmission facilities, in general, have been identified as potential targets. The effects of terrorist threats and activities include,

among other things, terrorist actions or responses to such actions or threats, the inability to generate, purchase or transmit power, the risk of a significant slowdown in growth or a decline in the U.S. economy, delay in economic recovery in the U.S., and the increased cost and adequacy of security and insurance.

The ability of FPL to obtain insurance and the terms of any available insurance coverage could be affected by national and company-specific events.

FPL's ability to obtain insurance, and the cost of and coverage provided by such insurance, could be affected by national events as well as company-specific events.

FPL is subject to employee workforce factors that could affect the business and financial condition of FPL.

FPL is subject to employee workforce factors, including loss or retirement of key executives, availability of qualified personnel, collective bargaining agreements with union employees or work stoppage that could affect the business and financial condition of FPL.

FPL

FPL was incorporated under the laws of Florida in 1925 and is engaged in the generation, transmission, distribution and sale of electric energy. FPL supplies electric service throughout most of the east and lower west coasts of the State of Florida, serving a population of nearly 8 million. At December 31, 2002, FPL served approximately 4.0 million customer accounts. FPL Group, Inc. owns all of FPL's common stock. FPL Group is a public utility holding company, as defined in the Public Utility Holding Company Act of 1935. FPL Group is exempt from substantially all of the provisions of the Public Utility Holding Company Act of 1935 on the basis that FPL Group's and FPL's businesses are predominantly intrastate in character.

USE OF PROCEEDS

Unless otherwise stated in a prospectus supplement, FPL will add the net proceeds from the sale of these securities to its general funds. FPL uses its general funds for corporate purposes, including to repay, redeem or purchase outstanding debt and preferred stock, to repay short-term borrowings and to finance the acquisition or construction of additional electric facilities. FPL will temporarily invest any proceeds that it does not need to use immediately in short-term instruments.

RATIO OF EARNINGS TO FIXED CHARGES

The following table shows FPL's ratio of earnings to fixed charges for each of its last five fiscal years:

Years Ended December 31,				
2002	2001	2000	1999	1998
7.47	6.44	6.02	6.26	5.69

WHERE YOU CAN FIND MORE INFORMATION

FPL files annual, quarterly and other reports and other information with the SEC. You can read and copy any information filed by FPL with the SEC at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. You can obtain additional information about the Public Reference Room by calling the SEC at 1-800-SEC-0330.

In addition, the SEC maintains an Internet site (http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including FPL. FPL also maintains an Internet site (http://www.fpl.com).

INCORPORATION BY REFERENCE

The SEC allows FPL to "incorporate by reference" the information that FPL files with the SEC, which means that FPL may, in this prospectus, disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus. Information that FPL files in the future with the SEC will automatically update and supersede this information. FPL is incorporating by reference the document listed below and any future filings FPL makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 between the date of this prospectus until FPL sells all of these securities:

(1) FPL's Annual Report on Form 10-K for the year ended December 31, 2002.

You may request a copy of these documents, at no cost to you, by writing or calling Robert J. Reger, Jr., Esq., Thelen Reid & Priest LLP, 875 Third Avenue, New York, New York, 10022, (212) 603-2000. FPL will provide to each person, including any beneficial owner, to whom this prospectus is delivered, a copy of any or all of the information that has been incorporated by reference in this prospectus but not delivered with this prospectus.

CAUTIONARY STATEMENTS

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, FPL is hereby filing cautionary statements identifying important factors that could cause FPL's actual results to differ materially from those projected in forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) made by or on behalf of FPL in this prospectus or any supplement to this prospectus, in presentations, in response to questions or otherwise. Any statements that express, or involve discussions as to expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result," "are expected to," "will continue," "is anticipated," "estimated," "projection," "target," "outlook") are not statements of historical facts and may be forward-looking. Forward-looking statements involve estimates, assumptions and uncertainties. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the specific factors discussed in "Risk Factors" herein and in the reports that are incorporated herein by reference (in addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements) that could cause FPL's actual results to differ materially from those contained in forward-looking statements made by or on behalf of FPL.

Any forward-looking statement speaks only as of the date on which that statement is made, and FPL undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which that statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for management to predict all of those factors, nor can it assess the impact of each of those factors on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

The issues and associated risks and uncertainties discussed in "Risk Factors" herein and in the reports that are incorporated by reference herein are not the only ones FPL may face. Additional issues may arise or become material as the energy industry evolves. The risks and uncertainties associated with those additional issues could impair FPL's business in the future.

DESCRIPTION OF THE BONDS

General. FPL will issue these securities, in one or more series, under its Mortgage and Deed of Trust dated as of January 1, 1944, with Deutsche Bank Trust Company Americas, as Trustee, which has been amended and supplemented in the past and which will be supplemented again by one or more supplemental indentures relating to these securities. This Mortgage and Deed of Trust, as amended and supplemented, is referred to in this prospectus as the "Mortgage." These securities are referred to in this prospectus as the "Bonds." All first mortgage bonds issued or to be issued under the Mortgage, including the Bonds, are referred to herein as "First Mortgage Bonds."

This section briefly summarizes some of the terms of the Bonds and some of the provisions of the Mortgage and uses some terms that are not defined in this prospectus but that are defined in the Mortgage. This summary is not complete. You should read this summary together with the Mortgage and the supplemental indenture establishing the Bonds for a complete understanding of all the provisions. The Mortgage and the form of supplemental indenture have been previously filed with the SEC, and are exhibits to the registration statement filed with the SEC of which this prospectus is a part. In addition, the Mortgage is qualified as an indenture under the Trust Indenture Act of 1939 and is therefore subject to the provisions of the Trust Indenture Act of 1939. You should read the Trust Indenture Act of 1939 for a complete understanding of its provisions.

Each series of Bonds may have different terms. FPL will include some or all of the following information about a specific series of Bonds in the prospectus supplement relating to those Bonds:

(1) the designation and series of those Bonds,

(2) the aggregate principal amount of those Bonds,

(3) the offering price of those Bonds,

(4) the date(s) on which those Bonds will mature,

(5) the interest rate(s) for those Bonds, or how the interest rate(s) will be determined,

(6) the dates on which FPL will pay the interest on those Bonds,

(7) the denominations in which FPL may issue those Bonds, if other than denominations of $1,000 or multiples of $1,000,

(8) the place where the principal of and interest on those Bonds will be payable, if other than at Deutsche Bank Trust Company Americas in New York City,

(9) the currency or currencies in which payment of the principal of and interest on those Bonds may be made, if other than U.S. dollars,

(10) the terms pursuant to which FPL may redeem any of those Bonds,

(11) whether all or a portion of those Bonds will be in global form, and

(12) any other terms or provisions relating to those Bonds that are not inconsistent with the provisions of the Mortgage.

FPL will issue the Bonds in fully registered form without coupons, unless otherwise stated in a prospectus supplement. A holder of Bonds may exchange those Bonds, without charge, for an equal aggregate principal amount of Bonds of the same series, having the same issue date and with identical terms and provisions, unless otherwise stated in a prospectus supplement. A holder of Bonds may transfer those Bonds without cost to the holder, other than for applicable stamp taxes or other governmental charges, unless otherwise stated in a prospectus supplement. FPL may issue all or some of the Bonds in "book-entry" form, which means that they will be represented by global notes, instead of certificates. If FPL issues global notes representing any Bonds, then a depository selected by FPL will keep a record of the beneficial interests in those global notes and record any transfers of those beneficial interests and the depository, or its custodian, will hold those global notes. Any additional requirements as to the form and method of exchange of Bonds will be described in a prospectus supplement.

Special Provisions for Retirement of Bonds. If, during any 12 month period, any governmental body orders FPL to dispose of mortgaged property, or buys mortgaged property from FPL, and FPL receives $10 million or more from the sale or disposition, then, in most cases, FPL must use that money to redeem First Mortgage Bonds.

If this occurs, FPL may redeem First Mortgage Bonds of any series that are redeemable at the redemption prices applicable to those First Mortgage Bonds. If any Bonds are redeemable, the redemption prices applicable to those Bonds will be set forth in a prospectus supplement.

Security. The Mortgage secures the Bonds as well as all other First Mortgage Bonds already issued under the Mortgage and still outstanding. FPL may issue more First Mortgage Bonds in the future and those First Mortgage Bonds will also be secured by the Mortgage. The Mortgage constitutes a first mortgage lien on all of the properties and franchises that FPL owns, except as discussed below.

The lien of the Mortgage is or may be subject to the following:

(1) leases of minor portions of FPL's property to others for uses that do not interfere with FPL's business,

(2) leases of certain property that is not used in FPL's electric business,

(3) Excepted Encumbrances, which include certain tax and real estate liens, and specified rights, easements, restrictions and other obligations, and

(4) vendors' liens, purchase money mortgages and liens on property that already exist at the time FPL acquires that property.

The Mortgage does not create a lien on the following "excepted property":

(1) cash and securities,

(2) certain equipment, materials or supplies and fuel (including nuclear fuel unless it is expressly subjected to the lien of the Mortgage),

(3) automobiles and other vehicles,

(4) receivables, contracts, leases and operating agreements,

(5) materials or products, including electric energy, that FPL generates, produces or purchases for sale or use by FPL, and

(6) timber, minerals, mineral rights and royalties.

The Mortgage will generally also create a lien on property that FPL acquires after the date of this prospectus, other than "excepted property". However, if FPL consolidates or merges with, or sells substantially all of its assets to, another corporation, the lien created by the Mortgage will generally not cover the property of the successor company, other than the property that it acquires from FPL and improvements, replacements and additions to that property.

The Mortgage provides that the Trustee has a lien on the mortgaged property for the payment of its reasonable compensation and expenses and for indemnity against certain liabilities. This lien takes priority over the lien securing the Bonds.

Issuance of Additional Bonds. FPL may issue an unlimited amount of First Mortgage Bonds under the Mortgage so long as it meets the issuance tests set forth in the Mortgage, which are generally described below. FPL may issue Bonds from time to time in an amount equal to:

(1) 60% of unfunded Property Additions after adjustments to offset retirements,

(2) the amount of retired First Mortgage Bonds or Qualified Lien Bonds, and

(3) the amount of cash that FPL deposits with the Trustee.

Property Additions generally include the following:

(1) plants, lines, pipes, mains, cables, machinery, boilers, transmission lines, pipe lines, distribution systems, service systems and supply systems,

(2) nuclear fuel that has been expressly subjected to the lien of the Mortgage,

(3) railroad cars, barges and other transportation equipment (other than trucks) for the transportation of fuel, and

(4) other property, real or personal, and improvements, extensions, additions, renewals or replacements located within the United States of America or its coastal waters.

FPL may use any property of the type described in (1) through (4) above as Property Additions whether or not that property is in operation and prior to obtaining permits or licenses relating to that property. Securities, fuel (including nuclear fuel unless expressly subjected to the lien of the Mortgage), automobiles or other vehicles, or property used principally for the production or gathering of natural gas will not qualify as Property Additions. The Mortgage contains restrictions on the issuance of First Mortgage Bonds based on Property Additions that are subject to other liens and upon the increase of the amount of those liens.

In most cases, FPL may not issue Bonds unless it meets the "net earnings" test set forth in the Mortgage, which requires, generally, that FPL's adjusted net earnings (before income taxes) for 12 consecutive months out of the 15 months preceding the issuance must have been either:

(1) at least twice the annual interest requirements on all First Mortgage Bonds at the time outstanding, including the Bonds that FPL proposes to issue at the time, and all indebtedness of FPL that ranks prior or equal to the First Mortgage Bonds, or

(2) at least 10% of the principal amount of all First Mortgage Bonds at the time outstanding, including the Bonds that FPL proposes to issue at the time, and all indebtedness of FPL that ranks prior or equal to the First Mortgage Bonds.

The Mortgage requires FPL to replace obsolete or worn out property and specifies certain deductions to FPL's adjusted net earnings for property repairs, retirement, additions and maintenance. With certain exceptions, FPL does not need to meet the "net earnings" test to issue Bonds if the issuance is based on retired First Mortgage Bonds or Qualified Lien Bonds.

As of December 31, 2002, FPL could issue under the Mortgage approximately $5.5 billion of additional First Mortgage Bonds based on unfunded Property Additions and $5.4 billion of additional First Mortgage Bonds based on retired First Mortgage Bonds.

Release and Substitution of Property. FPL may release property from the lien of the Mortgage if it does any of the following in an aggregate amount equal to the fair value of the property to be released:

(1) deposits with the Trustee, cash or, to a limited extent, purchase money mortgages,

(2) uses unfunded Property Additions acquired by FPL in the last five years, or

(3) waives its right to issue First Mortgage Bonds

in each case without satisfying any net earnings requirement.

If FPL deposits cash so that it may release property from the lien of the Mortgage or so that it may issue additional First Mortgage Bonds, it may withdraw that cash if it uses unfunded Property Additions or waives its right to issue First Mortgage Bonds without satisfying any net earnings requirement in an amount equal to the cash that FPL seeks to withdraw.

When property released from the lien of the Mortgage is not Funded Property, then, if FPL acquires new Property Additions within two years:

(1) Property Additions used for the release of that property will not (subject to some exceptions) be considered Funded Property, and

(2) any waiver by FPL of its right to issue First Mortgage Bonds, which is used for the release of that property, will cease to be an effective waiver and FPL will regain the right to issue those First Mortgage Bonds.

The Mortgage contains provisions relating to cash proceeds of property that is not Funded Property that are similar to the provisions relating to release of that property. The Mortgage contains special provisions relating to pledged Qualified Lien Bonds and the disposition of money received on those Qualified Lien Bonds.

FPL does not need a release from the Mortgage in order to use its nuclear fuel even if that nuclear fuel has been expressly subjected to the lien and operation of the Mortgage.

Dividend Restrictions. In some cases, the Mortgage restricts the amount of retained earnings that FPL can use to pay cash dividends on its common stock. The restricted amount may change depending on factors set out in the Mortgage. Other than this restriction on the payment of common stock dividends, the Mortgage does not restrict FPL's use of retained earnings. As of December 31, 2002, no retained earnings were restricted by these provisions of the Mortgage.

Modification of the Mortgage. Generally the rights of all of the holders of First Mortgage Bonds may be modified with the consent of the holders of 66-2/3% of the principal amount of all of the outstanding First Mortgage Bonds. However, if less than all series of First Mortgage Bonds are affected by a modification, that modification also requires the consent of the holders of 66-2/3% of the principal amount of all of the outstanding First Mortgage Bonds of each series affected.

FPL has reserved the right to amend the Mortgage without the consent of the holders of any series of First Mortgage Bonds created after April 30, 1992 (including the Bonds) to permit modification of the Mortgage generally with the consent of the holders of only a majority of the First Mortgage Bonds affected by the modification.

In most cases, the following modifications will not be effective against any holder of First Mortgage Bonds affected by the modification unless that holder consents:

(1) modification of the terms of payment of principal and interest payable to that holder,

(2) modification creating an equal or prior lien on the mortgaged property or depriving that holder of the benefit of the lien of the Mortgage, and

(3) modification reducing the percentage vote required for modification (except as described above).

Default and Notice Thereof. The following are defaults under the Mortgage:

(1) failure to pay the principal of any First Mortgage Bond,

(2) failure to pay interest on any First Mortgage Bond for 60 days after that interest is due,

(3) failure to pay principal of or interest on any Qualified Lien Bond beyond any applicable grace period for the payment of that principal or interest,

(4) failure to pay any installments of funds for retirement of First Mortgage Bonds for 60 days after that installment is due,

(5) certain events in bankruptcy, insolvency or reorganization, and

(6) the expiration of 90 days following notice by the Trustee or the holders of 15% of the First Mortgage Bonds relating to other covenants of FPL.

Except in the case of failure to pay principal, interest or any installment for retirement of First Mortgage Bonds, the Trustee may withhold notice of default if it believes that withholding the notice is in the interests of the holders of First Mortgage Bonds.

Holders of 25% of the First Mortgage Bonds may declare the principal and the interest due on default. A majority of the holders of First Mortgage Bonds may annul that declaration if the default has been cured. No holder of First Mortgage Bonds may enforce the lien of the Mortgage unless the following things have occurred:

(1) the holder has given the Trustee written notice of a default,

(2) the holders of 25% of the First Mortgage Bonds have requested the Trustee to act and offered it reasonable opportunity to act and indemnity satisfactory to the Trustee for the costs, expenses and liabilities that the Trustee may incur by acting, and

(3) the Trustee has failed to act.

Notwithstanding the foregoing, a holder of First Mortgage Bonds has the right to sue FPL if FPL fails to pay, when due, interest or principal on those First Mortgage Bonds, unless that holder gives up that right.

The Trustee is not required to risk its funds or incur personal liability if there is reasonable ground for believing that the repayment is not reasonably assured. The holders of a majority of the First Mortgage Bonds may direct the time, method, and place of conducting any proceedings for any remedy available to the Trustee, or exercising any of the Trustee's powers.

Satisfaction and Discharge of Mortgage. The Mortgage may be satisfied and discharged if and when FPL provides for the payment of all of the First Mortgage Bonds and all other sums due under the Mortgage.

Evidence to be Furnished to the Trustee. FPL furnishes written statements of FPL's officers, or persons selected or paid by FPL, annually (and when certain events occur) to the Trustee to show that FPL is in compliance with Mortgage provisions and that there are no defaults under the Mortgage. In some cases, these written statements must be provided by an independent accountant, appraiser, engineer or counsel.

Concerning the Trustee. In the regular course of business, FPL may obtain short-term funds from several banks, including Deutsche Bank Trust Company Americas.

PLAN OF DISTRIBUTION

FPL may sell the Bonds:

(1) through underwriters or dealers,

(2) through agents, or

(3) directly to one or more purchasers.

Through Underwriters or Dealers. If FPL uses underwriters in the sale of the Bonds, the underwriters will acquire the Bonds for their own account. The underwriters may resell the Bonds in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The underwriters may sell the Bonds directly or through underwriting syndicates represented by managing underwriters. Unless otherwise stated in the prospectus supplement relating to the Bonds, the obligations of the underwriters to purchase those Bonds will be subject to certain conditions, and the underwriters will be obligated to purchase all of those Bonds if they purchase any of them. If FPL uses a dealer in the sale, FPL will sell the Bonds to the dealer as principal. The dealer may then resell those Bonds at varying prices determined at the time of resale.

Any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers may be changed from time to time.

Through Agents. FPL may designate one or more agents to sell the Bonds. Unless otherwise stated in a prospectus supplement, the agents will agree to use their best efforts to solicit purchases for the period of their appointment.

Directly. FPL may sell the Bonds directly to one or more purchasers. In this case, no underwriters, dealers or agents would be involved.

General Information. A prospectus supplement will state the name of any underwriter, dealer or agent and the amount of any compensation, underwriting discounts or concessions paid, allowed or reallowed to them. A prospectus supplement will also state the proceeds to FPL from the sale of the Bonds, any initial public offering price and other terms of the offering of those Bonds.

FPL may authorize underwriters, dealers or agents to solicit offers by certain institutions to purchase the Bonds from FPL at the public offering price and on the terms described in the related prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future.

FPL may have agreements to indemnify underwriters, dealers and agents against, or to contribute to payments which the underwriters, dealers and agents may be required to make in respect of, certain civil liabilities, including liabilities under the Securities Act of 1933.

EXPERTS

The consolidated financial statements incorporated by reference in this prospectus from FPL's Annual Report on Form 10-K have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated by reference herein, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

LEGAL OPINIONS

Steel Hector & Davis LLP, Miami, Florida, and Thelen Reid & Priest LLP, New York, New York, co-counsel to FPL, will pass upon the legality of the Bonds for FPL. Hunton & Williams, New York, New York, will pass upon the legality of the Bonds for any underwriter, dealer or agent. Thelen Reid & Priest LLP and Hunton & Williams may rely as to all matters of Florida law upon the opinion of Steel Hector & Davis LLP. Steel Hector & Davis LLP may rely as to all matters of New York law upon the opinion of Thelen Reid & Priest LLP.

You should rely only on the information incorporated by reference or provided in this prospectus or any prospectus supplement. FPL has not authorized anyone else to provide you with additional or different information. FPL is not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of those documents or that the information incorporated by reference is accurate as of any date other than the date of the document incorporated by reference.

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Florida Power & Light Company

First Mortgage Bonds,
$300,000,000 5.95% Series due October 1, 2033



PROSPECTUS SUPPLEMENT
October 9, 2003

Barclays Capital **Lehman Brothers**

Credit Lyonnais Securities (USA) **Scotia Capital**

Fleet Securities, Inc.

Mellon Financial Markets, LLC

SunTrust Robinson Humphrey

Exhibit (c)-1C





UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **March 31, 2003**

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number	Exact name of registrants as specified in their charters, address of principal executive offices and registrants' telephone number	IRS Employer Identification Number
1-8841	**FPL GROUP, INC.**	59-2449419
1-3545	**FLORIDA POWER & LIGHT COMPANY**	59-0247775
	700 Universe Boulevard Juno Beach, Florida 33408 (561) 694-4000	

State or other jurisdiction of incorporation or organization: Florida

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) have been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate by check mark whether FPL Group, Inc. is an accelerated filer as defined in Rule 12b-2 of the Securities Exchange Act of 1934. Yes X No ___

Indicate by check mark whether Florida Power & Light Company is an accelerated filer as defined in Rule 12b-2 of the Securities Exchange Act of 1934. Yes ___ No X

APPLICABLE ONLY TO CORPORATE ISSUERS:

The number of shares outstanding of FPL Group, Inc. common stock, as of the latest practicable date: Common Stock, $0.01 par value, outstanding at April 30, 2003: 183,288,175 shares.

As of April 30, 2003, there were issued and outstanding 1,000 shares of Florida Power & Light Company's common stock, without par value, all of which were held, beneficially and of record, by FPL Group, Inc.

This combined Form 10-Q represents separate filings by FPL Group, Inc. and Florida Power & Light Company. Information contained herein relating to an individual registrant is filed by that registrant on its own behalf. Florida Power & Light Company makes no representations as to the information relating to FPL Group, Inc.'s other operations.

CAUTIONARY STATEMENTS AND RISK FACTORS THAT MAY AFFECT FUTURE RESULTS

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (Reform Act), FPL Group, Inc. (FPL Group) and Florida Power & Light Company (FPL) are hereby filing cautionary statements identifying important factors that could cause FPL Group's or FPL's actual results to differ materially from those projected in forward-looking statements (as such term is defined in the Reform Act) made by or on behalf of FPL Group and FPL in this combined Form 10-Q, in *presentations, in response to questions or otherwise.* Any statements that express, or involve discussions as to expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as will likely result, are expected to, will continue, is anticipated, estimated, projection, target, outlook) are not statements of historical facts and may be forward-looking. Forward-looking statements involve estimates, assumptions and uncertainties. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the following important factors (in addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements) that could cause FPL Group's or FPL's actual results to differ materially from those contained in *forward-looking statements made by or on behalf of FPL Group and FPL.*

Any forward-looking statement speaks only as of the date on which such statement is made, and FPL Group and FPL undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for management to predict all of such factors, nor can it assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any *forward-looking statement.*

The following are some important factors that could have a significant impact on FPL Group's and FPL's operations and financial results, and could cause FPL Group's and FPL's actual results or outcomes to differ materially from those discussed in the forward-looking statements:

- FPL Group and FPL are subject to changes in laws or regulations, including the Public Utility Regulatory Policies Act of 1978, as amended (PURPA), and the Public Utility Holding Company Act of 1935, as amended (Holding Company Act), changing governmental policies and regulatory actions, including those of the Federal Energy Regulatory Commission (FERC), the Florida Public Service Commission (FPSC) and the utility commissions of other states in which FPL Group has operations, and the U.S. Nuclear Regulatory Commission (NRC), with respect to, among other things, allowed rates of return, industry and rate structure, operation of nuclear power facilities, operation and construction of plant facilities, operation and construction of transmission facilities, acquisition, disposal, depreciation and amortization of assets and facilities, recovery of fuel and purchased power costs, decommissioning costs, return on common equity and equity ratio limits, and present or prospective wholesale and retail competition (including but not limited to retail wheeling and transmission costs). The FPSC has the authority to disallow recovery of costs that it considers excessive or imprudently incurred.

- The regulatory process generally restricts FPL's ability to grow earnings and does not provide any assurance as to achievement of earnings levels.

- FPL Group and FPL are subject to extensive federal, state and local environmental statutes, rules and regulations relating to air quality, water quality, waste management, natural resources and health and safety that could, among other things, restrict or limit the use of certain fuels required for the production of electricity. There are significant capital, operating and other costs associated with compliance with these environmental statutes, rules and regulations, and those costs could be even more significant in the future.

- FPL Group and FPL operate in a changing market environment influenced by various legislative and regulatory initiatives regarding deregulation, regulation or restructuring of the energy industry, including deregulation of the production and sale of electricity. FPL Group and its subsidiaries will need to adapt to these changes and may face increasing competitive pressure.

- The operation of power generation facilities involves many risks, including start up risks, breakdown or failure of equipment, transmission lines or pipelines, the dependence on a specific fuel source or the impact of unusual or adverse weather conditions (including natural disasters such as hurricanes), as well as the risk of performance below expected levels of output or efficiency. This could result in lost revenues and/or increased expenses. Insurance, warranties or performance guarantees may not cover any or all of the lost revenues or increased expenses, including the cost of replacement power. In addition to these risks, FPL Group's and FPL's nuclear units face certain risks that are unique to the nuclear industry including additional regulatory actions up to and including shutdown of the units stemming from public safety concerns, whether at FPL Group's and FPL's plants, or at the plants of other nuclear operators. Breakdown or failure of an FPL Energy, LLC (FPL Energy) operating facility may prevent the facility from performing under applicable power sales agreements which, in certain situations, could result in termination of the agreement or incurring a liability for liquidated damages.

- FPL Group's and FPL's ability to successfully and timely complete their power generation facilities currently under construction, those projects yet to begin construction or capital improvements to existing facilities is contingent upon many variables and subject to substantial risks. Should any such efforts be unsuccessful, FPL Group and FPL could be subject to additional costs, termination payments under committed contracts and/or the write-off of their investment in the project or improvement.

- FPL Group and FPL use derivative instruments, such as swaps, options, futures and forwards to manage their commodity and financial market risks, and to a lesser extent, engage in limited trading activities. FPL Group could recognize financial losses as a result of volatility in the market values of these contracts, or if a counterparty fails to perform. In addition, FPL's use of such instruments could be subject to prudency challenges by the FPSC and if found imprudent, cost disallowance.

- There are other risks associated with FPL Group's non-rate regulated businesses, particularly FPL Energy. In addition to risks discussed elsewhere, risk factors specifically affecting FPL Energy's success in competitive wholesale markets include the ability to efficiently develop and operate generating assets, the price and supply of fuel, transmission constraints, competition from new sources of generation, excess generation capacity and demand for power. There can be significant volatility in market prices for fuel and electricity, and there are other financial, counterparty and market risks that are beyond the control of FPL Energy. FPL Energy's inability or failure to effectively hedge its assets or positions against changes in commodity prices, interest rates, counterparty credit risk or other risk measures could significantly impair its future financial results. In keeping with industry trends, a portion of FPL Energy's power generation facilities operate wholly or partially without long-term power purchase agreements. As a result, power from these facilities is sold on the spot market or on a short-term contractual basis, which may affect the volatility of FPL Group's financial results. In addition, FPL Energy's business depends upon transmission facilities owned and operated by others; if transmission is disrupted or capacity is inadequate or unavailable FPL Energy's ability to sell and deliver its wholesale power may be limited.

- FPL Group is likely to encounter significant competition for acquisition opportunities that may become available as a result of the consolidation of the power industry. In addition, FPL Group may be unable to identify attractive acquisition opportunities at favorable prices and to successfully and timely complete and integrate them.

- FPL Group and FPL rely on access to capital markets as a significant source of liquidity for capital requirements not satisfied by operating cash flows. The inability of FPL Group and FPL to maintain their current credit ratings could affect their ability to raise capital on favorable terms, particularly during times of uncertainty in the capital markets which, in turn, could impact FPL Group's and FPL's ability to grow their businesses and would likely increase interest costs.

- FPL Group's and FPL's results of operations can be affected by changes in the weather. Weather conditions directly influence the demand for electricity and natural gas and affect the price of energy commodities, and can affect the production of electricity at wind and hydro-powered facilities. In addition, severe weather can be destructive, causing outages and/or property damage, which could require additional costs to be incurred.

- FPL Group and FPL are subject to costs and other effects of legal and administrative proceedings, settlements, investigations and claims; as well as the effect of new, or changes in, tax rates or policies, rates of inflation or accounting standards.

- FPL Group and FPL are subject to direct and indirect effects of terrorist threats and activities. Generation and transmission facilities, in general, have been identified as potential targets. The effects of terrorist threats and activities include, among other things, terrorist actions or responses to such actions or threats, the inability to generate, purchase or transmit power, the risk of a significant slowdown in growth or a decline in the U.S. economy, delay in economic recovery in the U.S., and the increased cost and adequacy of security and insurance.

- FPL Group's and FPL's ability to obtain insurance, and the cost of and coverage provided by such insurance, could be affected by national events as well as company-specific events.

- FPL Group and FPL are subject to employee workforce factors, including loss or retirement of key executives, availability of qualified personnel, collective bargaining agreements with union employees or work stoppage.

The issues and associated risks and uncertainties described above are not the only ones FPL Group and FPL may face. Additional issues may arise or become material as the energy industry evolves. The risks and uncertainties associated with these additional issues could impair FPL Group's and FPL's businesses in the future.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

FPL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(millions, except per share amounts)
(unaudited)

	Three Months Ended March 31,	
	2003	2002
OPERATING REVENUES	$2,173	$1,771
OPERATING EXPENSES		
Fuel, purchased power and interchange	1,021	732
Other operations and maintenance	393	346
Depreciation and amortization	259	264
Taxes other than income taxes	192	173
Total operating expenses	1,865	1,515
OPERATING INCOME	308	256
OTHER INCOME (DEDUCTIONS)		
Interest charges	(77)	(80)
Preferred stock dividends - FPL	(4)	(4)
Equity in earnings of equity method investees	34	9
Other - net	(8)	4
Total other deductions - net	(55)	(71)
INCOME FROM OPERATIONS BEFORE INCOME TAXES	253	185
INCOME TAXES	78	19
INCOME BEFORE CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING PRINCIPLE	175	166
CUMULATIVE EFFECT OF ADOPTING FAS 142, "GOODWILL AND OTHER INTANGIBLE ASSETS," NET OF INCOME TAXES OF $143	-	(222)
NET INCOME (LOSS)	$ 175	$ (56)
Earnings per share of common stock (basic and assuming dilution):		
Earnings per share before cumulative effect of adopting FAS 142	$ 0.99	$ 0.98
Cumulative effect of adopting FAS 142	$ -	$ (1.31)
Earnings (loss) per share	$ 0.99	$ (0.33)
Dividends per share of common stock	$ 0.60	$ 0.58
Weighted-average number of common shares outstanding:		
Basic	176.8	169.1
Assuming dilution	177.1	169.3

This report should be read in conjunction with the Notes to Condensed Consolidated Financial Statements (Notes) herein and the Notes to Consolidated Financial Statements appearing in the combined Annual Report on Form 10-K for the fiscal year ended December 31, 2002 (2002 Form 10-K) for FPL Group and FPL.

FPL GROUP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions)
(unaudited)

	March 31, 2003	December 31, 2002
PROPERTY, PLANT AND EQUIPMENT		
Electric utility plant in service and other property	$ 24,509	$ 23,664
Nuclear fuel - net	199	202
Construction work in progress	2,819	2,639
Less accumulated depreciation and amortization	(11,072)	(12,201)
Total property, plant and equipment - net	16,455	14,304
CURRENT ASSETS		
Cash and cash equivalents	332	266
Customer receivables, net of allowances of $24 and $26, respectively	672	642
Other receivables	293	223
Materials, supplies and fossil fuel inventory - at average cost	407	448
Deferred clause expenses	310	131
Other	247	198
Total current assets	2,261	1,908
OTHER ASSETS		
Special use funds	1,922	1,921
Other investments	742	697
Other	1,015	960
Total other assets	3,679	3,578
TOTAL ASSETS	$ 22,395	$ 19,790
CAPITALIZATION		
Common stock	$ 2	$ 2
Additional paid-in capital	3,121	3,091
Retained earnings	3,349	3,281
Accumulated other comprehensive income	24	16
Total common shareholders' equity	6,496	6,390
Preferred stock of FPL without sinking fund requirements	226	226
Long-term debt	5,791	5,790
Total capitalization	12,513	12,406
CURRENT LIABILITIES		
Commercial paper	1,789	1,822
Notes payable	575	375
Current maturities of long-term debt	105	105
Accounts payable	746	458
Customers' deposits	325	316
Accrued interest and taxes	253	169
Deferred clause revenues	59	62
Other	660	604
Total current liabilities	4,512	3,911
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	1,999	-
Accumulated deferred income taxes	1,683	1,547
Storm and property insurance reserve	309	298
Other	1,379	1,628
Total other liabilities and deferred credits	5,370	3,473
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	$ 22,395	$ 19,790

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FPL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)
(unaudited)

	Three Months Ended March 31,	
	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ 175	$ (56)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	248	252
Goodwill impairment	-	365
Increase (decrease) in deferred income taxes and related regulatory credit	132	(45)
Cost recovery clauses	(171)	193
Increase in restricted cash	(16)	(39)
(Increase) decrease in customer receivables	(31)	21
Increase in other receivables	(73)	(35)
Decrease in material, supplies & fuel	41	71
(Increase) decrease in other current assets	(33)	13
Increase in deferred pension cost	(26)	(28)
Increase (decrease) in accounts payable	288	(51)
Increase in customers' deposits	9	11
Increase in accrued interest & taxes	84	41
Increase (decrease) in other current liabilities	71	(6)
Decrease in other liabilities	(45)	(48)
Equity in earnings of equity method investees	(34)	(9)
Distribution of earnings from equity method investees	8	12
Other - net	59	28
Net cash provided by operating activities	686	690
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures of FPL	(299)	(269)
Independent power investments	(302)	(257)
Capital expenditures of FPL FiberNet, LLC	(1)	(3)
Contributions to special use funds	(69)	(19)
Other - net	(17)	(5)
Net cash used in investing activities	(688)	(553)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuances of long-term debt	-	573
Increase (decrease) in short-term debt	167	(567)
Issuances of common stock	16	6
Dividends on common stock	(106)	(98)
Other - net	(9)	(16)
Net cash provided by (used in) financing activities	68	(102)
Net increase in cash and cash equivalents	66	35
Cash and cash equivalents at beginning of period	266	82
Cash and cash equivalents at end of period	$ 332	$ 117
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Additions to capital lease obligations	$ 14	$ 23
Accrual for premium on publicly-traded equity units known as corporate units	$ -	$ 62

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(millions)
(unaudited)

	Three Months Ended March 31,	
	2003	2002
OPERATING REVENUES	$ 1,757	$ 1,538
OPERATING EXPENSES		
Fuel, purchased power and interchange	810	627
Other operations and maintenance	301	273
Depreciation and amortization	218	236
Taxes other than income taxes	176	169
Total operating expenses	1,505	1,305
OPERATING INCOME	252	233
OTHER INCOME (DEDUCTIONS)		
Interest charges	(38)	(42)
Other - net	(1)	(3)
Total other deductions - net	(39)	(45)
INCOME BEFORE INCOME TAXES	213	188
INCOME TAXES	74	66
NET INCOME	139	122
PREFERRED STOCK DIVIDENDS	4	4
NET INCOME AVAILABLE TO FPL GROUP	$ 135	$ 118

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions)
(unaudited)

	March 31, 2003	December 31, 2002
ELECTRIC UTILITY PLANT		
Plant in service	$ 20,591	$ 19,864
Nuclear fuel under capital lease - net	138	140
Construction work in progress	674	757
Less accumulated depreciation	(10,580)	(11,842)
Electric utility plant - net	10,823	8,919
CURRENT ASSETS		
Cash and cash equivalents	114	-
Customer receivables, net of allowances of $7 and $9, respectively	507	503
Other receivables	210	125
Materials, supplies and fossil fuel inventory - at average cost	316	349
Deferred clause expenses	310	131
Other	71	57
Total current assets	1,528	1,165
OTHER ASSETS		
Special use funds	1,692	1,693
Other	876	860
Total other assets	2,568	2,553
TOTAL ASSETS	$ 14,919	$ 12,637
CAPITALIZATION		
Common stock	$ 1,373	$ 1,373
Additional paid-in capital	3,716	3,716
Retained earnings	333	295
Accumulated other comprehensive loss	(2)	(2)
Total common shareholder's equity	5,420	5,382
Preferred stock without sinking fund requirements	226	226
Long-term debt	2,364	2,364
Total capitalization	8,010	7,972
CURRENT LIABILITIES		
Commercial paper	590	722
Notes payable	200	-
Current maturities of long-term debt	70	70
Accounts payable	616	369
Customers' deposits	325	316
Accrued interest and taxes	205	175
Deferred clause revenues	59	62
Other	290	297
Total current liabilities	2,355	2,011
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	1,833	-
Accumulated deferred income taxes	1,337	1,215
Storm and property insurance reserve	309	298
Other	1,075	1,141
Total other liabilities and deferred credits	4,554	2,654
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	$ 14,919	$ 12,637

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)
(unaudited)

	Three Months Ended March 31,	
	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 139	$ 122
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	207	225
Increase in deferred income taxes and related regulatory credit	117	66
Cost recovery clauses	(171)	193
(Increase) decrease in customer receivables	(4)	30
Increase in other receivables	(79)	(3)
Decrease in material, supplies & fuel	32	29
(Increase) decrease in other current assets	(14)	16
Increase in deferred pension cost	(25)	(25)
Increase (decrease) in accounts payable	247	(64)
Increase in customers' deposits	9	11
Increase in accrued interest & taxes	31	56
Increase (decrease) in other current liabilities	(4)	10
Increase (decrease) in other liabilities	(28)	22
Other - net	53	22
Net cash provided by operating activities	510	710
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(299)	(269)
Contributions to special use funds	(65)	(19)
Other - net	-	(10)
Net cash used in investing activities	(364)	(298)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term debt	68	(232)
Dividends	(100)	(100)
Net cash used in financing activities	(32)	(332)
Net increase in cash and cash equivalents	114	80
Cash and cash equivalents at beginning of period	-	1
Cash and cash equivalents at end of period	$ 114	$ 81
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Additions to capital lease obligations	$ 14	$ 23

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

The accompanying condensed consolidated financial statements should be read in conjunction with the 2002 Form 10-K for FPL Group and FPL. In the opinion of FPL Group and FPL management, all adjustments (consisting of normal recurring accruals) considered necessary for fair financial statement presentation have been made. Certain amounts included in the prior year's consolidated financial statements have been reclassified to conform to the current year's presentation. The results of operations for an interim period generally will not give a true indication of results for the year.

1. Asset Retirement Obligations

Effective January 1, 2003, FPL Group and FPL adopted Statement of Financial Accounting Standards No. (FAS) 143, "Accounting for Asset Retirement Obligations." The statement requires that a liability for the fair value of an asset retirement obligation (ARO) be recognized in the period in which it is incurred with the offsetting associated asset retirement cost capitalized as part of the carrying amount of the long-lived asset. The asset retirement cost is subsequently allocated to expense using a systematic and rational method over the useful life of the related asset. Changes in the ARO resulting from the passage of time are recognized as an increase in the carrying amount of the liability and as accretion expense. Prior to January 1, 2003, FPL accrued for decommissioning and dismantlement costs over the life of the related asset through depreciation expense.

Upon adoption of FAS 143, with respect to amounts for nuclear decommissioning, FPL recorded an ARO of approximately $1.8 billion, capitalized a net asset related to the ARO of approximately $231 million and reversed the approximately $1.6 billion it had previously recorded in accumulated depreciation. The difference, approximately $29 million, was deferred as a regulatory liability. FPL's AROs other than nuclear decommissioning were not significant. The adoption of FAS 143 results in timing differences in the recognition of legal asset retirement costs for financial reporting purposes and the method the FPSC allows FPL to recover in rates. Accordingly, any differences between the ongoing expense recognized under FAS 143 and the amount recoverable through rates have been deferred in accordance with FAS 71, "Accounting for the Effects of Certain Types of Regulation." At March 31, 2003, approximately $1.8 billion remained in accumulated depreciation for recorded asset retirement costs that do not meet the definition of an ARO under FAS 143 but are accrued based on FPSC rules and regulations. FPL recorded accretion expense of approximately $25 million for the quarter ended March 31, 2003. No other adjustments were made to FPL's ARO during the quarter ended March 31, 2003. Had FAS 143 been applied in 2002 and 2001, FPL would have recorded AROs of approximately $1.8 billion and $1.7 billion at December 31, 2002 and 2001, respectively. Pro forma net income and earnings per share have not been presented for FPL for the three months ended March 31, 2002 and for the years ended December 31, 2002, 2001 and 2000 because the pro forma application of FAS 143 to prior periods would result in the same pro forma net income and earnings per share amounts as the actual amounts reported for those periods due to the regulatory treatment mentioned above.

FPL Group and FPL have identified but not recognized ARO liabilities related to electric transmission and distribution (T&D) and telecommunications assets resulting from easements over property not owned by FPL Group or FPL. These easements are generally perpetual and only require retirement action upon abandonment or cessation of use of the property for the specified purpose. The ARO liability is not estimable for such easements as FPL Group and FPL intend to utilize these properties indefinitely. In the event FPL Group and FPL decide to abandon or cease the use of a particular easement, an ARO liability would be recorded at that time.

In addition to the amounts recorded by FPL, upon adoption of FAS 143, FPL Energy increased its ARO by approximately $6 million to a total ARO of approximately $164 million and increased its net property, plant and equipment by approximately $6 million. The cumulative effect on FPL Energy's earnings of adopting FAS 143 was immaterial. Approximately $152 million of FPL Energy's ARO relates to the nuclear decommissioning obligation of the Seabrook Station (Seabrook), and the remainder primarily represents the current estimated fair value of obligations to dismantle its wind facilities located on leased property and certain hydro facilities. FPL Energy recorded accretion expense of approximately $3 million for the quarter ended March 31, 2003, which caused FPL Energy's ARO to increase to approximately $167 million at March 31, 2003. FPL Energy made no other adjustments to its ARO during the quarter ended March 31, 2003.

Had FAS 143 been applied in 2002 and 2001, FPL Group would have recorded AROs of approximately $2.0 billion and $1.7 billion at December 31, 2002 and 2001, respectively. Additionally, had FPL Group applied FAS 143 in the three months ended March 31, 2002 and for the years ended December 31, 2002, 2001 and 2000, FPL Group's net income (loss) and earnings (loss) per share would have been as follows:

	Three months ended March 31,		Years Ended December 31,		
	2003	2002	2002	2001	2000
	(millions, except per share amounts)				
Pro forma:					
Net income (loss)	$ 175	$ (56)	$ 473	$ 780	$ 703
Earnings (loss) per share (basic)	$ 0.99	$ (0.33)	$ 2.73	$ 4.62	$ 4.14
Earnings (loss) per share (assuming dilution)	$ 0.99	$ (0.33)	$ 2.73	$ 4.62	$ 4.13
As reported:					
Net income (loss)	$ 175	$ (56)	$ 473	$ 781	$ 704
Earnings (loss) per share (basic)	$ 0.99	$ (0.33)	$ 2.74	$ 4.63	$ 4.14
Earnings (loss) per share (assuming dilution)	$ 0.99	$ (0.33)	$ 2.73	$ 4.62	$ 4.14

2. Comprehensive Income

Substantially all of the transactions that FPL Group has designated as hedges are cash flow hedges which have expiration dates through December 2016. Approximately $34 million of FPL Group's accumulated other comprehensive income at March 31, 2003 will be reclassified into earnings within the next 12 months as the hedged fuel is consumed or as electricity is sold. Within other comprehensive income (OCI), approximately $24 million and $14 million represent the effective portion of the net gain on cash flow hedges during the three months ended March 31, 2003 and 2002, respectively.

Comprehensive income (loss) of FPL Group, totaling $182 million and $(40) million for the three months ended March 31, 2003 and 2002, respectively, includes net income (loss), net unrealized gains on cash flow hedges of $10 million and $16 million for the three months ended March 31, 2003 and 2002, respectively, as well as changes in unrealized gains and losses on available for sale securities. Accumulated other comprehensive income is separately displayed in the condensed consolidated balance sheets of FPL Group.

3. Derivative Instruments

Beginning in 2002, FPL Group segregated unrealized mark-to-market gains and losses on derivative transactions into two categories. The first category, referred to as trading and managed hedge activities, represents the net unrealized effect of actively traded positions entered into to take advantage of market price movements and to optimize the value of generation assets and related contracts. The second category, referred to as non-managed hedges, represents the net unrealized effect of derivative transactions entered into as economic hedges (but which do not qualify for hedge accounting under FAS 133, "Accounting for Derivative Instruments and Hedging Activities" as amended by FAS 137, 138 and 149) and the ineffective portion of transactions accounted for as cash flow hedges. These transactions have been entered into to reduce FPL Group's aggregate risk. Any position that is moved between non-managed hedge activity and trading and managed hedge activity is transferred at its fair value on the date of reclassification.

Unrealized mark-to-market gains (losses) on derivative transactions for the three months ended March 31, 2003 and 2002 were as follows:

	Three Months Ended March 31,	
	2003	2002
	(millions)	
Trading and managed hedges [a]	$ (4)	$ 15
Non-managed hedges [b]	$ 5	$ 2

(a) The unrealized gains (losses) from trading and managed hedge activities are reported net in operating revenues.

(b) The unrealized gains from non-managed hedge activities are reported in equity in earnings of equity method investees and other - net in FPL Group's condensed consolidated statements of income.

Since the adoption of Derivatives Implementation Group Issue C11 in July 2001, FPL Group has considered any contract with its total sales price indexed to the consumer price index (CPI) or any similar broad market index to be ineligible for the normal purchases and normal sales exception under FAS 133, since its price was not clearly and closely related to the asset being sold. However, electricity contracts with a price based on the fuel used to generate the electric power being sold have been considered to be eligible for the normal sales exception, even when that price also contained an additional payment for incremental operations and maintenance expenses that was indexed to CPI. FPL Group believed that the types of expenses incurred as incremental operations and maintenance expenses, such as materials and supplies, would be expected to fluctuate with CPI and as such believed the overall price in the contract was clearly and closely related to the electric power being sold. The Financial Accounting Standards Board (FASB) discussed this issue in April 2003 and has proposed clarifying guidance in Issue C20 that would allow these contracts to qualify for the normal purchases and normal sales exception if the component of the price that is indexed to a price inflator index is highly correlated to the index. FPL Group currently has no contracts for which the accounting would be affected by this proposed change as all such contracts were amended in March 2003 to remove use of the inflation indices.

In April 2003, the FASB issued FAS 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities," which amends FAS 133 to formally incorporate certain conclusions reached by the Derivatives Implementation Group. For implementation issues that were modified in the amendment process, the new guidance will be applied prospectively for contracts entered into or modified after June 30, 2003. FPL Group and FPL are evaluating the effects, if any, the modifications would have on their financial statements in the future.

4. Stock-Based Compensation

FAS 123, "Accounting for Stock-Based Compensation," encourages a fair value based method of accounting for stock-based compensation. FPL Group, however, uses the intrinsic value based method of accounting as permitted by the statement. Stock-based compensation expense was approximately $3 million and $6 million for the three months ended March 31, 2003 and 2002, respectively. Compensation expense for restricted stock and performance shares is the same under the fair value and the intrinsic value based methods. The following table illustrates the effect on net income (loss) and earnings (loss) per share if FPL Group's compensation expense relating to options had been determined using the fair value based method:

	Three Months Ended March 31,	
	2003	2002
	(millions, except per share amounts)	
Net income (loss), as reported	$ 175	$ (56)
Deduct: total stock-based employee compensation expense determined under fair value based method, net of related tax effects	(2)	(1)
Pro forma net income (loss)	$ 173	$ (57)
Earnings (loss) per share (basic and assuming dilution):		
As reported	$ 0.99	$ (0.33)
Pro forma	$ 0.98	$ (0.34)

5. Debt

Notes Payable - In March 2003, FPL entered into a promissory note with a bank under which FPL may borrow up to $500 million. As of March 31, 2003, FPL had loans outstanding under this note totaling $200 million principal amount with a weighted-average interest rate of 1.53% and an average remaining term of 36 days. The proceeds of borrowings under the promissory note will be used for general corporate purposes.

Long-term Debt - In April 2003, FPL sold $500 million principal amount of 5 5/8% first mortgage bonds maturing in 2034 and FPL Group Capital Inc (FPL Group Capital) sold $500 million principal amount of 3 1/4% debentures maturing in 2006. The proceeds from FPL's first mortgage bonds were used to repay FPL's short-term borrowings and for other corporate purposes. The proceeds from FPL Group Capital's debentures were used to repay a portion of commercial paper issued to fund investments by FPL Group Capital in independent power projects.

On May 1, 2003, FPL sold approximately $79 million principal amount of variable rate tax-exempt solid waste disposal revenue refunding bonds maturing in May 2024. The proceeds were used to refund and redeem approximately $5 million principal amount of 6.70% solid waste disposal revenue bonds maturing in 2027 and approximately $4 million principal amount of 7.15% solid waste disposal revenue bonds maturing in 2023. The remaining proceeds will be used to refund and redeem in July 2003, approximately $65 million principal amount of variable rate solid waste disposal revenue bonds maturing in 2024 and approximately $4 million principal amount variable rate solid waste disposal revenue bonds maturing in 2027.

6. Commitments and Contingencies

Commitments - FPL Group and its subsidiaries have made commitments in connection with a portion of their projected capital expenditures. Capital expenditures at FPL consist of the cost for construction or acquisition of additional facilities and equipment to meet customer demand. At FPL Energy, capital expenditures include costs for the acquisition, development and expansion of independent power projects (including capitalized interest). Capital expenditures for Corporate and Other primarily relate to FPL FiberNet, LLC (FPL FiberNet). At March 31, 2003, capital expenditures for the remainder of 2003 through 2007 are estimated to be as follows:

	2003	2004	2005	2006	2007	Total
			(millions)			
FPL:						
Generation	$ 490	$ 605	$ 425	$ 200	$ 165	$ 1,885
Transmission	120	185	140	135	140	720
Distribution	375	520	510	515	525	2,445
General and other	90	135	115	125	120	585
Total	$ 1,075	$ 1,445	$ 1,190	$ 975	$ 950	$ 5,635
FPL Energy:						
Wind[a]	$ 1,025	$ -	$ -	$ -	$ -	$ 1,025
Gas	240	40	15	15	15	325
Nuclear	20	20	25	15	15	95
Total	$ 1,285	$ 60	$ 40	$ 30	$ 30	$ 1,445
Corporate and Other	$ 15	$ 10	$ 10	$ 10	$ 10	$ 55

(a) FPL Energy expects to add between 700 megawatts (mw) and 1,000 mw of wind through 2003 when the production tax credits are scheduled to expire. Capital expenditures for wind development in 2003 assumes the addition of 1000 mw, the high end of the range.

As of March 31, 2003, FPL Energy had $937 million in firm commitments for a portion of its capital expenditures, natural gas transportation and storage and nuclear fuel contracts and minimum lease payments associated with the off-balance sheet financing arrangement discussed below. See Contracts below. FPL Group has guaranteed certain payment obligations of FPL Group Capital, including most of those under FPL Group Capital's debt.

During the first quarter of 2003, FPL Group and FPL did not issue any guarantees subject to the recognition, measurement and disclosure requirements of FASB Interpretation No. (FIN) 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees Including Indirect Guarantees of Indebtedness of Others." At March 31, 2003, subsidiaries of FPL Group, other than FPL, have guaranteed a firm gas transportation agreement obligation with a letter of credit, purchase and sale of power and fuel agreement obligations and debt service payments relating to agreements that existed at December 31, 2002. The term of the guarantees is equal to the term of the related debt, firm transportation agreement, or purchase and sale of power and fuel agreement, which can be as short as 30 days or as long as 20 years. The maximum potential amount of future payments that could be required under these guarantees at March 31, 2003 is approximately $21 million, of which $2 million relates to a guarantee for the performance of an unrelated party. At March 31, 2003, FPL Group does not have any liabilities recorded for these guarantees. In certain instances, FPL Group can seek recourse from third parties for 50% of any amount paid under the guarantee.

FPL Energy has guaranteed certain performance obligations of a power plant owned by a wholly-owned subsidiary as part of a power purchase agreement (PPA) that expires in 2027. Under the PPA, the subsidiary could incur market-based liquidated damages for failure to meet a stated mechanical availability and guaranteed average output. Based on past performance of similar projects, management believes that the exposure associated with this guarantee is not material.

Contracts - At March 31, 2003, FPL Group is committed to purchase seven gas turbines through 2003, and parts, repairs and on-site service through 2011. Six of the turbines will be used at FPL and are included in FPL's commitments above. The use of one gas turbine has not been determined and is included in Corporate and Other's commitments above.

FPL Energy has entered into several contracts for the supply of wind turbines and towers to support a portion of the new wind generation planned. In addition, FPL Energy has entered into various engineering, procurement and construction contracts with expiration dates through 2004 to support its development activities. All of these contracts are intended to support expansion, and the related commitments as of March 31, 2003 are included in Commitments above.

FPL has entered into long-term purchased power and fuel contracts. FPL is obligated under take-or-pay purchased power contracts with the Jacksonville Electric Authority (JEA) and with subsidiaries of The Southern Company (Southern Companies) to pay for approximately 1,300 mw of power through mid-2010 and 381 mw thereafter through 2021. FPL also has various firm pay-for-performance contracts to purchase approximately 900 mw from certain cogenerators and small power producers (qualifying facilities) with expiration dates ranging from 2005 through 2026. The purchased power contracts provide for capacity and energy payments. Energy payments are based on the actual power taken under these contracts, and the Southern Companies' contract is subject to minimum quantities. Capacity payments for the pay-for-performance contracts are subject to the qualifying facilities meeting certain contract conditions. In 2001, FPL entered into various agreements with several electricity suppliers to purchase an aggregate of up to 1,100 mw of power with expiration dates ranging from 2003 through 2007. In general, the agreements require FPL to make capacity payments and supply the fuel consumed by the plants under the contracts. FPL has medium- to long-term contracts for the transportation and supply of natural gas, coal and oil with various expiration dates through 2028. The majority of these costs are recoverable through cost recovery clauses.

FPL Energy has long-term contracts for the transportation, supply and storage of natural gas with expiration dates ranging from 2005 through 2017. FPL Energy also has several contracts for the supply, conversion, enrichment and fabrication of Seabrook's nuclear fuel with expiration dates ranging from 2003 to 2008.

The remaining required capacity and minimum payments under these contracts as of April 30, 2003 are estimated to be as follows:

	2003	2004	2005	2006	2007	Thereafter
			(millions)			
FPL:						
Capacity payments:						
JEA and Southern Companies	$ 130	$ 180	$ 180	$ 190	$ 190	$ 1,100
Qualifying facilities	$ 260	$ 350	$ 350	$ 300	$ 300	$ 4,300
Other electricity suppliers	$ 80	$ 90	$ 50	$ 40	$ 5	$ -
Minimum payments, at projected prices:						
Southern Companies - energy	$ 40	$ 60	$ 70	$ 80	$ 70	$ 180
Natural gas, including transportation	$ 1,185	$ 1,010	$ 560	$ 275	$ 275	$ 3,175
Coal	$ 40	$ 25	$ 25	$ 10	$ 10	$ -
Oil	$ 290	$ -	$ -	$ -	$ -	$ -
FPL Energy:						
Natural gas transportation and storage and nuclear fuel	$ 15	$ 20	$ 15	$ 15	$ 15	$ 160

Charges under these contracts were as follows:

	Three Months Ended March 31,			
	2003 Charges		2002 Charges	
	Capacity	Energy/ Fuel	Capacity	Energy/ Fuel
		(millions)		
FPL:				
JEA and Southern Companies	$ 49[a]	$ 38[b]	$ 46[a]	$ 37[b]
Qualifying facilities	$ 85[c]	$ 35[b]	$ 76[c]	$ 32[b]
Other electricity suppliers	$ 14[c]	$ 4[b]	$ 3[c]	$ 2[b]
Natural gas, including transportation	$ -	$ 392[b]	$ -	$ 143[b]
Coal	$ -	$ 13[b]	$ -	$ 16[b]
Oil	$ -	$ 120[b]	$ -	$ 53[b]
FPL Energy:				
Natural gas, transportation and storage and nuclear fuel	$ -	$ 8	$ -	$ 4

(a) Majority is recoverable through the capacity cost recovery clause (capacity clause).
(b) Recoverable through the fuel and purchased power cost recovery clause (fuel clause).
(c) Recoverable through the capacity clause.

Off-Balance Sheet Financing Arrangement - In 2000, an FPL Energy subsidiary entered into an operating lease agreement with a special purpose entity (SPE) lessor to lease a 550-mw combined-cycle power generation plant through 2007. At the inception of the lease, the lessor obtained the funding commitments required to complete the acquisition, development and construction of the plant through debt and equity contributions from investors who are not affiliated with FPL Group. At December 31, 2002 the commitment was capped at costs incurred of $380 million. The $380 million commitment includes $364 million of debt and $16 million of equity. The conditions to achieve project completion were satisfied as of December 27, 2002, at which time the base lease term began. The FPL Energy subsidiary began making quarterly lease payments on March 31, 2003. The amounts are intended to cover the lessor's debt service, which includes a stated yield to equity holders and certain other costs. The minimum annual lease payments are estimated to be $15 million for the remainder of 2003, $22 million in 2004, $25 million in 2005, $18 million in 2006 and $209 million in 2007 (includes residual value guarantee of $192 million). The lease payments are based on a floating interest rate, tied to three month LIBOR, which adjusts quarterly.

The FPL Energy subsidiary has the option to purchase the plant at any time during the remaining lease term for 100% of the outstanding principal balance of the loans and equity contributions made to the SPE, all accrued and unpaid interest and yield, and all other fees, costs and amounts then due and owing pursuant to the provisions of the related financing documents. However, under certain limited events of default, it can be required to purchase the plant for the same cost. If the FPL Energy subsidiary does not elect to purchase the plant at the end of the lease term, a residual value guarantee (included in the minimum lease payments above) must be paid, and the plant will be sold. Any proceeds received by the lessor in excess of the outstanding debt and equity will be given to the FPL Energy subsidiary. FPL Group Capital has guaranteed certain obligations of the FPL Energy subsidiary under the lease agreement. The equity holder controls the lessor. The lessor has represented that it has essentially no assets or obligations other than the plant and the related debt and that total assets, total liabilities and equity of the lessor at March 31, 2003 were $383 million, $370 million and $13 million, respectively.

In January 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities," which will replace the current accounting guidance for SPEs. As a result, entities that are deemed to be variable interest entities (VIEs) in which FPL Group or one of its subsidiaries is considered to be the "primary beneficiary" will be consolidated. Variable interests are considered to be contractual, ownership or other monetary interests in an entity that fluctuate with changes in the entity's net asset value. Under its current structure, FPL Group believes that the SPE discussed above will be required to be consolidated beginning in July 2003. At March 31, 2003, FPL Group's maximum exposure to loss as a result of its involvement with this SPE, in the event that the underlying asset would be economically worthless, was $213 million, which includes the residual value guarantee, letters of credit and debt service guarantee. FPL Group and FPL are in the process of evaluating the effects that FIN 46 would have on their interests in entities accounted for under the equity method and other potential VIEs.

Insurance - Liability for accidents at nuclear power plants is governed by the Price-Anderson Act, which limits the liability of nuclear reactor owners to the amount of insurance available from private sources and under an industry retrospective payment plan. In accordance with this act, FPL Group maintains $300 million of private liability insurance per site, which is the maximum obtainable, and participates in a secondary financial protection system under which it is subject to retrospective assessments of up to $454 million ($363 million for FPL) per incident at any nuclear utility reactor in the United States, payable at a rate not to exceed $54 million ($43 million for FPL) per incident per year. FPL Group and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook and St. Lucie Unit No. 2, which approximates $11 million and $14 million per incident, respectively. The Price-Anderson Act expired on August 1, 2002 but the liability limitations did not change for plants, including FPL's four nuclear units and Seabrook, with operating licenses issued by the NRC prior to August 1, 2002.

FPL Group participates in nuclear insurance mutual companies that provide $2.75 billion of limited insurance coverage per occurrence per site for property damage, decontamination and premature decommissioning risks at its nuclear plants. The proceeds from such insurance, however, must first be used for reactor stabilization and site decontamination before they can be used for plant repair. FPL Group also participates in an insurance program that provides limited coverage for replacement power costs if a nuclear plant is out of service because of an accident. In the event of an accident at one of FPL Group's or another participating insured's nuclear plants, FPL Group could be assessed up to $93 million ($69 million for FPL) in retrospective premiums. FPL Group and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook and St. Lucie Unit No. 2, which approximates $3 million and $3 million, respectively.

In the event of a catastrophic loss at one of FPL Group's nuclear plants, the amount of insurance available might not be adequate to cover property damage and other expenses incurred. Uninsured losses, to the extent not recovered through rates in the case of FPL, would be borne by FPL Group and FPL and could have a material adverse effect on FPL Group's and FPL's financial condition and results of operations.

FPL self-insures its T&D property due to the high cost and limited coverage available from third-party insurers. As approved by the FPSC, FPL maintains a storm and property insurance reserve for uninsured property storm damage or assessments under the nuclear insurance program. As of March 31, 2003, the storm and property insurance reserve (approximately $309 million) equals the amount in the storm fund (approximately $191 million) plus related deferred income taxes (approximately $ 118 million). The current annual accrual approved by the FPSC is $20.3 million. Recovery from customers of any losses in excess of the storm and property insurance reserve will require the approval of the FPSC. FPL's available lines of credit provide additional liquidity in the event of a T&D property loss.

Litigation - In 1999, the Attorney General of the United States, on behalf of the U.S. Environmental Protection Agency (EPA), brought an action against Georgia Power Company and other subsidiaries of The Southern Company for certain alleged violations of the Clean Air Act. In May 2001, the EPA amended its complaint. The amended complaint alleges, among other things, that Georgia Power Company constructed and is continuing to operate Scherer Unit No. 4, in which FPL owns a 76% interest, without obtaining proper permitting, and without complying with performance and technology standards as required by the Clean Air Act. It also alleges that unspecified major modifications have been made at Scherer Unit No. 4 that require its compliance with the aforementioned Clean Air Act provisions. The EPA seeks injunctive relief requiring the installation of best available control technology and civil penalties of up to $25,000 per day for each violation from an unspecified date after June 1, 1975 through January 30, 1997, and $27,500 per day for each violation thereafter. Georgia Power Company has answered the amended complaint, asserting that it has complied with all requirements of the Clean Air Act, denying the plaintiff's allegations of liability, denying that the plaintiff is entitled to any of the relief that it seeks and raising various other defenses. In June 2001, a federal district court stayed discovery and administratively closed the case pending resolution of the EPA's motion for consolidation of discovery in several Clean Air Act cases that was filed with a Multi-District Litigation (MDL) panel. In August 2001, the MDL panel denied the motion for consolidation. In September 2001, the EPA moved that the federal district court reopen this case for purposes of discovery. Georgia Power Company opposed that motion asking that the case remain closed until the Eleventh Circuit Court of Appeals rules on the Tennessee Valley Authority's appeal of an EPA administrative order relating to legal issues that are also central to this case. In August 2002, the federal district court denied without prejudice the EPA's motion to reopen.

In 2001, J. W. and Ernestine M. Thomas, Chester and Marie Jenkins, and Ray Norman and Jack Teague, as Co-Personal Representatives on behalf of the Estate of Robert L. Johns, filed suit against FPL Group, FPL, FPL FiberNet, FPL Group Capital and FPL Investments, Inc. in the Florida circuit court. This action is purportedly on behalf of all property owners in Florida (excluding railroad and public rights of way) whose property is encumbered by easements in favor of defendants, and on whose property defendants have installed or intend to install fiber-optic cable which defendants currently lease, license or convey or intend to lease, license or convey for non-electric transmission or distribution purposes. The lawsuit alleges that FPL's easements do not permit the installation and use of fiber-optic cable for general communication purposes. The plaintiffs have asserted claims for unlawful detainer, unjust enrichment and constructive trust and seek injunctive relief and compensatory damages. In May 2002, plaintiffs filed an amended complaint, adding allegations regarding the installation of wireless communications equipment on some easements, and adding a claim for declaratory relief. In July 2002, defendants' motion to dismiss the amended complaint for, among other things, the failure to state a valid cause of action was denied. Defendants have filed an answer and affirmative defenses to the amended complaint. The parties are pursuing discovery.

In August 2001, Florida Municipal Power Agency (FMPA) filed with the United States Court of Appeals for the District of Columbia (DC Circuit) a petition for review asking the DC Circuit to reverse and remand orders of the FERC denying FMPA's request for credits for transmission facilities owned by FMPA members. The transmission credits sought by FMPA would offset the transmission charges that FPL bills FMPA for network transmission service to FMPA's member cities. FMPA member cities have been taking network transmission service under FPL's open access transmission tariff (OATT) since the mid-1990s. In the orders appealed by FMPA, FERC ruled that FMPA would be entitled to credits for any FMPA facilities that were "integrated" with the FPL transmission system. Based on the evidence submitted, FERC concluded that none of the FMPA facilities met the integration test and, therefore, FMPA was not entitled to credits against FPL's charges for transmission service. On January 21, 2003, the DC Circuit upheld FERC's order denying FMPA credits for its facilities, finding that substantial evidence supported FERC's conclusion that FMPA's facilities do not satisfy the integration test. On March 28, 2003, the DC Circuit denied FMPA's rehearing request of the DC Circuit's decision. FMPA since has requested that FERC decide the crediting issue again in a separate FERC proceeding. That proceeding dates back to a filing by FPL on March 19, 1993, as completed on July 26, 1993, of a comprehensive restructuring of its then-existing tariff structure. All issues in that case are settled except for three issues reserved by FMPA, one of which is the crediting issue. FPL has argued that, particularly in light of the DC Circuit's order, FERC should not issue another order addressing FMPA's request for credits. If FERC does decide the crediting issue in this separate proceeding, and reverses its previous finding that FMPA is not entitled to transmission credits, FMPA is likely to seek refunds for amounts collected from FMPA member cities taking service under FPL's OATT. FPL estimates that through March 31, 2003 its maximum exposure to refunds, including interest, is approximately $50 million to $60 million. On March 5, 2003, FMPA petitioned the DC Circuit to order FERC to rule on the reserved issues. The DC Circuit has requested FERC to respond to FMPA's petition by May 14, 2003.

In January 2002, Roy Oorbeek and Richard Berman filed suit against FPL Group (as an individual and nominal defendant); all its current directors (except James L. Camaren and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Lewis Hay III, Dennis P. Coyle, Paul J. Evanson and Lawrence J. Kelleher. The lawsuit alleges that the proxy statements relating to shareholder approval of FPL Group's Long Term Incentive Plan (LTIP) and FPL Group's proposed, but unconsummated, merger with Entergy Corporation (Entergy) were false and misleading because they did not affirmatively state that payments made to certain officers under FPL Group's LTIP upon shareholder approval of the merger would be retained by the officers even if the merger with Entergy was not consummated and did not state that under some circumstances payments made pursuant to FPL Group's LTIP might not be deductible by FPL Group for federal income tax purposes. It also alleges that FPL Group's LTIP required either consummation of the merger as a condition to the payments or the return of the payments if the transaction did not close, and that the actions of the director defendants in approving the proxy statements, causing the payments to be made, and failing to demand their return constitute corporate waste. The plaintiffs seek to have the shareholder votes approving FPL Group's LTIP and the merger declared null and void, the return to FPL Group of $62 million of payments received by the officers, compensatory damages of $92 million (including the $62 million of payments received by the officers) from all defendants (except FPL Group) and attorneys' fees. FPL Group's board of directors established a special committee to investigate a demand by another shareholder that the board take action to obtain the return of the payments made to the officers and expanded that investigation to include the allegations in the Oorbeek and Berman complaint.

In March 2002, William M. Klein, by Stephen S. Klein under power of attorney, on behalf of himself and all others similarly situated, filed suit against FPL Group (as nominal defendant); all its current directors (except James L. Camaren and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Paul J. Evanson, Lewis Hay III and Dennis P. Coyle. The lawsuit alleges that the payments made to certain officers under FPL Group's LTIP upon shareholder approval of the proposed merger with Entergy were improper and constituted breaches of fiduciary duties by the individual defendants because the LTIP required consummation of the merger as a condition to the payments. The plaintiff seeks the return to FPL Group of the payments received by the officers ($62 million); contribution, restitution and/or damages from the individual defendants; and attorneys' fees. These allegations also were referred to the special committee of FPL Group's board of directors investigating the allegations in the Oorbeek and Berman lawsuit.

In August 2002, the special committee filed under seal with the court its report of its investigation. The report concluded that pursuit of the claims identified by the plaintiffs in the Oorbeek and Berman and the Klein lawsuits is not in the best interest of FPL Group or its shareholders generally, and recommended that FPL Group seek dismissal of the lawsuits. After reviewing the special committee's report, FPL Group's board of directors (with only independent directors participating) concluded likewise. In September 2002, FPL Group, as nominal defendant, filed the special committee's report in the public docket and filed with the court a Statement of Position setting forth the special committee's and the board's conclusions and authorizing the filing of a motion to dismiss. The Statement of Position also reported that during the course of the special committee's investigation of the allegations in the lawsuits a separate question arose concerning the interpretation of the provisions of the LTIP pursuant to which the payments to eight senior officers were calculated. The board, the affected officers (two of whom have retired from FPL Group), and their respective legal counsel are discussing resolution of the issue. Any change from the original interpretation could result in a repayment to FPL Group of up to approximately $9 million.

In February 2003, Donald E. and Judith B. Phillips filed suit against FPL Group (as nominal defendant); all its current directors (except James L. Camaren and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Paul J. Evanson, Lewis Hay III, Dennis P. Coyle and Lawrence J. Kelleher. The lawsuit alleges that the proxy statements relating to shareholder approval of FPL Group's LTIP and FPL Group's proposed, but unconsummated, merger with Entergy were false and misleading because they did not affirmatively state that payments made to certain officers under FPL Group's LTIP upon shareholder approval of the merger would be retained by the officers even if the merger with Entergy was not consummated and did not state that under some circumstances payments made pursuant to FPL Group's LTIP might not be deductible by FPL Group for federal income tax purposes. It also alleges that FPL Group's LTIP required either consummation of the merger as a condition to the payments or the return of the payments if the transaction did not close, and that the actions of the director defendants in approving the proxy statements, causing the payments to be made, and failing to demand their return constitute corporate waste. The plaintiffs seek to have the shareholder votes approving FPL Group's LTIP and the merger declared null and void, the return to FPL Group of $62 million of payments received by the officers, compensatory damages of $92 million (including the $62 million of payments received by the officers) from all defendants (except FPL Group) and attorney's fees.

The Oorbeek, Klein and Phillips lawsuits have been consolidated. FPL Group has filed motions to dismiss the Oorbeek, Klein and Phillips lawsuits for failure to make a proper demand, as required by Florida law, to obtain action by the board of directors and to dismiss the Oorbeek and Klein lawsuits because the independent directors (other than Messrs. Zarb and Camaren) have determined that pursuit of the lawsuits is not in the best interests of FPL Group. Messrs. Zarb and Camaren joined the board in August and October 2002, respectively, and have not participated in the proceedings related to these lawsuits.

On May 2, 2003, the plaintiff's attorneys in the Klein lawsuit sent a new letter to FPL Group's board of directors. This letter demands, among other things, that the board take action (i) to recover from the persons who approved such payments and/or otherwise breached their fiduciary duties, all of the above-described $92 million of LTIP payments made to officers and employees of FPL Group, allegedly on the grounds that the payments constituted a breach of fiduciary duty, bad faith, corporate waste and other unspecified wrongs, (ii) to investigate whether the proposed merger with Entergy was a plan by FPL Group's officers and directors to enrich themselves at the expense of the company, (iii) to seek the return of certain LTIP awards made in replacement of accelerated LTIP awards, (iv) to take immediate actions to secure the return of up to approximately $9 million in LTIP payments which is subject to an interpretation question under the LTIP, (v) to investigate and seek the return of stock options and restricted stock paid to Mr. Broadhead in January 2002 in connection with a consulting agreement and his retirement from FPL Group in December 2001, and (vi) to investigate whether punitive damages may be sought.

In February 2003, Scott and Rebecca Finestone brought an action on behalf of themselves and their son Zachary Finestone in U.S. district court in Florida alleging that their son has developed cancer (neuroblastoma) as a result of the release and/or dissipation into the air, water, soil and underground areas of radioactive and non-radioactive hazardous materials, including strontium 90, and the release of other toxic materials from FPL's St. Lucie nuclear power plant. The complaint includes counts against FPL for strict liability for allegedly engaging in an ultra-hazardous activity and for alleged negligence in operating the plant in a manner that allowed emissions of the foregoing materials and failing to limit its release of nuclear fission products as prescribed by federal and state laws and regulations. The plaintiffs seek damages in excess of $1 million. FPL has moved to dismiss the complaint.

In March 2003, James J. and Lori Bradstreet brought an action on behalf of themselves and their son, Matthew Bradstreet, in the Circuit Court of the 18th Judicial Circuit in and for Brevard County, Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies, the American Dental Association, the Florida Dental Association, FPL and the Orlando Utilities Commission (OUC), alleging that their son has suffered toxic neurological effects from mercury poisoning. An amended complaint was filed in May 2003. The sources of mercury exposure are alleged to be vaccines containing a preservative called thimerosal that were allegedly manufactured and distributed by the drug companies, mercury amalgam dental fillings, and emissions from FPL and OUC power plants in Florida, including Brevard County. The complaint includes counts against all defendants for civil battery and against FPL for alleged negligence in operating the plants such that the son was exposed to mercury and other heavy metals emissions. The damages demanded from FPL are for injuries and losses allegedly suffered by the son as a result of his exposure to the plants' mercury emissions and the parents' alleged pain and suffering, medical expenses, loss of wages, and loss of their son's services and companionship. No amount of damages is specified.

In March 2003 and subsequently amended in April 2003, the New York Public Interest Research Group, the NY/NJ Baykeeper and the American Littoral Society brought an action against the New York State Department of Environmental Conservation (DEC), Jamaica Bay Peaking Facility, LLC (Jamaica Bay), FPL Energy and Long Island Power Authority (LIPA) in the New York State Supreme Court, Queens County. The action challenges the construction and operation by Jamaica Bay of a nominal 55 mw generating facility (Facility) currently under construction in Far Rockaway, NY. The petition alleges, among other things, that LIPA did not conduct a proper environmental review of the Facility under the State Environmental Quality Review Act, and that the issuance of an air emissions permit for the Facility by the DEC was improper because the Facility should have been considered a major stationary source under the Clean Air Act. Petitioners have also filed a Motion for a Preliminary Injunction seeking to stop the construction of the Facility pending a decision on their request that the court declare the DEC air permit null and void and requesting the court to order LIPA to prepare an environmental impact statement for the Facility. FPL Energy and Jamaica Bay have moved to dismiss the petition.

FPL Group and FPL believe that they have meritorious defenses to the pending litigation discussed above and are vigorously defending the lawsuits. Management does not anticipate that the liabilities, if any, arising from the proceedings would have a material adverse effect on the financial statements.

In addition to those legal proceedings discussed herein, FPL Group and its subsidiaries, including FPL, are involved in a number of other legal proceedings and claims in the ordinary course of their businesses. While management is unable to predict with certainty the outcome of these other legal proceedings and claims, it is not expected that their ultimate resolution, individually or collectively, will have a material adverse effect on the financial statements.

Other Contingencies - In connection with the redemption in 1999 of its one-third ownership interest in Olympus Communications, L.P. (Olympus), an indirect subsidiary of FPL Group holds a note receivable from a limited partnership, of which Olympus is a general partner. The note receivable is secured by a pledge of the redeemed ownership interest. Olympus is an indirect subsidiary of Adelphia Communications Corp. (Adelphia). In June 2002, Adelphia and a number of its subsidiaries, including Olympus, filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code (Chapter 11). The note receivable plus accrued interest totaled approximately $127 million at March 31, 2003 and are included in other investments on FPL Group's condensed consolidated balance sheets. The note was due on July 1, 2002 and is currently in default.

Based on the most recent publicly available financial information set forth in Olympus' Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2001, total assets of Olympus exceeded liabilities by approximately $3.6 billion and Olympus served 1,787,000 basic subscribers. Olympus has not filed its Annual Report on Form 10-K for the fiscal year ended December 31, 2001 or any subsequent Quarterly Reports on Form 10-Q or Annual Reports on Form 10-K with the Securities and Exchange Commission (SEC), and consequently the September 30, 2001 financial information may not be indicative of Olympus' current financial position. In July 2002, the SEC filed suit against Adelphia and certain of its officers alleging that Adelphia fraudulently excluded billions of dollars of debt from its financial statements, misstated its financial and operating results and concealed rampant self-dealing by the Rigas family, which controlled Adelphia. Pursuant to a bankruptcy court order, Olympus is required to file with the court updated financial information. After a number of motions to extend being granted by the court, updated financial information is now required to be filed by June 23, 2003.

In August 2002, an affidavit was filed in the bankruptcy court proceedings by a director of Lazard Freres & Co. LLC stating that, based on his analysis, the market value of FPL Group's secured interest in Olympus exceeded the carrying value of the note receivable plus accrued interest. In February 2003, FPL Group obtained an evaluation of the Olympus assets from an independent third party. The results of the evaluation, which was based on the limited information available, indicated that there was no impairment. *However, the ultimate collectibility of the note receivable cannot be assured. FPL Group will continue to* monitor these developments.

FPL Energy owns a 50% interest in two wind projects that are qualifying facilities under the PURPA and sell 100% of their output to Southern California Edison (SCE). The projects' qualifying facility status is based on an application filed by FPL *Energy's partner in the projects. FERC regulations preclude more than 50% of the equity in qualifying facilities to be owned* directly or indirectly by utilities or utility holding companies. However, the ownership restriction does not apply to utility holding companies that are exempt from the Holding Company Act under section 3(a)(3) or 3(a)(5). FPL Energy and its partner both are utility holding companies, but its partner currently has exemptions from the Holding Company Act under both section 3(a)(3) and 3(a)(5). Thus, FPL Energy and its partner currently satisfy the 50% ownership test of PURPA. SCE has filed a motion with the SEC requesting that the SEC revoke the Holding Company Act exemptions currently held by FPL Energy's partner prospectively, as well as retroactively, on the basis that the Holding Company Act exemption applications filed by FPL Energy's partner were not filed in good faith. On February 6, 2003, an administrative law judge issued a decision revoking FPL Energy's partner's exemptions from the Holding Company Act. FPL Energy's partner has filed for an appeal of this decision with the SEC. On February 27, 2003, in response to the administrative law judge's decision, FPL Energy's partner transferred the ownership of its affiliates, which are partners in the partnership, to a trust with an independent non-utility trustee. The partnerships plan to apply with the FERC for recertification of the facilities as qualifying facilities under the new ownership arrangements. In addition, on October 24, 2002, the FERC issued an Order Initiating Investigation and Hearing on the issue of whether three facilities, including the two wind projects described above and a third in which FPL Energy has no interest, satisfied statutory and regulatory requirements for qualifying facility status following the 1997 transfer of ownership interests in the facilities from FPL Energy's partner to a third party. This investigation resulted in a tentative settlement with SCE. The tentative settlement, if approved by the FERC and the California Public Utilities Commission, would result in the facilities no longer having to satisfy qualifying facility ownership requirements and would not materially affect FPL Energy's results of operations. If the SEC upholds the administrative law judge's decision, the FERC rejects the recertification application and/or FPL Energy or its partner did not take appropriate remedial steps, the projects could lose their qualifying facility status, the settlement with SCE might not be consummated and SCE could seek to terminate its long-term power sales agreements with the partnerships. If the long-term power sales agreements were terminated, the projects would have to sell their output into the marketplace. FPL Energy recorded a charge in the third quarter of 2002 associated with these regulatory issues of approximately $17 million ($10 million after tax). At March 31, 2003, FPL Energy's net investment in these two wind projects totaled approximately $11 million, which is included in other investments and other current assets on FPL Group's condensed consolidated balance sheets.

Subsidiaries of FPL Group, other than FPL, have investments in several leveraged leases, two of which are with MCI Telecommunications Corporation (MCI). In July 2002, MCI filed for bankruptcy protection under Chapter 11. Due to the uncertainty of collectibility associated with these leveraged leases, FPL Group recorded reserves totaling $48 million ($30 million after tax) in the third quarter of 2002. At March 31, 2003, investments in leveraged leases with MCI totaled $14 million and related deferred tax liabilities totaled $10 million.

FPL Group recorded charges totaling $207 million ($127 million after tax) in the third quarter of 2002 due to unfavorable market conditions in the wholesale energy and telecommunications markets. During the first quarter of 2003, approximately $20 million was charged against the associated liability. As of March 31, 2003, a balance of approximately $7 million remains and is included in other current liabilities on FPL Group's condensed consolidated balance sheets.

7. Segment Information

FPL Group's reportable segments include FPL, a rate-regulated utility, and FPL Energy, a non-rate regulated energy generating subsidiary. Corporate and Other represents other business activities, other segments that are not separately reportable and eliminating entries. FPL Group's segment information is as follows:

	Three Months Ended March 31,							
	2003				2002			
	FPL	FPL Energy[a]	Corporate & Other	Total	FPL	FPL Energy[a]	Corporate & Other	Total
	(millions)							
Operating revenues	$ 1,757	$ 384	$ 32	$ 2,173	$ 1,538	$ 203	$ 30	$ 1,771
Operating expenses	$ 1,505	$ 339	$ 21	$ 1,865	$ 1,305	$ 179	$ 31	$ 1,515
Income (loss) before cumulative effect of a change in accounting principle	$ 135	$ 44	$ (4)	$ 175	$ 118	$ 24	$ 24[b]	$ 166
Cumulative effect of adopting FAS 142, net of income taxes	$ -	$ -	$ -	$ -	$ -	$ (222)	$ -	$ (222)
Net income (loss)	$ 135	$ 44	$ (4)	$ 175	$ 118	$ (198)	$ 24[b]	$ (56)

	March 31, 2003				December 31, 2002			
	FPL	FPL Energy	Corporate & Other	Total	FPL	FPL Energy	Corporate & Other	Total
	(millions)							
Total assets	$ 14,919[c]	$ 6,721[c]	$ 755	$ 22,395	$ 12,637	$ 6,358	$ 795	$ 19,790

[a] FPL Energy's results include interest charges based on an assumed capital structure of 50% debt for operating projects and 100% debt for projects under construction.
[b] Includes favorable settlement of litigation with the Internal Revenue Service for which a net tax benefit of $30 million was recognized.
[c] Reflects the adoption of FAS 143 in January 2003. See Note 1.

8. Summarized Financial Information of FPL Group Capital

FPL Group Capital, a 100% owned subsidiary of FPL Group, provides funding for and holds ownership interest in FPL Group's operating subsidiaries other than FPL. Most of FPL Group Capital's debt, including all of its debentures, are fully and unconditionally guaranteed by FPL Group. Condensed consolidating financial information is as follows:

Condensed Consolidating Statements of Income

	Three Months Ended March 31,							
	2003				2002			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
	(millions)							
Operating revenues	$ -	$ 416	$ 1,757	$ 2,173	$ -	$ 233	$ 1,538	$ 1,771
Operating expenses	-	(361)	(1,504)	(1,865)	-	(209)	(1,306)	(1,515)
Interest charges	(7)	(38)	(32)	(77)	(7)	(38)	(35)	(80)
Other income (deductions) - net	180	33	(191)	22	(55)	23	41	9
Income (loss) from operations before income taxes	173	50	30	253	(62)	9	238	185
Income tax expense (benefit)	(2)	6	74	78	(6)	(40)	65	19
Income (loss) before cumulative effect of a change in accounting principle	175	44	(44)	175	(56)	49	173	166
Cumulative effect of adopting FAS 142, net of income taxes	-	-	-	-	-	(222)	-	(222)
Net income (loss)	$ 175	$ 44	$ (44)	$ 175	$ (56)	$ (173)	$ 173	$ (56)

[a] Represents FPL and consolidating adjustments.

FPL GROUP, INC. AND FLORIDA POWER & LIGHT COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Concluded)
(unaudited)

Condensed Consolidating Balance Sheets

	March 31, 2003				December 31, 2002			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
				(millions)				
PROPERTY, PLANT AND EQUIPMENT								
Electric utility plant in service and other property	$ -	$ 6,124	$ 21,403	$ 27,527	$ -	$ 5,745	$ 20,760	$ 26,505
Less accumulated depreciation and amortization	-	(492)	(10,580)	(11,072)	-	(360)	(11,841)	(12,201)
Total property, plant and equipment - net	-	5,632	10,823	16,455	-	5,385	8,919	14,304
CURRENT ASSETS								
Cash and cash equivalents	77	142	113	332	5	261	-	266
Receivables	414	283	268	965	460	269	136	865
Other	-	265	699	964	-	240	537	777
Total current assets	491	690	1,080	2,261	465	770	673	1,908
OTHER ASSETS								
Investment in subsidiaries	6,311	-	(6,311)	-	6,221	-	(6,221)	-
Other	101	1,363	2,215	3,679	103	1,284	2,191	3,578
Total other assets	6,412	1,363	(4,096)	3,679	6,324	1,284	(4,030)	3,578
TOTAL ASSETS	$ 6,903	$ 7,685	$ 7,807	$ 22,395	$ 6,789	$ 7,439	$ 5,562	$ 19,790
CAPITALIZATION								
Common shareholders' equity	$ 6,496	$ 891	$ (891)	$ 6,496	$ 6,390	$ 839	$ (839)	$ 6,390
Preferred stock of FPL without sinking fund requirements	-	-	226	226	-	-	226	226
Long-term debt	-	3,427	2,364	5,791	-	3,426	2,364	5,790
Total capitalization	6,496	4,318	1,699	12,513	6,390	4,265	1,751	12,406
CURRENT LIABILITIES								
Accounts payable and short-term debt	-	1,703	1,407	3,110	-	1,563	1,092	2,655
Other	43	859	500	1,402	17	812	427	1,256
Total current liabilities	43	2,562	1,907	4,512	17	2,375	1,519	3,911
OTHER LIABILITIES AND DEFERRED CREDITS								
Asset retirement obligations	-	167	1,832	1,999	-	-	-	-
Accumulated deferred income taxes	(5)	424	1,264	1,683	(5)	412	1,140	1,547
Other	369	214	1,105	1,688	387	387	1,152	1,926
Total other liabilities and deferred credits	364	805	4,201	5,370	382	799	2,292	3,473
COMMITMENTS AND CONTINGENCIES								
TOTAL CAPITALIZATION AND LIABILITIES	$ 6,903	$ 7,685	$ 7,807	$ 22,395	$ 6,789	$ 7,439	$ 5,562	$ 19,790

[a] Represents FPL and consolidating adjustments.

Condensed Consolidating Statements of Cash Flows

	Three Months Ended March 31,							
	2003				2002			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
				(millions)				
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	$ 172	$ 106	$ 408	$ 686	$ 114	$ (35)	$ 611	$ 690
CASH FLOWS FROM INVESTING ACTIVITIES								
Capital expenditures and independent power investments	-	(303)	(299)	(602)	-	(260)	(269)	(529)
Other - net	-	(21)	(65)	(86)	-	7	(31)	(24)
Net cash used in investing activities	-	(324)	(364)	(688)	-	(253)	(300)	(553)
CASH FLOWS FROM FINANCING ACTIVITIES								
Issuances of long-term debt	-	-	-	-	-	573	-	573
Increase (decrease) in short-term debt	-	99	68	167	-	(335)	(232)	(567)
Issuances of common stock	16	-	-	16	6	-	-	6
Dividends	(106)	-	-	(106)	(98)	-	-	(98)
Other - net	(10)	-	1	(9)	(16)	-	-	(16)
Net cash provided by (used in) financing activities	(100)	99	69	68	(108)	238	(232)	(102)
Net increase (decrease) in cash and cash equivalents	72	(119)	113	66	6	(50)	79	35
Cash and cash equivalents at beginning of period	5	261	-	266	-	81	1	82
Cash and cash equivalents at end of period	$ 77	$ 142	$ 113	$ 332	$ 6	$ 31	$ 80	$ 117

[a] Represents FPL and consolidating adjustments.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion should be read in conjunction with the Notes contained herein and Management's Discussion and Analysis of *Financial Condition and Results of Operations* (*Management's Discussion*) appearing in the 2002 Form 10-K for FPL Group and FPL. The results of operations for an interim period generally will not give a true indication of results for the year. In the following discussion, all comparisons are with the corresponding items in the prior year.

Results of Operations

FPL Group's net income for the first quarter of 2003 was $175 million compared to a net loss of $56 million for the same period in 2002. FPL Group reported a net loss for the first quarter of 2002 as a result of an after-tax charge of $222 million related to the cumulative effect of an accounting change. Also during the first quarter of 2002, a $30 million gain from an income tax settlement was recorded. Unrealized gains from non-managed hedge activities increased FPL Group's net income for the three months ended March 31, 2003 by $3 million compared to gains of $1 million for the three months ended March 31, 2002. *Management assesses* the economic performance of its business segments excluding these charges, gains and the effects of non-managed hedges. Although such items are properly included in the determination of net income in accordance with generally accepted accounting principles, both the size and nature of such items make year to year comparisons of operations difficult and potentially confusing. Excluding these items, net income would have been $172 million for the first quarter of 2003 compared to $135 million in the first quarter of 2002.

FPL Group's effective tax rate was lower for the three months ended March 31, 2002 due to the gain from an income tax settlement discussed above, as well as increased tax credits for wind projects at FPL Energy and additional dividend deductions on FPL Group's Employee Stock Ownership Plan.

FPL - For the three months ended March 31, 2003, FPL's net income benefited from higher revenues from retail base operations and lower depreciation expense partially offset by higher other operations & maintenance (O&M) expenses.

FPL's operating revenues consisted of the following:

	Three Months Ended March 31,	
	2003	2002
	(millions)	
Retail base operations	$ 828	$ 816
Revenue refund provision	-	(19)
Cost recovery clauses and other pass-through costs	913	737
Other	16	4
Total	$ 1,757	$ 1,538

The increase in retail base revenues, resulting from an increase in customer accounts and an increase in usage per retail customer, was partially offset by the 7% reduction in retail rates pursuant to the 2002-2005 rate agreement that was effective in mid-April 2002. A 2.3% increase in the number of retail customer accounts increased revenues by $18 million, while a 6.9% increase in usage per retail customer contributed $54 million. Over half of the growth in usage for the first quarter of 2003 was associated with colder weather in January and warmer weather in March. The 7% rate reduction equated to a $60 million reduction in retail base revenues.

Revenues from cost recovery clauses and other pass-through costs such as franchise fees and revenue taxes do not significantly affect net income; however, differences between actual revenues and costs incurred can significantly affect FPL Group's and FPL's operating cash flows. Fluctuations in these revenues, as well as in fuel, purchased power and interchange expenses, are primarily driven by changes in energy sales, fuel prices and capacity charges. The increase in revenues from cost recovery clauses and other pass-through costs for the three months ended March 31, 2003, as well as an increase in related payables included in accounts payable on the condensed consolidated balance sheets, was primarily due to higher fuel costs. These higher than projected fuel costs resulted in an underrecovery which negatively affected FPL Group's and FPL's cash flows from operations for the first quarter of 2003. In March 2003, the FPSC approved a fuel adjustment increase totaling $347 million beginning in April 2003 due to higher than projected oil and natural gas prices.

FPL's O&M expenses increased $28 million for the first quarter 2003 due to higher employee benefit, nuclear maintenance and insurance costs. Employee benefit costs increased approximately $9 million mainly due to higher employee health care costs; nuclear costs increased $9 million primarily due to increased spending needed to maintain safe and reliable nuclear power plants; and higher insurance costs increased O&M by approximately $5 million. The balance of the increase is associated with increased legal expenses, severance payments and, to a lesser extent, restoration costs from severe weather in March 2003.

In late April and early May 2003, while performing volumetric inspections of the reactor vessel head at St. Lucie Unit No. 2 during a scheduled refueling outage, two cracks were found in the control rod drive mechanism tubes. Additional confirmatory testing is being performed, however, the additional testing is not expected to materially affect the unit's refueling outage schedule. The estimated costs to make the necessary repairs are included in an accrual which is being recorded on a levelized basis over a five-year period beginning in 2002, as approved by the FPSC.

Depreciation expense decreased during the three months ended March 31, 2003 primarily due to the $31 million amortization of a regulatory liability, as approved by the FPSC in the 2002-2005 rate agreement, representing the pro rata portion of the $125 million annual depreciation credit provided for by the 2002-2005 rate agreement. Absent this credit, depreciation expense increased reflecting the Fort Myers and Sanford plant additions and general system growth.

In April 2003, the FERC issued its White Paper on Wholesale Power Market Platform (White Paper), responding to comments on its proposed rule regarding standardized market design for electric markets in the United States. The White Paper indicates that FERC intends to be more flexible on how and when the final rule will be implemented, defer to regional state committees to address regional transmission organizations (RTO)/independent system operator (ISO) significant features, require regulated utilities to join RTOs or ISOs and require RTOs to implement spot markets.

FPL Energy - FPL Energy's net income for the quarter ended March 31, 2003 was $44 million compared to a net loss of $198 million for the comparable period in 2002. The net loss for 2002 was the result of FPL Energy recording a goodwill impairment charge totaling $222 million after tax representing the cumulative effect of adopting FAS 142, "Goodwill and Other Intangible Assets." During the first quarter of 2003, FPL Energy recorded $3 million of after-tax net unrealized mark-to-market gains from non-managed hedges compared to gains of $1 million during the same quarter of 2002. For further discussion of derivative instruments, see Note 3. Excluding these items, FPL Energy's after-tax earnings were $41 million and $23 million for the first quarter of 2003 and 2002, respectively.

FPL Energy's first quarter 2003 net income benefited from project additions, primarily the purchase of an 88.23% interest in Seabrook in November 2002, as well as wind and natural gas-fired assets that began operations since the first quarter of 2002. These project additions, totaling almost 2,200 mw, contributed $28 million to the first quarter 2003 net income. FPL Energy's operating revenues and operating expenses for the first quarter of 2003 increased $181 million and $160 million, respectively, primarily driven by project additions. These project additions resulted in increases to operating revenues of $158 million and operating expenses of $113 million (including fuel-related costs of $66 million, O&M expenses of $37 million and depreciation expense of $10 million) during the quarter ended March 31, 2003 compared to the same quarter in 2002. The balance of the portfolio also experienced increased revenues of $23 million primarily as a result of higher prices partially offset by reduced generation primarily due to plant outages in the Electric Reliability Council of Texas (ERCOT) region and weather conditions in the Northeast as well as reduced gains from asset optimization and restructuring activities. The balance of the portfolio also experienced increases in operating expenses, primarily fuel-related, of $47 million due to rising natural gas prices.

Earnings from investments in partnerships and joint ventures, presented as equity in earnings of equity method investees, increased $25 million from the prior year quarter primarily due to a mark-to-market gain on a gas supply agreement, the settlement of a counterparty dispute, and the settlement of disputed revenues in both 2003 and 2002. Excluding these events, earnings from FPL Energy's investment in equity method investees increased approximately $4 million in the first quarter 2003. This increase is due primarily to increased contract prices as well as increased wind resource over the prior year, partially offset by higher contract fuel costs in the northeast region.

FPL Energy's target is to have approximately 75% of its capacity under contract or hedged over the following twelve-month period. As of March 31, 2003, FPL Energy's capacity under contract for 2003 is as follows:

Asset Class	Available MW[a]	% MW Hedged
Wind [b]	1,981	100%
Non-wind assets under long-term contract	1,255	98%
Merchants:		
Seabrook	932	92%
NEPOOL/PJM/NYPP	1,556	50%[c]
ERCOT	2,657	72%[c]
Other (WECC/SERC)	1,093	39%[c]
Total portfolio	9,474	76%

(a) Weighted to reflect in-service dates, planned maintenance and a refueling outage for Seabrook.
(b) For further discussion regarding two wind projects involved in litigation that could potentially terminate long-term power sales agreements, see Note 6 - Other Contingencies.
(c) Represents on-peak mw hedged.

FPL Energy is currently constructing five gas-fired power plants with a total capacity of approximately 3,700 mw, and expects to add between 700 to 1,000 mw of new wind generation by the end of 2003. FPL Energy expects its future portfolio growth to come from a mix of wind development (assuming the extension of the production tax credits beyond 2003) and asset acquisitions.

Corporate and Other - Corporate and Other is primarily comprised of FPL FiberNet and other corporate income and expenses such as interest income and interest expense. For the first quarter of 2002, results for the Corporate and Other segment reflect a $30 million gain from an income tax settlement. For the three months ended March 31, 2003, FPL FiberNet's results benefited from gains associated with restructuring two prior transactions which were more than offset by higher corporate expenses.

Liquidity and Capital Resources

FPL Group and its subsidiaries, including FPL, require funds to support and to grow their businesses. These funds are used for working capital, capital expenditures, investments in or acquisitions of assets and businesses and, among other things, to redeem debt or pay maturing debt obligations. It is anticipated that these requirements will be satisfied through a combination of internally generated funds and the issuance, from time to time, of debt and equity securities, consistent with FPL Group's and FPL's objective of maintaining, on a long-term basis, a capital structure that will support a strong investment grade credit rating. Credit ratings can affect FPL Group's and FPL's ability to obtain short- and long-term financing, the cost of such financing and the execution of their financing strategies.

During the first quarter of 2003, FPL Group Capital added $46 million to its credit facility. Bank lines of credit available to FPL Group and its subsidiaries at March 31, 2003 aggregated approximately $3.2 billion ($2.2 billion for FPL Group Capital and $1 billion for FPL). Approximately one-half of these facilities expires in the second half of 2003, with the remainder expiring in 2004. These facilities are available to support the companies' commercial paper programs as well as for general corporate purposes. In March 2003, FPL entered into a promissory note with a bank under which FPL may borrow up to $500 million. As of March 31, 2003, FPL had loans outstanding under this note totaling $200 million principal amount with a weighted-average interest rate of 1.53% and an average remaining term of 36 days. The proceeds of borrowings under the promissory note will be used for general corporate purposes.

In April 2003, FPL sold $500 million principal amount of 5 5/8% first mortgage bonds maturing in 2034 and FPL Group Capital sold $500 million principal amount of 3 1/4% debentures maturing in 2006. The proceeds from FPL's first mortgage bonds were used to repay FPL's short-term borrowings and for other corporate purposes. The proceeds from FPL Group Capital's debentures were used to repay a portion of commercial paper issued to fund investments by FPL Group Capital in independent power projects. On May 1, 2003, FPL sold approximately $79 million principal amount of variable rate tax-exempt solid waste disposal revenue refunding bonds maturing in May 2024. The proceeds were used to refund and redeem approximately $5 million principal amount of 6.70% solid waste disposal revenue bonds maturing in 2027 and approximately $4 million principal amount of 7.15% solid waste disposal revenue bonds maturing in 2023. The remaining proceeds will be used to refund and redeem in July 2003, approximately $65 million principal amount of variable rate solid waste disposal revenue bonds maturing in 2024 and approximately $4 million principal amount of variable rate solid waste disposal revenue bonds maturing in 2027.

FPL Group's and FPL's commitments at March 31, 2003 were as follows:

	2003	2004	2005	2006	2007	Thereafter	Total
				(millions)			
Long-term debt:							
FPL	$ 70	$ -	$ 500	$ -	$ -	$ 1,875	$ 2,445
FPL Energy	35	37	41	35	22	212	382
Corporate and Other	-	275	-	600	1,075	1,136	3,086
Standby letters of credit:							
FPL	-	2	-	-	-	-	2
FPL Energy	260	-	1	-	-	-	261
Corporate and Other	-	-	-	-	-	-	-
Guarantees:							
FPL Energy	262	11	12	-	200	591	1,076
Corporate and Other	-	-	2	-	-	-	2
Other commitments:							
FPL[(a)]	1,075	1,445	1,190	975	950	-	5,635
FPL Energy[(b)]	236	209	43	35	226	188	937
Corporate and Other	8	-	-	-	-	-	8
Total	$ 1,946	$ 1,979	$ 1,789	$ 1,645	$ 2,473	$ 4,002	$ 13,834

(a) Represents projected capital expenditures through 2007 to meet increased electricity usage and customer growth. Excludes minimum payments under purchased power and fuel contracts which are recoverable through various cost recovery clauses. See Note 6 - Contracts.

(b) Represents firm commitments in connection with the acquisition, development and expansion of independent power projects.

In 2000, an FPL Energy subsidiary entered into an operating lease agreement with an SPE lessor to lease a 550-mw combined-cycle power generation plant through 2007. The SPE arranged funding commitments through debt and equity contributions from investors who are not affiliated with FPL Group. FPL Group Capital has guaranteed certain obligations of the FPL Energy subsidiary under this agreement, which are included in the table above. See Note 6 - Off-Balance Sheet Financing Arrangement.

In January 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities," which will replace the current accounting guidance for SPEs. As a result, entities that are deemed to be VIEs in which FPL Group or one of its subsidiaries is considered to be the "primary beneficiary" will be consolidated. Variable interests are considered to be contractual, ownership or other monetary interests in an entity that fluctuate with changes in the entity's net asset value. Under its current structure, FPL Group believes that the SPE discussed above will be required to be consolidated beginning in July 2003. At March 31, 2003, FPL Group's maximum exposure to loss as a result of its involvement with this SPE, in the event that the underlying asset would be economically worthless, was $213 million, which includes the residual value guarantee, letters of credit and debt service guarantee.

FPL Energy has guaranteed certain performance obligations of a power plant owned by a wholly-owned subsidiary as part of a PPA that expires in 2027. Under the PPA, the subsidiary could incur market-based liquidated damages for failure to meet a stated mechanical availability and guaranteed average output. Based on past performance of similar projects, management believes that the exposure associated with this guarantee is not material.

FPL Group has guaranteed certain payment obligations of FPL Group Capital, including most of those under FPL Group Capital's debt, including all of its debentures and commercial paper issuances, as well as guarantees discussed above. At March 31, 2003, FPL had no outstanding guarantees.

Accumulated Other Comprehensive Income

Total other comprehensive income activity for the quarter ended March 31, 2003 was as follows:

	Accumulated Other Comprehensive Income (Loss)		
	Net Unrealized Gains (Losses) On Cash Flow Hedges	Other	Total
	(millions)		
Balance, December 31, 2002	$ 19	$ (3)	$ 16
Effective portion of net unrealized gain:			
Consolidated subsidiaries (net of $11 tax expense)	17		17
Equity investments (net of $5 tax expense)	7		7
Reclassification from OCI to net income:			
Consolidated subsidiaries (net of $7 tax benefit)	(10)		(10)
Equity investments (net of $2 tax benefit)	(4)		(4)
Net unrealized gain on available for sale securities (net of $2 tax benefit)		(2)	(2)
Balances, March 31, 2003	$ 29	$ (5)	$ 24

Energy Marketing and Trading and Market Risk Sensitivity

Energy Marketing and Trading - Certain of FPL Group's subsidiaries, including FPL and FPL Energy, use derivative instruments (primarily swaps, options, futures and forwards) to manage the commodity price risk inherent in fuel purchases and electricity sales, as well as to optimize the value of power generation assets. To a lesser extent, FPL Energy engages in limited energy trading activities to take advantage of expected future favorable price movements.

Derivative instruments are recorded on FPL Group's and FPL's balance sheets as either an asset or liability (in other current assets, other assets, other current liabilities and other liabilities) measured at fair value. At FPL, substantially all changes in fair value are deferred as a regulatory asset or liability until the contracts are settled. Upon settlement, any gains or losses are passed through the fuel clause and the capacity clause. For FPL Group's non-rate regulated operations, predominantly FPL Energy, changes in the derivatives' fair value are recognized net in operating revenues for trading and managed hedge activities and in equity in earnings of equity method investees and other - net for non-managed hedges in FPL Group's condensed consolidated statements of income unless hedge accounting is applied. Settlement gains and losses are included within the line items in the statements of income to which they relate. See Note 3.

The changes in the fair value of FPL Group's consolidated subsidiaries' derivative instruments were as follows:

	Three Months Ended March 31, 2003					
		Hedges on Owned Assets				
	Proprietary Trading	Managed	Non-Managed	OCI	Cost Recovery Clause	FPL Group Total
			(millions)			
Fair value of contracts outstanding at December 31, 2002	$ 4	$ -	$ 8	$ 28	$ 12	$ 52
Reclassification to realized at settlement of contracts	(2)	-	1	(17)	(16)	(34)
Fair value of new contracts when entered into	-	-	-	-	-	-
Effective portion of changes in fair value recorded in OCI	-	-	-	28	-	28
Ineffective portion of changes in fair value recorded in earnings	-	-	-	-	-	-
Changes in valuation assumptions	-	-	-	-	-	-
Changes in fair value excluding reclassification to realized	2	1	(16)	-	17	4
Fair value of contracts outstanding at March 31, 2003	4	1	(7)	39	13	50
Net option premium payment / (receipts)	-	-	(9)	-	2	(7)
Total mark-to-market energy contract net assets at March 31, 2003	$ 4	$ 1	$ (16)	$ 39	$ 15	$ 43[a]

(a) Includes FPL's mark-to-market energy contract net assets of approximately $15 million at March 31, 2003.

FPL Group's total mark-to-market energy contract net assets at March 31, 2003 shown above are included in the condensed consolidated balance sheets as follows:

	March 31, 2003 (millions)
Other current assets	$ 106
Other assets	13
Other current liabilities	(63)
Other liabilities	(13)
FPL Group's total mark-to-market energy contract net assets at March 31, 2003	$ 43

The sources of fair value estimates and maturity of derivative instruments at March 31, 2003 were as follows:

	Maturity						
	2003	2004	2005	2006	2007	Thereafter	Total
				(millions)			
Proprietary Trading:							
Actively quoted (i.e., exchange trade) prices	$ -	$ (1)	$ -	$ -	$ -	$ -	$ (1)
Prices provided by other external sources	(1)	2	-	-	-	-	1
Modeled	-	-	1	1	-	2	4
Total	(1)	1	1	1	-	2	4
Owned Assets - Managed:							
Actively quoted (i.e., exchange trade) prices	-	-	-	-	-	-	-
Prices provided by other external sources	1	-	-	-	-	-	1
Modeled	-	-	-	-	-	-	-
Total	1	-	-	-	-	-	1
Owned Assets - Non-Managed:							
Actively quoted (i.e., exchange trade) prices	(1)	1	1	-	-	-	1
Prices provided by other external sources	-	-	-	-	-	-	-
Modeled	(8)	-	-	-	-	-	(8)
Total	(9)	1	1	-	-	-	(7)
Owned Assets - Hedges in OCI:							
Actively quoted (i.e., exchange trade) prices	47	(3)	(3)	-	-	-	41
Prices provided by other external sources	(2)	-	-	-	-	-	(2)
Modeled	-	-	-	-	-	-	-
Total	45	(3)	(3)	-	-	-	39
Owned Assets - Cost Recovery Clause:							
Actively quoted (i.e., exchange trade) prices	12	-	-	-	-	-	12
Prices provided by other external sources	-	-	-	-	-	-	-
Modeled	1			-	-	-	1
Total	13	-	-	-	-	-	13
Total sources of fair value	$ 49	$ (1)	$ (1)	$ 1	$ -	$ 2	$ 50

Market Risk Sensitivity - Substantially all financial instruments and positions affecting the financial statements of FPL Group and FPL described below are held for purposes other than trading. Market risk is measured as the potential loss in fair value resulting from hypothetical reasonably possible changes in commodity prices, interest rates or equity prices over the next year. Management has established risk management policies to monitor and manage market risks. FPL Group's Exposure Management Committee (EMC), which is comprised of certain members of senior management, is responsible for the overall approval of market risk management policies and the delegation of approval and authorization levels. The EMC receives periodic updates on market positions and related exposures, credit exposures and overall risk management activities. FPL Group manages its interest rate exposure by monitoring current interest rates in relation to total capitalization.

Commodity price risk - FPL Group uses a value-at-risk (VaR) model to measure market risk in its trading and mark-to-market portfolios. The VaR is the estimated nominal loss of market value based on a one-day holding period at a 95% confidence level using historical simulation methodology. As of March 31, 2003 and December 31, 2002, the VaR figures are as follows:

	Trading and Managed Hedges			Non-Managed Hedges and Hedges in OCI [a]			Total		
	FPL	FPL Energy	FPL Group	FPL	FPL Energy	FPL Group	FPL	FPL Energy	FPL Group
					(millions)				
December 31, 2002	$ -	$ -	$ -	$ 1	$ 3	$ 4	$ 1	$ 3	$ 4
March 31, 2003	$ -	$ -	$ -	$ 3	$ 5	$ 7	$ 3	$ 5	$ 7
Average for the period ended March 31, 2003	$ -	$ -	$ -	$ 2	$ 4	$ 5	$ 2	$ 4	$ 5

[a] Non-managed hedges are employed to reduce the market risk exposure to physical assets which are not marked-to-market. The VaR figures for the non-managed hedges and hedges in OCI category do not represent the economic exposure to commodity price movements.

Interest rate risk - The special use funds of FPL Group include restricted funds set aside to cover the cost of storm damage for FPL and for the decommissioning of FPL Group's and FPL's nuclear power plants. A portion of these funds is invested in fixed income debt securities carried at their market value of approximately $1.229 billion and $1.184 billion ($1.109 billion and $1.066 billion for FPL) at March 31, 2003 and December 31, 2002, respectively. Adjustments to market value result in a corresponding adjustment to the related liability accounts based on current regulatory treatment for FPL. The market value adjustments of FPL Group's non-rate regulated operations result in a corresponding adjustment to OCI. Because the funds set aside by FPL for storm damage could be needed at any time, the related investments are generally more liquid and, therefore, are less sensitive to changes in interest rates. The nuclear decommissioning funds, in contrast, are generally invested in longer-term securities, as decommissioning activities are not expected to begin until at least 2012.

The following are estimates of the fair value of FPL's and FPL Group's long-term debt:

	March 31, 2003		December 31, 2002	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
		(millions)		
Long-term debt of FPL, including current maturities	$ 2,434	$ 2,598[a]	$ 2,434	$ 2,578[a]
Long-term debt of FPL Group, including current maturities	$ 5,896	$ 6,318[a]	$ 5,895	$ 6,222[a]

[a] Based on quoted market prices for these or similar issues.

Based upon a hypothetical 10% increase in interest rates, which is a reasonable near-term market change, the net fair value of the net liabilities would decrease by approximately $100 million ($28 million for FPL) at March 31, 2003.

Equity price risk - Included in the special use funds of FPL Group are marketable equity securities carried at their market value of approximately $677 million and $689 million ($570 million and $578 million for FPL) at March 31, 2003 and December 31, 2002, respectively. A hypothetical 10% decrease in the prices quoted by stock exchanges, which is a reasonable near-term market change, would result in a $68 million ($57 million for FPL) reduction in fair value and corresponding adjustments to the related liability accounts based on current regulatory treatment for FPL, or adjustments to OCI for FPL Group's non-rate regulated operations, at March 31, 2003.

New Accounting Rules and Interpretations

Accounting for Asset Retirement Obligations - Effective January 1, 2003, FPL Group and FPL adopted FAS 143, "Accounting for Asset Retirement Obligations." See Note 1.

Guarantees - In November 2002, the FASB issued FIN 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others." The interpretation requires that guarantors recognize at the inception of a guarantee a liability for the fair value of the obligation undertaken in issuing the guarantee. The initial recognition and measurement provisions of the interpretation are applied on a prospective basis to guarantees issued or modified after December 31, 2002. During the first quarter of 2003, FPL Group and FPL did not issue any guarantees subject to the recognition, measurement and disclosure requirements of FIN 45. See additional disclosures in Note 6 - Commitments.

Variable Interest Entities - In January 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities." See Note 6 - Off-Balance Sheet Financing Arrangement.

Derivative Instruments - The FASB has recently proposed guidance in Issue C20 clarifying when a contract's price may be considered clearly and closely related for purpose of qualifying for the normal purchases and normal sales exception in FAS 133. See Note 3 for further discussion.

In April 2003, the FASB issued FAS 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities," which amends FAS 133 to formally incorporate certain conclusions reached by the Derivatives Implementation Group. For implementation issues that were modified in the amendment process, the new guidance will be applied prospectively for contracts entered into or modified after June 30, 2003. FPL Group and FPL are evaluating the effects, if any, the modifications would have on their financial statements in the future.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

See Management's Discussion - Energy Marketing and Trading and Market Risk Sensitivity - Market Risk Sensitivity.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

Within the 90 days prior to the date of filing this report, FPL Group and FPL performed an evaluation, under the supervision and with the participation of its management, including FPL Group's and FPL's chief executive officer and chief financial officer, of the effectiveness of the design and operation of the company's disclosure controls and procedures (as defined in Exchange Act Rule 13a-14(c)). Based upon that evaluation, the chief executive officer and chief financial officer of each of FPL Group and FPL concluded that the company's disclosure controls and procedures are effective in timely alerting them to material information relating to the company and its consolidated subsidiaries required to be included in the company's reports filed or submitted under the Exchange Act. Due to the inherent limitations of the effectiveness of any established disclosure controls and procedures, management of FPL Group and FPL cannot provide absolute assurance that the objectives of its disclosure controls and procedures will be met.

(b) Changes in Internal Controls

There have been no significant changes in FPL Group's or FPL's internal controls or in other factors that could significantly affect these controls subsequent to the date of the evaluation referred to above.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Reference is made to Item 3. Legal Proceedings in the 2002 Form 10-K for FPL Group and FPL.

In the Thomas case, discovery is proceeding.

On March 28, 2003, the DC Circuit denied FMPA's rehearing request of the DC Circuit's decision that upheld FERC's order denying FMPA credits for its facilities. All issues in the March 1993 filing by FPL are settled except for three issues reserved by FMPA, one of which is the crediting issue. On March 5, 2003, FMPA petitioned the DC Circuit to order FERC to rule on the reserved issues. The DC Circuit has requested FERC to respond to FMPA's petition by May 14, 2003.

The Oorbeek, Klein and Phillips lawsuits have been consolidated. FPL Group has filed motions to dismiss the Oorbeek, Klein and Phillips lawsuits for failure to make a proper demand, as required by Florida law, to obtain action by the board of directors and to dismiss the Oorbeek and Klein lawsuits because the independent directors (other than Messrs. Zarb and Camaren) have determined that pursuit of the lawsuits is not in the best interests of FPL Group. Messrs. Zarb and Camaren joined the board in August and October 2002, respectively, and have not participated in the proceedings related to these lawsuits.

On May 2, 2003, the plaintiff's attorneys in the Klein lawsuit sent a new letter to FPL Group's board of directors. This letter demands, among other things, that the board take action (i) to recover from the persons who approved such payments and/or otherwise breached their fiduciary duties, all of the $92 million of LTIP payments made to officers and employees of FPL Group, allegedly on the grounds that the payments constituted a breach of fiduciary duty, bad faith, corporate waste and other unspecified wrongs, (ii) to investigate whether the proposed merger with Entergy was a plan by FPL Group's officers and directors to enrich themselves at the expense of the company, (iii) to seek the return of certain LTIP awards made in replacement of accelerated LTIP awards, (iv) to take immediate actions to secure the return of up to approximately $9 million in LTIP payments which is subject to an interpretation question under the LTIP, (v) to investigate and seek the return of stock options and restricted stock paid to Mr. Broadhead in January 2002 in connection with a consulting agreement and his retirement from FPL Group in December 2001, and (vi) to investigate whether punitive damages may be sought.

In March 2003 and subsequently amended in April 2003, the New York Public Interest Research Group, the NY/NJ Baykeeper and the American Littoral Society brought an action against the New York State DEC, Jamaica Bay, FPL Energy and LIPA in the New York State Supreme Court, Queens County. The action challenges the construction and operation by Jamaica Bay of a nominal 55 mw generating facility currently under construction in Far Rockaway, NY. The petition alleges, among other things, that LIPA did not conduct a proper environmental review of the Facility under the State Environmental Quality Review Act, and that the issuance of an air emissions permit for the Facility by the DEC was improper because the Facility should have been considered a major stationary source under the Clean Air Act. Petitioners have also filed a Motion for a Preliminary Injunction seeking to stop the construction of the Facility pending a decision on their request that the court declare the DEC air permit null and void and requesting the court to order LIPA to prepare an environmental impact statement for the Facility. FPL Energy and Jamaica Bay have moved to dismiss the petition.

FPL has moved to dismiss the complaint in the Finestone lawsuit.

An amended complaint was filed in the Bradstreet lawsuit.

Item 5. Other Information

(a) Reference is made to Item 1. Business - FPL Operations - Competition in the 2002 Form 10-K for FPL Group and FPL.

In April 2003, the FERC issued its White Paper, responding to comments on its proposed rule regarding standardized market design for electric markets in the United States. The White Paper indicates that FERC intends to be more flexible on how and when the final rule will be implemented, defer to regional state committees to address significant RTO/ISO features, require regulated utilities to join RTOs or ISOs and require RTOs to implement spot markets.

(b) Reference is made to Item 1. Business - FPL Operations - System Capability and Load in the 2002 Form 10-K for FPL Group and FPL.

On April 8, 2003, final approval of the Martin and Manatee expansion was granted by the Governor and Cabinet sitting as the Siting Board under the Florida Electrical Power Plant Siting Act. On April 9, 2003, CPV Gulfcoast, Ltd. filed its initial brief for its appeal to the Supreme Court of Florida challenging the FPSC's 2002 approval of the Martin and Manatee expansion. FPL's answer brief is due on May 14, 2003.

(c) Reference is made to Item 1. Business - FPL Operations - Nuclear Operations in the 2002 Form 10-K for FPL Group and FPL.

In late April and early May 2003, while performing volumetric inspections of the reactor vessel head at St. Lucie Unit No. 2 during a scheduled refueling outage, two cracks were found in the control rod drive mechanism tubes. Additional confirmatory testing is being performed, however, the additional testing is not expected to materially affect the unit's refueling outage schedule. The estimated costs to make the necessary repairs are included in an accrual which is being recorded on a levelized basis over a five-year period beginning in 2002, as approved by the FPSC.

(d) Reference is made to Item 1. Business - FPL Operations - Fuel in the 2002 Form 10-K for FPL Group and FPL.

In March 2003, Private Fuel Storage, LLC (PFS) requested that the NRC review the Atomic Safety and Licensing Board's (ASLB) decision that requires PFS address the consequences of a hypothetical military aircraft accident into its proposed facility before such facility is licensed. PFS also requested that the ASLB reconsider its decision and reserved its rights to address the issue of consequences in further proceedings before the ASLB.

(e) Reference is made to Item 1. Business - FPL Energy Operations - General in the 2002 Form 10-K for FPL Group and FPL.

During the first quarter of 2003, FPL Energy's revised its megawatt estimate of new wind generation to be added by the end of 2003 to 700 to 1,000 mw.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit Number	Description	FPL Group	FPL
4(a)	Officer's Certificate of FPL Group Capital, dated April 11, 2003, creating the 3 1/4% Debentures, Series due April 11, 2006 (filed as Exhibit 4(ao) to Post-Effective Amendment No. 1 to Form S-3, File Nos. 333-102173, 333-102173-01, 333-102173-02 and 333-102173-03)	x	
4(b)	One Hundred Third Supplemental Indenture, dated as of April 1, 2003, between Florida Power & Light Company and Deutsche Bank Trust Company Americas, Trustee (filed as Exhibit 4(k) to Post-Effective Amendment No. 1 to Form S-3, File No. 333-102172)	x	x
12(a)	Computation of Ratio of Earnings to Fixed Charges	x	
12(b)	Computation of Ratios		x
99(a)	Section 906 Certification of Chief Executive Officer of FPL Group	x	
99(b)	Section 906 Certification of Chief Financial Officer of FPL Group	x	
99(c)	Section 906 Certification of Chief Executive Officer of FPL		x
99(d)	Section 906 Certification of Chief Financial Officer of FPL		x

FPL Group and FPL agree to furnish to the SEC upon request any instrument with respect to long-term debt that FPL Group and FPL have not filed as an exhibit pursuant to the exemption provided by Item 601(b)(4)(iii)(A) of Regulation S-K.

(b) Reports on Form 8-K - None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

FPL GROUP, INC.
FLORIDA POWER & LIGHT COMPANY
(Registrants)

Date: May 8, 2003

K. MICHAEL DAVIS
K. Michael Davis
Controller and Chief Accounting Officer of FPL Group, Inc.
Vice President, Accounting, Controller and
Chief Accounting Officer of Florida Power & Light Company
(Principal Accounting Officer of the Registrants)

CERTIFICATIONS

I, Lewis Hay III, Chief Executive Officer of FPL Group, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of FPL Group, Inc. (the registrant);

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 8, 2003

LEWIS HAY III

Lewis Hay III
Chairman of the Board, President
and Chief Executive Officer

I, Moray P. Dewhurst, Chief Financial Officer of FPL Group, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of FPL Group, Inc. (the registrant);

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 8, 2003

MORAY P. DEWHURST

Moray P. Dewhurst
Vice President, Finance
and Chief Financial Officer

I, Lewis Hay III, Chief Executive Officer of Florida Power & Light Company, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Florida Power & Light Company (the registrant);

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) *designed such disclosure controls and procedures* to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) *evaluated the effectiveness* of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 8, 2003

LEWIS HAY III

Lewis Hay III
Chairman of the Board
and *Chief Executive Officer*

I, Moray P. Dewhurst, Chief Financial Officer of Florida Power & Light Company, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Florida Power & Light Company (the registrant);

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 8, 2003

MORAY P. DEWHURST
Moray P. Dewhurst
Senior Vice President, Finance
and Chief Financial Officer

Exhibit 12(a)

FPL GROUP, INC. AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

	Three Months Ended March 31, 2003 (millions of dollars)
Earnings, as defined:	
Net income	$ 175
Income taxes	78
Fixed charges, included in the determination of net income, as below	83
Amortization of capitalized interest	1
Distributed income of independent power investments	8
Less: Equity in earnings of equity method investees	34
Total earnings, as defined	$ 379
Fixed charges, as defined:	
Interest charges	$ 77
Rental interest factor	5
Fixed charges included in nuclear fuel cost	1
Fixed charges, included in the determination of net income	83
Capitalized interest	25
Total fixed charges, as defined	$ 108
Ratio of earnings to fixed charges	3.51

Exhibit 12(b)

FLORIDA POWER & LIGHT COMPANY
COMPUTATION OF RATIOS

	Three Months Ended March 31, 2003 (millions of dollars)
RATIO OF EARNINGS TO FIXED CHARGES	
Earnings, as defined:	
Net income	$ 139
Income taxes	74
Fixed charges, as below	42
Total earnings, as defined	$ 255
Fixed charges, as defined:	
Interest charges	$ 38
Rental interest factor	2
Fixed charges included in nuclear fuel cost	1
Capitalized interest	1
Total fixed charges, as defined	$ 42
Ratio of earnings to fixed charges	6.07
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS	
Earnings, as defined:	
Net income	$ 139
Income taxes	74
Fixed charges, as below	42
Total earnings, as defined	$ 255
Fixed charges, as defined:	
Interest charges	$ 38
Rental interest factor	2
Fixed charges included in nuclear fuel cost	1
Capitalized interest	1
Total fixed charges, as defined	42
Non-tax deductible preferred stock dividends	4
Ratio of income before income taxes to net income	1.53
Preferred stock dividends before income taxes	6
Combined fixed charges and preferred stock dividends	$ 48
Ratio of earnings to combined fixed charges and preferred stock dividends	5.31

Exhibit 99(a)

FPL GROUP, INC.

Certification Of Periodic Report

I, Lewis Hay III, Chief Executive Officer of FPL Group, Inc. (FPL Group), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Quarterly Report on Form 10-Q of FPL Group for the quarterly period ended March 31, 2003 (Report) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of FPL Group.

Dated: May 8, 2003

LEWIS HAY III

Lewis Hay III
Chairman of the Board, President
and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to FPL Group and will be retained by FPL Group and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99(b)

FPL GROUP, INC.

Certification Of Periodic Report

I, Moray P. Dewhurst, Chief Financial Officer of FPL Group, Inc. (FPL Group), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Quarterly Report on Form 10-Q of FPL Group for the quarterly period ended March 31, 2003 (Report) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of FPL Group.

Dated: May 8, 2003

MORAY P. DEWHURST

Moray P. Dewhurst
Vice President, Finance
and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to FPL Group and will be retained by FPL Group and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99(c)

FLORIDA POWER & LIGHT COMPANY

Certification Of Periodic Report

I, Lewis Hay III, Chief Executive Officer of Florida Power & Light Company (FPL), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Quarterly Report on Form 10-Q of FPL for the quarterly period ended March 31, 2003 (Report) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of FPL.

Dated: May 8, 2003

LEWIS HAY III

Lewis Hay III
Chairman of the Board
and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to FPL and will be retained by FPL and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99(d)

FLORIDA POWER & LIGHT COMPANY

Certification Of Periodic Report

I, Moray P. Dewhurst, Chief Financial Officer of Florida Power & Light Company (FPL), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Quarterly Report on Form 10-Q of FPL for the quarterly period ended March 31, 2003 (Report) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of FPL.

Dated: May 8, 2003

MORAY P. DEWHURST
Moray P. Dewhurst
Senior Vice President, Finance
and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to FPL and will be retained by FPL and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit (c)-1D





UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **June 30, 2003**

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number	Exact name of registrants as specified in their *charters*, address of principal executive offices and registrants' telephone number	IRS Employer Identification Number
1-8841	**FPL GROUP, INC.**	59-2449419
1-3545	**FLORIDA POWER & LIGHT COMPANY**	59-0247775
	700 Universe Boulevard Juno Beach, Florida 33408 (561) 694-4000	

State or other jurisdiction of incorporation or organization: Florida

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) have been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate by check mark whether FPL Group, Inc. is an accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes X No ___

Indicate by check mark whether Florida Power & Light Company is an accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes ___ No X

APPLICABLE ONLY TO CORPORATE ISSUERS:

The number of shares outstanding of FPL Group, Inc. common stock, as of the latest practicable date: Common Stock, $0.01 par value, outstanding at July 31, 2003: 183,632,677 shares.

As of July 31, 2003, there were issued and outstanding 1,000 shares of Florida Power & Light Company's common stock, without par value, all of which were held, beneficially and of record, by FPL Group, Inc.

This combined Form 10-Q represents separate filings by FPL Group, Inc. and Florida Power & Light Company. Information contained herein relating to an individual registrant is filed by that registrant on its own behalf. Florida Power & Light Company makes no representations as to the information relating to FPL Group, Inc.'s other operations.

CAUTIONARY STATEMENTS AND RISK FACTORS THAT MAY AFFECT FUTURE RESULTS

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (Reform Act), FPL Group, Inc. (FPL Group) and Florida Power & Light Company (FPL) are hereby filing cautionary statements identifying important factors that could cause FPL Group's or FPL's actual results to differ materially from those projected in forward-looking statements (as such term is defined in the Reform Act) made by or on behalf of FPL Group and FPL in this combined Form 10-Q, in presentations, in response to questions or otherwise. Any statements that express, or involve discussions as to expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as will likely result, are expected to, will continue, is anticipated, believe, could, estimated, may, plan, potential, projection, target, outlook) are not statements of historical facts and may be forward-looking. Forward-looking statements involve estimates, assumptions and uncertainties. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the following important factors (in addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements) that could cause FPL Group's or FPL's actual results to differ materially from those contained in forward-looking statements made by or on behalf of FPL Group and FPL.

Any forward-looking statement speaks only as of the date on which such statement is made, and FPL Group and FPL undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for management to predict all of such factors, nor can it assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

The following are some important factors that could have a significant impact on FPL Group's and FPL's operations and financial results, and could cause FPL Group's and FPL's actual results or outcomes to differ materially from those discussed in the forward-looking statements:

- FPL Group and FPL are subject to changes in laws or regulations, including the Public Utility Regulatory Policies Act of 1978, as amended (PURPA), and the Public Utility Holding Company Act of 1935, as amended (Holding Company Act), changing governmental policies and regulatory actions, including those of the Federal Energy Regulatory Commission (FERC), the Florida Public Service Commission (FPSC) and the utility commissions of other states in which FPL Group has operations, and the U.S. Nuclear Regulatory Commission (NRC), with respect to, among other things, allowed rates of return, industry and rate structure, operation of nuclear power facilities, operation and construction of plant facilities, operation and construction of transmission facilities, acquisition, disposal, depreciation and amortization of assets and facilities, recovery of fuel and purchased power costs, decommissioning costs, return on common equity and equity ratio limits, and present or prospective wholesale and retail competition (including but not limited to retail wheeling and transmission costs). The FPSC has the authority to disallow recovery of costs that it considers excessive or imprudently incurred.

- The regulatory process generally restricts FPL's ability to grow earnings and does not provide any assurance as to achievement of earnings levels.

- FPL Group and FPL are subject to extensive federal, state and local environmental statutes, rules and regulations relating to air quality, water quality, waste management, natural resources and health and safety that could, among other things, restrict or limit the output of certain facilities or the use of certain fuels required for the production of electricity and/or increase costs. There are significant capital, operating and other costs associated with compliance with these environmental statutes, rules and regulations, and those costs could be even more significant in the future.

- FPL Group and FPL operate in a changing market environment influenced by various legislative and regulatory initiatives regarding deregulation, regulation or restructuring of the energy industry, including deregulation of the production and sale of electricity. FPL Group and its subsidiaries will need to adapt to these changes and may face increasing competitive pressure.

- The operation of power generation facilities involves many risks, including start up risks, breakdown or failure of equipment, transmission lines or pipelines, use of new technology, the dependence on a specific fuel source or the impact of unusual or adverse weather conditions (including natural disasters such as hurricanes), as well as the risk of performance below expected levels of output or efficiency. This could result in lost revenues and/or increased expenses. Insurance, warranties or performance guarantees may not cover any or all of the lost revenues or increased expenses, including the cost of replacement power. In addition to these risks, FPL Group's and FPL's nuclear units face certain risks that are unique to the nuclear industry including the ability to dispose of spent nuclear fuel, as well as additional regulatory actions up to and including shutdown of the units stemming from public safety concerns, whether at FPL Group's and FPL's plants, or at the plants of other nuclear operators. Breakdown or failure of an FPL Energy, LLC (FPL Energy) operating facility may prevent the facility from performing under applicable power sales agreements which, in certain situations, could result in termination of the agreement or incurring a liability for liquidated damages.

- FPL Group's and FPL's ability to successfully and timely complete their power generation facilities currently under construction, those projects yet to begin construction or capital improvements to existing facilities is contingent upon many variables and subject to substantial risks. Should any such efforts be unsuccessful, FPL Group and FPL could be subject to additional costs, termination payments under committed contracts and/or the write-off of their investment in the project or improvement.

- FPL Group and FPL use derivative instruments, such as swaps, options, futures and forwards to manage their commodity and financial market risks, and to a lesser extent, engage in limited trading activities. FPL Group could recognize financial losses as a result of volatility in the market values of these contracts, or if a counterparty fails to perform. In the absence of actively quoted market prices and pricing information from external sources, the valuation of these derivative instruments involves management's judgment or use of estimates. As a result, changes in the underlying assumptions or use of alternative valuation methods could affect the value of the reported fair value of these contracts. In addition, FPL's use of such instruments could be subject to prudency challenges by the FPSC and if found imprudent, cost disallowance.

- There are other risks associated with FPL Group's non-rate regulated businesses, particularly FPL Energy. In addition to risks discussed elsewhere, risk factors specifically affecting FPL Energy's success in competitive wholesale markets include the ability to efficiently develop and operate generating assets, the successful and timely completion of project restructuring activities, the price and supply of fuel, transmission constraints, competition from new sources of generation, excess generation capacity and demand for power. There can be significant volatility in market prices for fuel and electricity, and there are other financial, counterparty and market risks that are beyond the control of FPL Energy. FPL Energy's inability or failure to effectively hedge its assets or positions against changes in commodity prices, interest rates, counterparty credit risk or other risk measures could significantly impair its future financial results. In keeping with industry trends, a portion of FPL Energy's power generation facilities operate wholly or partially without long-term power purchase agreements. As a result, power from these facilities is sold on the spot market or on a short-term contractual basis, which may affect the volatility of FPL Group's financial results. In addition, FPL Energy's business depends upon transmission facilities owned and operated by others; if transmission is disrupted or capacity is inadequate or unavailable, FPL Energy's ability to sell and deliver its wholesale power may be limited.

- FPL Group is likely to encounter significant competition for acquisition opportunities that may become available as a result of the consolidation of the power industry. In addition, FPL Group may be unable to identify attractive acquisition opportunities at favorable prices and to successfully and timely complete and integrate them.

- FPL Group and FPL rely on access to capital markets as a significant source of liquidity for capital requirements not satisfied by operating cash flows. The inability of FPL Group and FPL to maintain their current credit ratings could affect their ability to raise capital on favorable terms, particularly during times of uncertainty in the capital markets which, in turn, could impact FPL Group's and FPL's ability to grow their businesses and would likely increase interest costs.

- FPL Group's and FPL's results of operations can be affected by changes in the weather. Weather conditions directly influence the demand for electricity and natural gas and affect the price of energy commodities, and can affect the production of electricity at wind and hydro-powered facilities. In addition, severe weather can be destructive, causing outages and/or property damage, which could require additional costs to be incurred.

- FPL Group and FPL are subject to costs and other effects of legal and administrative proceedings, settlements, investigations and claims; as well as the effect of new, or changes in, tax rates or policies, rates of inflation, accounting standards, securities laws or corporate governance requirements.

- FPL Group and FPL are subject to direct and indirect effects of terrorist threats and activities. Generation and transmission facilities, in general, have been identified as potential targets. The effects of terrorist threats and activities include, among other things, terrorist actions or responses to such actions or threats, the inability to generate, purchase or transmit power, the risk of a significant slowdown in growth or a decline in the U.S. economy, delay in economic recovery in the U.S., and the increased cost and adequacy of security and insurance.

- FPL Group's and FPL's ability to obtain insurance, and the cost of and coverage provided by such insurance, could be affected by national events as well as company-specific events.

- FPL Group and FPL are subject to employee workforce factors, including loss or retirement of key executives, availability of qualified personnel, collective bargaining agreements with union employees or work stoppage.

The issues and associated risks and uncertainties described above are not the only ones FPL Group and FPL may face. Additional issues may arise or become material as the energy industry evolves. The risks and uncertainties associated with these additional issues could impair FPL Group's and FPL's businesses in the future.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

FPL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(millions, except per share amounts)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
OPERATING REVENUES	$2,459	$ 2,128	$4,632	$ 3,899
OPERATING EXPENSES				
Fuel, purchased power and interchange	1,182	969	2,204	1,701
Other operations and maintenance	391	335	784	681
Depreciation and amortization	267	230	526	494
Taxes other than income taxes	205	185	397	358
Total operating expenses	2,045	1,719	3,911	3,234
OPERATING INCOME	414	409	721	665
OTHER INCOME (DEDUCTIONS)				
Interest charges	(84)	(79)	(161)	(160)
Preferred stock dividends – FPL	(4)	(4)	(7)	(7)
Equity in earnings of equity method investees	18	24	51	33
Other – net	6	23	(1)	27
Total other deductions – net	(64)	(36)	(118)	(107)
INCOME FROM OPERATIONS BEFORE INCOME TAXES	350	373	603	558
INCOME TAXES	111	123	189	142
INCOME BEFORE CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING PRINCIPLE	239	250	414	416
CUMULATIVE EFFECT OF ADOPTING FAS 142, "GOODWILL AND OTHER INTANGIBLE ASSETS," NET OF INCOME TAXES OF $143	-	-	-	(222)
NET INCOME	$ 239	$ 250	$ 414	$ 194
Earnings per share of common stock:				
Earnings per share before cumulative effect of adopting FAS 142	$ 1.35	$ 1.46	$ 2.34	$ 2.45
Cumulative effect of adopting FAS 142	$ -	$ -	$ -	$ (1.31)
Earnings per share	$ 1.35	$ 1.46	$ 2.34	$ 1.14
Earnings per share of common stock – assuming dilution:				
Earnings per share before cumulative effect of adopting FAS 142	$ 1.34	$ 1.46	$ 2.33	$ 2.45
Cumulative effect of adopting FAS 142	$ -	$ -	$ -	$ (1.31)
Earnings per share	$ 1.34	$ 1.46	$ 2.33	$ 1.14
Dividends per share of common stock	$ 0.60	$ 0.58	$ 1.20	$ 1.16
Weighted-average number of common shares outstanding	177.3	170.6	177.0	169.9
Weighted-average number of common shares outstanding – assuming dilution	178.1	171.1	177.6	170.2

This report should be read in conjunction with the Notes to Condensed Consolidated Financial Statements (Notes) herein and the Notes to Consolidated Financial Statements appearing in the combined Annual Report on Form 10-K for the fiscal year ended December 31, 2002 (2002 Form 10-K) for FPL Group and FPL.

FPL GROUP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions)
(unaudited)

	June 30, 2003	December 31, 2002
PROPERTY, PLANT AND EQUIPMENT		
Electric utility plant in service and other property	$ 25,544	$ 23,664
Nuclear fuel – net	214	202
Construction work in progress	2,498	2,639
Less accumulated depreciation and amortization	(11,287)	(12,201)
Total property, plant and equipment – net	16,969	14,304
CURRENT ASSETS		
Cash and cash equivalents	281	266
Customer receivables, net of allowances of $21 and $26, respectively	822	642
Other receivables	219	223
Materials, supplies and fossil fuel inventory – at average cost	408	448
Deferred clause expenses	469	131
Other	341	198
Total current assets	2,540	1,908
OTHER ASSETS		
Special use funds	2,083	1,921
Other investments	760	697
Other	1,069	960
Total other assets	3,912	3,578
TOTAL ASSETS	$ 23,421	$ 19,790
CAPITALIZATION		
Common stock	$ 2	$ 2
Additional paid-in capital	3,148	3,091
Retained earnings	3,483	3,281
Accumulated other comprehensive income	43	16
Total common shareholders' equity	6,676	6,390
Preferred stock of FPL without sinking fund requirements	226	226
Long-term debt	6,765	5,790
Total capitalization	13,667	12,406
CURRENT LIABILITIES		
Commercial paper	1,370	1,822
Notes payable	525	375
Current maturities of long-term debt	176	105
Accounts payable	728	458
Customers' deposits	340	316
Accrued interest and taxes	298	169
Deferred clause revenues	41	62
Other	697	604
Total current liabilities	4,175	3,911
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	2,027	-
Accumulated deferred income taxes	1,761	1,547
Storm and property insurance reserve	317	298
Other	1,474	1,628
Total other liabilities and deferred credits	5,579	3,473
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	$ 23,421	$ 19,790

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FPL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)
(unaudited)

	Six Months Ended June 30,	
	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 414	$ 194
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	518	471
Goodwill impairment	-	365
Deferred income taxes and related regulatory credit	206	(46)
Cost recovery clauses	(336)	171
Equity in earnings of equity method investees	(51)	(33)
Distribution of earnings from equity method investees	15	46
Changes in operating assets and liabilities:		
Restricted cash	(4)	263
Customer receivables	(178)	(25)
Other receivables	1	29
Material, supplies & fuel	41	6
Other current assets	(52)	(49)
Deferred pension cost	(61)	(55)
Accounts payable	289	135
Customers' deposits	24	18
Accrued interest & taxes	130	92
Other current liabilities	47	(95)
Other liabilities	(26)	(87)
Other – net	55	27
Net cash provided by operating activities	1,032	1,427
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures of FPL	(629)	(558)
Independent power investments	(762)	(615)
Capital expenditures of FPL FiberNet, LLC	(4)	(10)
Contributions to special use funds	(109)	(35)
Funds held for bond redemptions	(69)	-
Other – net	18	34
Net cash used in investing activities	(1,555)	(1,184)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuances of long-term debt	1,083	1,077
Retirements of long-term debt	(43)	(242)
Net change in short-term debt	(302)	(887)
Issuances of common stock	30	342
Dividends on common stock	(212)	(196)
Other – net	(18)	(35)
Net cash provided by financing activities	538	59
Net increase in cash and cash equivalents	15	302
Cash and cash equivalents at beginning of period	266	82
Cash and cash equivalents at end of period	$ 281	$ 384
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Additions to capital lease obligations	$ 41	$ 35
Accrual for premium on publicly-traded equity units known as corporate units	$ -	$ 111

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(millions)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
OPERATING REVENUES	$2,053	$1,921	$ 3,810	$3,460
OPERATING EXPENSES				
Fuel, purchased power and interchange	970	886	1,780	1,513
Other operations and maintenance	308	285	609	558
Depreciation and amortization	223	202	442	438
Taxes other than income taxes	191	173	366	342
Total operating expenses	1,692	1,546	3,197	2,851
OPERATING INCOME	361	375	613	609
OTHER INCOME (DEDUCTIONS)				
Interest charges	(45)	(43)	(83)	(85)
Other – net	-	(2)	(1)	(7)
Total other deductions – net	(45)	(45)	(84)	(92)
INCOME BEFORE INCOME TAXES	316	330	529	517
INCOME TAXES	113	121	188	187
NET INCOME	203	209	341	330
PREFERRED STOCK DIVIDENDS	4	4	7	7
NET INCOME AVAILABLE TO FPL GROUP	$ 199	$ 205	$ 334	$ 323

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions)
(unaudited)

	June 30, 2003	December 31, 2002
ELECTRIC UTILITY PLANT		
Plant in service	$ 20,900	$ 19,864
Nuclear fuel under capital lease – net	151	140
Construction work in progress	625	757
Less accumulated depreciation	(10,756)	(11,842)
Electric utility plant – net	10,920	8,919
CURRENT ASSETS		
Cash and cash equivalents	100	-
Customer receivables, net of allowances of $10 and $9, respectively	657	503
Other receivables	124	125
Materials, supplies and fossil fuel inventory – at average cost	324	349
Deferred clause expenses	469	131
Other	169	57
Total current assets	1,843	1,165
OTHER ASSETS		
Special use funds	1,832	1,693
Other	911	860
Total other assets	2,743	2,553
TOTAL ASSETS	$ 15,506	$ 12,637
CAPITALIZATION		
Common stock	$ 1,373	$ 1,373
Additional paid-in capital	3,716	3,716
Retained earnings	374	295
Accumulated other comprehensive loss	(2)	(2)
Total common shareholder's equity	5,461	5,382
Preferred stock without sinking fund requirements	226	226
Long-term debt	2,858	2,364
Total capitalization	8,545	7,972
CURRENT LIABILITIES		
Commercial paper	392	722
Notes payable	150	-
Current maturities of long-term debt	139	70
Accounts payable	606	369
Customers' deposits	334	316
Accrued interest and taxes	255	175
Deferred clause revenues	41	62
Other	320	297
Total current liabilities	2,237	2,011
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	1,857	-
Accumulated deferred income taxes	1,394	1,215
Storm and property insurance reserve	317	298
Other	1,156	1,141
Total other liabilities and deferred credits	4,724	2,654
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	$ 15,506	$ 12,637

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)
(unaudited)

	Six Months Ended June 30,	
	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 341	$ 330
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	419	416
Deferred income taxes and related regulatory credit	170	62
Cost recovery clauses	(336)	171
Changes in operating assets and liabilities:		
Customer receivables	(154)	66
Other receivables	15	4
Material, supplies & fuel	25	(46)
Other current assets	(40)	(20)
Deferred pension cost	(50)	(49)
Accounts payable	256	72
Customers' deposits	18	18
Accrued interest & taxes	80	120
Other current liabilities	25	(81)
Other liabilities	7	49
Other – net	6	4
Net cash provided by operating activities	782	1,116
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(629)	(558)
Contributions to special use funds	(102)	(35)
Funds held for bond redemptions	(69)	-
Other – net	1	2
Net cash used in investing activities	(799)	(591)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuances of long-term debt	585	-
Retirements of long-term debt	(24)	(225)
Net change in short-term debt	(181)	227
Dividends	(263)	(524)
Net cash provided by (used in) financing activities	117	(522)
Net increase in cash and cash equivalents	100	3
Cash and cash equivalents at beginning of period	-	1
Cash and cash equivalents at end of period	$ 100	$ 4
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Additions to capital lease obligations	$ 41	$ 35

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FPL GROUP, INC. AND FLORIDA POWER & LIGHT COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

The accompanying condensed consolidated financial statements should be read in conjunction with the 2002 Form 10-K for FPL Group and FPL. In the opinion of FPL Group and FPL management, all adjustments (consisting of normal recurring accruals) considered necessary for fair financial statement presentation have been made. Certain amounts included in the prior year's consolidated financial statements have been reclassified to conform to the current year's presentation. The results of operations for an interim period may not give a true indication of results for the year.

1. Asset Retirement Obligations

Effective January 1, 2003, FPL Group and FPL adopted Statement of Financial Accounting Standards No. (FAS) 143, "Accounting for Asset Retirement Obligations." The statement requires that a liability for the fair value of an asset retirement obligation (ARO) be recognized in the period in which it is incurred with the offsetting associated asset retirement cost capitalized as part of the carrying amount of the long-lived asset. The asset retirement cost is subsequently allocated to expense using a systematic and rational method over its useful life. Changes in the ARO resulting from the passage of time are recognized as an increase in the carrying amount of the liability and as accretion expense, which is included in depreciation and amortization expense in the condensed consolidated statements of income. Prior to January 1, 2003, FPL accrued for decommissioning and dismantlement costs over the life of the related asset through depreciation expense.

Upon adoption of FAS 143, with respect to amounts for nuclear decommissioning, FPL recorded an ARO of approximately $1.8 billion, capitalized a net asset related to the ARO of approximately $231 million and reversed the approximately $1.6 billion it had previously recorded in accumulated depreciation. The difference, approximately $29 million, was deferred as a regulatory liability. FPL's AROs other than nuclear decommissioning were not significant. The adoption of FAS 143 results in timing differences in the recognition of legal asset retirement costs for financial reporting purposes and the method the FPSC allows FPL to recover in rates. Accordingly, any differences between the ongoing expense recognized under FAS 143 and the amount recoverable through rates have been deferred in accordance with FAS 71, "Accounting for the Effects of Certain Types of Regulation." At June 30, 2003, approximately $1.8 billion remained in accumulated depreciation for recorded asset retirement costs that do not meet the definition of an ARO under FAS 143, or are not estimable as discussed in the paragraph below, but are accrued based on FPSC rules and regulations. FPL recorded accretion expense of approximately $25 million and $50 million for the three and six months ended June 30, 2003, respectively. No other adjustments were made to FPL's ARO during the quarter ended June 30, 2003. Had FAS 143 been applied in 2002 and 2001, FPL would have recorded AROs of approximately $1.8 billion and $1.7 billion at December 31, 2002 and 2001, respectively. Pro forma net income and earnings per share have not been presented for FPL for the three and six months ended June 30, 2002 and for the years ended December 31, 2002, 2001 and 2000 because the pro forma application of FAS 143 to prior periods would result in the same pro forma net income and earnings per share amounts as the actual amounts reported for those periods due to the regulatory treatment mentioned above.

FPL Group and FPL have identified but not recognized ARO liabilities related to electric transmission and distribution (T&D) and telecommunications assets resulting from easements over property not owned by FPL Group or FPL. These easements are generally perpetual and only require retirement action upon abandonment or cessation of use of the property for the specified purpose. The ARO liability is not estimable for such easements as FPL Group and FPL intend to utilize these properties indefinitely. In the event FPL Group and FPL decide to abandon or cease the use of a particular easement, an ARO liability would be recorded at that time.

In addition to the amounts recorded by FPL, upon adoption of FAS 143, FPL Energy increased its ARO by approximately $6 million to a total ARO of approximately $164 million and increased its net property, plant and equipment by approximately $6 million. Approximately $152 million of FPL Energy's ARO related to the nuclear decommissioning obligation of the Seabrook Station (Seabrook), and the remainder primarily represented the current estimated fair value of obligations to dismantle its wind facilities located on leased property and certain hydro facilities. The cumulative effect on FPL Energy's net income of adopting FAS 143 was immaterial. FPL Energy recorded accretion expense of approximately $3 million and $6 million for the three and six months ended June 30, 2003, respectively, which caused FPL Energy's ARO to increase to approximately $170 million at June 30, 2003. FPL Energy made no other adjustments to its ARO during 2003.

Had FAS 143 been applied in 2002 and 2001, FPL Group would have recorded AROs of approximately $2.0 billion and $1.7 billion at December 31, 2002 and 2001, respectively. Additionally, had FPL Group applied FAS 143 in the three and six months ended June 30, 2002, FPL Group's net income and earnings per share would not have differed from the reported amounts.

2. Variable Interest Entities

In January 2003, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. (FIN) 46, "Consolidation of Variable Interest Entities," which will replace the current accounting guidance for special purpose entities (SPEs). As a result, entities that are deemed to be variable interest entities (VIEs) in which FPL Group or FPL or one of their respective subsidiaries is considered to be the "primary beneficiary" will be consolidated. Variable interests are considered to be contractual, ownership or other monetary interests in an entity that fluctuate with changes in the entity's net asset value. An entity is considered to be a VIE when it has equity investors who lack the characteristics of having a controlling financial interest, or its capital is insufficient to permit it to finance its activities without additional subordinated financial support. Consolidation of a VIE by an investor is required when it is determined that the investor will absorb a majority of the VIE's expected losses or residual returns. FPL Group and FPL believe that the VIEs discussed below will be required to be consolidated beginning in July 2003.

FPL – FPL leases nuclear fuel for all four of its nuclear units from an unrelated SPE. For ratemaking purposes, these leases are classified as operating leases. For financial reporting, the capital lease obligation is recorded at the amount due in the event of lease termination. FPL makes quarterly payments to the lessor for the lease commitments regardless of fuel utilization. In 1991, at the inception of the leases, the SPE entered into various debt agreements to finance the cost of the nuclear fuel. As of June 11, 2003, FPL is the guarantor of the debt agreements. The outstanding balances under the debt agreements were approximately $164 million at June 30, 2003 and $158 million at December 31, 2002.

FPL Energy – In 2000, an FPL Energy subsidiary entered into an operating lease agreement with an SPE lessor to lease a 550-mw combined-cycle power generation plant through 2007. At the inception of the lease, the lessor obtained the funding commitments required to complete the acquisition, development and construction of the plant through debt and equity contributions from investors who are not affiliated with FPL Group. At December 31, 2002, the commitment was capped at costs incurred of $380 million. The $380 million commitment includes $364 million of debt and $16 million of equity. The conditions to achieve project completion were satisfied as of December 27, 2002, at which time the base lease term began. The FPL Energy subsidiary began making quarterly lease payments on March 31, 2003. The amounts are intended to cover the lessor's debt service, which includes a stated yield to equity holders and certain other costs. The minimum annual lease payments are estimated to be approximately $11 million for the remainder of 2003, $23 million in 2004, $25 million in 2005, $18 million in 2006 and $209 million in 2007 (including a residual value guarantee of $192 million). The lease payments are based on a floating interest rate, tied to three month LIBOR, which adjusts quarterly.

The FPL Energy subsidiary has the option to purchase the plant at any time during the remaining lease term for 100% of the outstanding principal balance of the loans and equity contributions made to the SPE, all accrued and unpaid interest and yield, and all other fees, costs and amounts then due and owing pursuant to the provisions of the related financing documents. However, under certain limited events of default, the FPL Energy subsidiary can be required to purchase the plant for the same cost. If the FPL Energy subsidiary does not elect to purchase the plant at the end of the lease term, a residual value guarantee (included in the minimum lease payments above) must be paid, and the plant will be sold. Any proceeds received by the lessor in excess of the outstanding debt and equity will be given to the FPL Energy subsidiary. FPL Group Capital Inc (FPL Group Capital) has guaranteed certain obligations of the FPL Energy subsidiary under the lease agreement. The equity holder controls the lessor. The lessor has represented that it has essentially no assets or obligations other than the plant and the related debt and that total assets, total liabilities and equity of the lessor at June 30, 2003 were approximately $383 million, $367 million and $16 million, respectively.

At June 30, 2003, FPL Group's and FPL's maximum exposure to loss as a result of their involvement with the two VIEs discussed above, in the event that the underlying asset would be economically worthless, was approximately $376 million and $164 million, respectively, which includes the residual value guarantee, letters of credit and debt service guarantees. As a result of the consolidation of the above mentioned VIEs beginning July 1, 2003, FPL Group's and FPL's assets will increase by approximately $366 million and $1 million, respectively, and their liabilities will increase by approximately $379 million and $1 million, respectively. In addition, FPL Group's equity will decrease by approximately $7 million related to accumulated other comprehensive losses recorded by FPL Energy's SPE lessor mentioned above. The cumulative effect on FPL Group's net income of implementing FIN 46 for the VIEs discussed above is approximately a $3 million loss (net of taxes of $2 million) and zero for FPL. FPL Group is continuing to evaluate its investments in partnerships and joint ventures to determine if any of those entities would be required to be consolidated under the provisions of FIN 46.

3. Earnings Per Share

The reconciliation of earnings per share and earnings per share – assuming dilution is shown below:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
	(millions, except per share amounts)			
Numerator:				
Net income	$ 239	$ 250	$ 414	$ 194
Denominator:				
Weighted-average number of common shares outstanding	177.3	170.6	177.0	169.9
Performance share and shareholder value awards, options and equity units [a]	0.8	0.5	0.6	0.3
Weighted-average number of common shares outstanding – assuming dilution	178.1	171.1	177.6	170.2
Earnings per share	$ 1.35	$ 1.46	$ 2.34	$ 1.14
Earnings per share – assuming dilution	$ 1.34	$ 1.46	$ 2.33	$ 1.14

[a] Performance share and shareholder value awards are included in diluted weighted-average number of common shares outstanding based upon what would be issued if the end of the reporting period was the end of the term of the award. Options and equity units (known as Corporate Units) are included in diluted weighted-average number of common shares outstanding by applying the treasury stock method.

Common shares issuable upon the exercise of stock options, which were not included in the denominator above due to their antidilutive effect, were approximately 1 million and 2 million for the three months ended June 30, 2003 and 2002, respectively, and approximately 2 million for both the six months ended June 30, 2003 and 2002.

4. Comprehensive Income

Substantially all of the transactions that FPL Group has designated as hedges at June 30, 2003 are cash flow hedges which have expiration dates through December 2016. Approximately $37 million of FPL Group's accumulated other comprehensive income at June 30, 2003 will be reclassified into earnings within the next 12 months as the hedged fuel is consumed or as electricity is sold. Within other comprehensive income (OCI), approximately $18 million and $1 million represent the effective portion of the net gain on cash flow hedges during the three months ended June 30, 2003 and 2002, respectively. The corresponding amounts for the six months ended June 30, 2003 and 2002 are approximately $42 million and $15 million, respectively.

Comprehensive income of FPL Group, totaling approximately $259 million and $250 million for the three months ended June 30, 2003 and 2002, respectively, and approximately $441 million and $210 million for the six months ended June 30, 2003 and 2002, respectively, includes net income, net unrealized gains (losses) on cash flow hedges of $8 million and $(1) million for the three months ended June 30, 2003 and 2002, respectively, and $18 million and $15 million for the six months ended June 30, 2003 and 2002, respectively, as well as changes in unrealized gains and losses on available for sale securities. Accumulated other comprehensive income is separately displayed in the condensed consolidated balance sheets of FPL Group.

5. Derivative Instruments

Beginning in 2002, FPL Group segregated unrealized mark-to-market gains and losses on derivative transactions into two categories. The first category, referred to as trading and managed hedge activities, represents the net unrealized effect of actively traded positions entered into to take advantage of market price movements and to optimize the value of generation assets and related contracts. The second category, referred to as non-managed hedges, represents the net unrealized effect of derivative transactions entered into as economic hedges (but which do not qualify for hedge accounting under FAS 133, "Accounting for Derivative Instruments and Hedging Activities" as amended by FAS 137, 138 and 149) and the ineffective portion of transactions accounted for as cash flow hedges. These transactions have been entered into to reduce FPL Group's aggregate risk. Any position that is moved between non-managed hedge activity and trading and managed hedge activity is transferred at its fair value on the date of reclassification.

Unrealized mark-to-market gains (losses) on derivative transactions for both consolidated subsidiaries and equity method investees were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
	(millions)			
Trading and managed hedges [a]	$ -	$ (6)	$ (4)	$ 8
Non-managed hedges [b]	$ (3)	$ 2	$ 3	$ 3

(a) The unrealized gains (losses) from trading and managed hedge activities are reported net in operating revenues.
(b) The unrealized gains (losses) from non-managed hedge activities of consolidated entities are reported in other – net and activities of equity method investees are reported in equity in earnings of equity method investees in FPL Group's condensed consolidated statements of income.

In April 2003, the FASB issued FAS 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities," which amends FAS 133 to formally incorporate certain conclusions reached by the Derivatives Implementation Group. For implementation issues that were modified in the amendment process, the new guidance will be applied prospectively for contracts entered into or modified after June 30, 2003. FPL Group and FPL are evaluating the effects, if any, the modifications would have on their financial statements in the future.

Since the adoption of Derivatives Implementation Group Issue (Issue) C11 in July 2001, FPL Group has considered any contract with its total sales price indexed to the consumer price index (CPI) or any similar broad market index to be ineligible for the normal purchases and normal sales exception under FAS 133, since its price was not clearly and closely related to the asset being sold. However, electricity contracts with a price based on the fuel used to generate the electric power being sold have been considered to be eligible for the normal sales exception, even when that price also contained an additional payment for incremental operations and maintenance expenses that was indexed to CPI. FPL Group believed that the types of expenses incurred as incremental operations and maintenance expenses, such as materials and supplies, would be expected to fluctuate with CPI and as such believed the overall price in the contract was clearly and closely related to the electric power being sold. However, in March 2003, FPL Group amended all such derivative contracts to remove the inflation indices.

In June 2003, the FASB addressed this issue by providing guidance in Issue C20 regarding when a contract's price may be considered clearly and closely related to the asset being sold for purposes of qualifying for the normal purchases and normal sales exception in FAS 133. Based on the provisions of this guidance, the amended contracts would have continued to qualify for the normal exception even if they had not been amended. However, Issue C20 would have required a one time cumulative effect adjustment on the October 1, 2003 implementation date to mark these contracts to their fair value. Because these contracts were amended to remove the inflation indices, FPL Group believes a cumulative effect adjustment will not be required.

6. Regulation

In April 2003, the FERC issued its White Paper on Wholesale Power Market Platform (White Paper), responding to comments on its proposed rule regarding standardized market design for electric markets in the United States. The White Paper indicates that the FERC intends to be more flexible on how and when the final rule will be implemented, defer to regional state committees to address significant regional transmission organizations (RTO)/independent system operator (ISO) features, require regulated utilities to join RTOs or ISOs and require RTOs to implement spot markets. FPL is evaluating the proposed rule and is currently unable to determine the effects, if any, on FPL's operations.

In June 2003, the Florida Supreme Court dismissed the State of Florida Office of Public Counsel's (Public Counsel's) appeal of the FPSC's approval of GridFlorida LLC (GridFlorida) without prejudice. The FPSC has restored the GridFlorida docket to active status and will reestablish a schedule for proceeding after an FPSC and FERC technical conference on September 15, 2003.

On November 6, 2003, the Florida Supreme Court will hear oral arguments in the South Florida Hospital and Healthcare Association's appeal of the FPSC's approval of FPL's 2002-2005 rate agreement. FPL intends to continue to vigorously contest this appeal and believes that the FPSC's decision approving the 2002-2005 rate agreement will be upheld.

7. Stock-Based Compensation

FAS 123, "Accounting for Stock-Based Compensation," encourages a fair value based method of accounting for stock-based compensation. FPL Group, however, uses the intrinsic value based method of accounting as permitted by the statement. Stock-based compensation expense was approximately $7 million and $5 million for the three months ended June 30, 2003 and 2002, respectively, and $10 million and $11 million for the six months ended June 30, 2003 and 2002, respectively. Compensation expense for restricted stock and performance shares is the same under the fair value and the intrinsic value based methods. The following table illustrates the effect on net income and earnings per share if FPL Group's compensation expense relating to options had been determined using the fair value based method:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
	(millions, except per share amounts)			
Net income, as reported	$ 239	$ 250	$ 414	$ 194
Deduct: total stock-based employee compensation expense determined under fair value based method, net of related tax effects	2	2	3	3
Pro forma net income	$ 237	$ 248	$ 411	$ 191
Earnings per share:				
As reported	$ 1.35	$ 1.46	$ 2.34	$ 1.14
Pro forma	$ 1.34	$ 1.45	$ 2.32	$ 1.12
Assuming dilution – as reported	$ 1.34	$ 1.46	$ 2.33	$ 1.14
Assuming dilution – pro forma	$ 1.33	$ 1.45	$ 2.31	$ 1.12

In March 2003, the FASB added a project to its agenda to address whether compensation paid in the form of equity instruments should be recognized and how such compensation should be measured. In May 2003, FPL Group announced it would begin using the fair value based method of accounting for stock-based compensation beginning in 2004.

8. Debt

Long-term Debt – In April 2003, FPL sold $500 million principal amount of 5 5/8% first mortgage bonds maturing in 2034 and FPL Group Capital sold $500 million principal amount of 3 1/4% debentures maturing in 2006. The proceeds from FPL's first

mortgage bonds were used to repay a portion of FPL's short-term borrowings and for other corporate purposes. The proceeds from FPL Group Capital's debentures were used to repay a portion of commercial paper issued to fund investments in independent power projects.

In May 2003, FPL sold approximately $79 million principal amount of variable rate tax-exempt solid waste disposal revenue refunding bonds maturing in 2024. The proceeds were used to refund and redeem in May 2003, approximately $5 million principal amount of 6.70% solid waste disposal revenue bonds maturing in 2027 and approximately $4 million principal amount of 7.15% solid waste disposal revenue bonds maturing in 2023. The remaining proceeds were used to refund and redeem in July 2003, approximately $65 million principal amount of variable rate solid waste disposal revenue bonds maturing in 2024 and approximately $4 million principal amount variable rate solid waste disposal revenue bonds maturing in 2027.

In June 2003, FPL sold $15 million principal amount of variable rate tax-exempt solid waste disposal revenue refunding bonds maturing in 2023. The proceeds were used to refund and redeem $15 million principal amount of 7.15% solid waste disposal revenue bonds maturing in 2023.

In July 2003, a subsidiary of FPL Energy closed on a $400 million variable rate construction term facility to fund the construction of two gas-fired power projects. Approximately $242 million was advanced at closing. The construction term facility consists of non-recourse senior secured debt for the construction period followed by a term credit facility which matures 42 months following the completion of one of the power projects (estimated maturity date of November 15, 2007), but in no event later than June 30, 2008. FPL Group Capital has guaranteed certain obligations under the debt agreement. In August 2003, the FPL Energy subsidiary entered into an interest rate swap agreement to fix the interest rate on $200 million of this debt at 3.557%, which expires on November 15, 2007.

Also in July 2003, a subsidiary of FPL Energy sold $380 million of 6.639% limited-recourse senior secured bonds maturing in 2023. The majority of the proceeds were used to return to FPL Energy a portion of the indirect investment it made in the development, acquisition and/or construction of seven wind power projects and to fund a debt service reserve account and a major maintenance reserve account. FPL Group Capital has guaranteed certain obligations under the debt agreement.

In July 2003, FPL Group Capital entered into two $150 million variable rate hedge agreements to protect $300 million of its 7.625% fixed rate debt maturing in 2006 against changes in fair value due to changes in interest rates. Both of the hedge agreements expire in 2006.

Notes Payable – In March 2003, FPL entered into a promissory note with a bank under which FPL may borrow up to $500 million. As of June 30, 2003, FPL had loans outstanding under this note totaling $150 million principal amount with a weighted-average annual interest rate of 1.38% and an average remaining term of 79 days. The proceeds of borrowings under the promissory note will be used for general corporate purposes.

9. Commitments and Contingencies

Commitments – FPL Group and its subsidiaries have made commitments in connection with a portion of their projected capital expenditures. Capital expenditures at FPL consist of the cost for construction or acquisition of additional facilities and equipment to meet customer demand. At FPL Energy, capital expenditures include costs for the acquisition, development and expansion of independent power projects (including capitalized interest). FPL FiberNet, LLC's (FPL FiberNet) capital expenditures primarily include costs to sustain its fiber optic network and meet customer specific requirements. At June 30, 2003, capital expenditures for the remainder of 2003 through 2007 are estimated to be as follows:

	2003	2004	2005	2006	2007	Total
			(millions)			
FPL:[a]						
Generation	$ 395	$ 670	$ 490	$ 230	$ 320	$ 2,105
Transmission	95	185	140	135	140	695
Distribution	235	520	510	515	525	2,305
General and other	70	135	115	125	120	565
Total	$ 795	$ 1,510	$ 1,255	$ 1,005	$ 1,105	$ 5,670
FPL Energy:						
Wind[b]	$ 685	$ -	$ -	$ -	$ -	$ 685
Gas	160	45	10	10	10	235
Nuclear	10	30	40	20	15	115
Total	$ 855	$ 75	$ 50	$ 30	$ 25	$ 1,035
FPL FiberNet	$ 5	$ 10	$ 10	$ 10	$ 10	$ 45

(a) Represents estimated capital expenditures for capacity needs identified through 2006.
(b) FPL Energy's capital expenditures for wind are estimated through 2003, when the production tax credits are scheduled to expire, and assumes the addition of approximately 1,000 mw, of which 836 mw have been announced.

In addition to estimated capital expenditures listed above, FPL and FPL Energy have long-term contracts related to purchased power and/or fuel (see Contracts below). As of June 30, 2003, FPL Energy had approximately $1.5 billion in firm commitments for a portion of its capital expenditures, natural gas transportation and storage and nuclear fuel contracts and minimum lease payments associated with an SPE (see Note 2). FPL Group has guaranteed certain payment obligations of FPL Group Capital, including most of those under FPL Group Capital's debt.

FPL Group and FPL each account for payment guarantees and related contracts, for which it is the guarantor, under FIN 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees Including Indirect Guarantees of Indebtedness of Others," which requires that the fair value of guarantees provided to consolidated entities entered after December 31, 2002, be recorded on the balance sheet. At June 30, 2003, subsidiaries of FPL Group, other than FPL, have guaranteed a firm gas transportation agreement obligation with a letter of credit, purchase and sale of power and fuel agreement obligations and debt service payments relating to agreements that existed at December 31, 2002. The term of the guarantees is equal to the term of the related debt, firm transportation agreement, or purchase and sale of power and fuel agreement, which can be as short as 30 days or as long as 20 years. The maximum potential amount of future payments that could be required under these guarantees at June 30, 2003 is approximately $21 million, of which $2 million relates to a guarantee for the performance of an unrelated party. At June 30, 2003, FPL Group does not have any liabilities recorded for these guarantees. In certain instances, FPL Group can seek recourse from third parties for 50% of any amount paid under the guarantees.

FPL Energy has guaranteed certain performance obligations of a power plant owned by a wholly-owned subsidiary as part of a power purchase agreement (PPA) that expires in 2027. Under the PPA, the subsidiary could incur market-based liquidated damages for failure to meet a stated mechanical availability and guaranteed average output. Based on past performance of similar projects and current forward prices, management believes that the exposure associated with this guarantee is not material.

Contracts – FPL Energy has entered into several contracts for the supply of wind turbines and towers to support a portion of the wind generation under construction. In addition, FPL Energy has entered into various engineering, procurement and construction contracts with expiration dates through 2004 to support its development activities. All of these contracts are intended to support expansion, and the related commitments as of June 30, 2003 are included in Commitments above.

FPL has entered into long-term purchased power and fuel contracts. FPL is obligated under take-or-pay purchased power contracts with JEA (formerly known as the Jacksonville Electric Authority) and with subsidiaries of The Southern Company (Southern Companies) to pay for approximately 1,300 mw of power through mid-2010 and 381 mw thereafter through 2021. FPL also has various firm pay-for-performance contracts to purchase approximately 900 mw from certain cogenerators and small power producers (qualifying facilities) with expiration dates ranging from 2005 through 2026. The purchased power contracts provide for capacity and energy payments. Energy payments are based on the actual power taken under these contracts, and the Southern Companies' contract is subject to minimum quantities. Capacity payments for the pay-for-performance contracts are subject to the qualifying facilities meeting certain contract conditions. FPL has various agreements with several electricity suppliers to purchase an aggregate of up to 1,100 mw of power with expiration dates ranging from 2003 through 2007. In general, the agreements require FPL to make capacity payments and supply the fuel consumed by the plants under the contracts. FPL has medium- to long-term contracts for the transportation and supply of natural gas, coal and oil with various expiration dates through 2028.

FPL Energy has long-term contracts for the transportation, supply and storage of natural gas with expiration dates ranging from 2005 through 2033. FPL Energy also has several contracts for the supply, conversion, enrichment and fabrication of Seabrook's nuclear fuel with expiration dates ranging from 2003 to 2008.

The remaining required capacity and minimum payments under these contracts as of June 30, 2003 are estimated to be as follows:

	2003	2004	2005	2006	2007	Thereafter
			(millions)			
FPL:						
Capacity payments:						
JEA and Southern Companies	$ 90	$ 180	$ 180	$ 190	$ 190	$ 1,100
Qualifying facilities	$ 170	$ 350	$ 350	$ 300	$ 300	$ 4,300
Other electricity suppliers	$ 55	$ 90	$ 55	$ 50	$ 5	$ -
Minimum payments, at projected prices:						
Southern Companies – energy	$ 30	$ 60	$ 70	$ 70	$ 70	$ 180
Natural gas, including transportation	$ 935	$ 1,180	$ 615	$ 275	$ 275	$ 3,175
Coal	$ 15	$ 25	$ 25	$ 10	$ 10	$ -
Oil	$ 200	$ -	$ -	$ -	$ -	$ -
FPL Energy	$ 20	$ 45	$ 40	$ 40	$ 40	$ 610

Charges under these contracts were as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2003		2002		2003		2002	
	Capacity	Energy/ Fuel	Capacity	Energy/ Fuel	Capacity	Energy/ Fuel	Capacity	Energy/ Fuel
	(millions)							
FPL:								
JEA and Southern Companies	$ 47[a]	$ 40[b]	$ 50[a]	$ 42[b]	$ 96[a]	$ 78[b]	$ 96[a]	$ 79[b]
Qualifying facilities	$ 94[c]	$ 33[b]	$ 79[c]	$ 29[b]	$ 178[c]	$ 68[b]	$ 155[c]	$ 60[b]
Other electricity suppliers	$ 28[c]	$ 13[b]	$ 22[c]	$ 7[b]	$ 42[c]	$ 17[b]	$ 25[c]	$ 9[b]
Natural gas, including transportation	$ -	$ 443[b]	$ -	$ 225[b]	$ -	$ 842[b]	$ -	$ 368[b]
Coal	$ -	$ 12[b]	$ -	$ 15[b]	$ -	$ 25[b]	$ -	$ 29[b]
Oil	$ -	$ 152[b]	$ -	$ 112[b]	$ -	$ 272[b]	$ -	$ 165[b]
FPL Energy	$ -	$ 11	$ -	$ 4	$ -	$ 19	$ -	$ 9

(a) Majority is recoverable through the capacity cost recovery clause (capacity clause).
(b) Recoverable through the fuel and purchased power cost recovery clause (fuel clause).
(c) Recoverable through the capacity clause.

Insurance – Liability for accidents at nuclear power plants is governed by the Price-Anderson Act, which limits the liability of nuclear reactor owners to the amount of insurance available from both private sources and an industry retrospective payment plan. In accordance with this act, FPL Group maintains $300 million of private liability insurance per site, which is the maximum obtainable, and participates in a secondary financial protection system under which it is subject to retrospective assessments of up to $454 million ($363 million for FPL) per incident at any nuclear utility reactor in the United States, payable at a rate not to exceed $54 million ($43 million for FPL) per incident per year. FPL Group and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook and St. Lucie Unit No. 2, which approximates $11 million and $14 million per incident, respectively. The Price-Anderson Act expired on August 1, 2002 but the liability limitations did not change for plants, including FPL's four nuclear units and Seabrook, with operating licenses issued by the NRC prior to August 1, 2002.

FPL Group participates in nuclear insurance mutual companies that provide $2.75 billion of limited insurance coverage per occurrence per site for property damage, decontamination and premature decommissioning risks at its nuclear plants. The proceeds from such insurance, however, must first be used for reactor stabilization and site decontamination before they can be used for plant repair. FPL Group also participates in an insurance program that provides limited coverage for replacement power costs if a nuclear plant is out of service for an extended period of time because of an accident. In the event of an accident at one of FPL Group's or another participating insured's nuclear plants, FPL Group could be assessed up to $93 million ($70 million for FPL) in retrospective premiums. FPL Group and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook and St. Lucie Unit No. 2, which approximates $3 million and $3 million, respectively.

In the event of a catastrophic loss at one of FPL Group's nuclear plants, the amount of insurance available might not be adequate to cover property damage and other expenses incurred. Uninsured losses, to the extent not recovered through rates in the case of FPL, would be borne by FPL Group and FPL and could have a material adverse effect on FPL Group's and FPL's financial condition and results of operations.

FPL self-insures its T&D property due to the high cost and limited coverage available from third-party insurers. As approved by the FPSC, FPL maintains a storm and property insurance reserve for uninsured property storm damage or assessments under the nuclear insurance program. As of June 30, 2003, the storm and property insurance reserve (approximately $317 million) equals the amount in the storm fund (approximately $196 million) plus related deferred income taxes (approximately $121 million). The current annual accrual approved by the FPSC is $20.3 million. Recovery from customers of any losses in excess of the storm and property insurance reserve will require the approval of the FPSC. FPL's available lines of credit provide additional liquidity in the event of a T&D property loss. In addition, FPL Group is self-insured for FPL FiberNet's fiber-optic cable located throughout Florida.

Litigation – In 1999, the Attorney General of the United States, on behalf of the U.S. Environmental Protection Agency (EPA), brought an action against Georgia Power Company and other subsidiaries of The Southern Company for certain alleged violations of the Clean Air Act. In May 2001, the EPA amended its complaint. The amended complaint alleges, among other things, that Georgia Power Company constructed and is continuing to operate Scherer Unit No. 4, in which FPL owns a 76% interest, without obtaining proper permitting, and without complying with performance and technology standards as required by the Clean Air Act. It also alleges that unspecified major modifications have been made at Scherer Unit No. 4 that require its compliance with the aforementioned Clean Air Act provisions. The EPA seeks injunctive relief requiring the installation of best available control technology and civil penalties of up to $25,000 per day for each violation from an unspecified date after June 1, 1975 through January 30, 1997, $27,500 per day for each violation thereafter through August 3, 2003 and, under a proposed EPA rule, $32,500 per day for each violation thereafter. Georgia Power Company has answered the amended complaint,

asserting that it has complied with all requirements of the Clean Air Act, denying the plaintiff's allegations of liability, denying that the plaintiff is entitled to any of the relief that it seeks and raising various other defenses. In June 2001, a federal district court stayed discovery and administratively closed the case pending resolution of the EPA's motion for consolidation of discovery in several Clean Air Act cases that was filed with a Multi-District Litigation (MDL) panel. In August 2001, the MDL panel denied the motion for consolidation. In September 2001, the EPA moved that the federal district court reopen this case for purposes of discovery. Georgia Power Company opposed that motion asking that the case remain closed until the Eleventh Circuit Court of Appeals rules on the Tennessee Valley Authority's (TVA) appeal of an EPA administrative compliance order relating to legal issues that are also central to this case. In August 2002, the federal district court denied without prejudice the EPA's motion to reopen. In June 2003, the Eleventh Circuit issued its order dismissing the TVA's appeal because it found the provision of the Clean Air Act allowing the EPA to issue binding administrative compliance orders was unconstitutional, and hence found that the TVA order was a non-final order that courts of appeal do not have jurisdiction to review. The EPA is reviewing its options for further review of the Eleventh Circuit decision. The EPA has not yet moved to reopen this case.

In 2001, J. W. and Ernestine M. Thomas, Chester and Marie Jenkins, and Ray Norman and Jack Teague, as Co-Personal Representatives on behalf of the Estate of Robert L. Johns, filed suit against FPL Group, FPL, FPL FiberNet, FPL Group Capital and FPL Investments, Inc. in the Florida circuit court. This action is purportedly on behalf of all property owners in Florida (excluding railroad and public rights of way) whose property is encumbered by easements in favor of defendants, and on whose property defendants have installed or intend to install fiber-optic cable which defendants currently lease, license or convey or intend to lease, license or convey for non-electric transmission or distribution purposes. The lawsuit alleges that FPL's easements do not permit the installation and use of fiber-optic cable for general communication purposes. The plaintiffs have asserted claims for unlawful detainer, unjust enrichment and constructive trust and seek injunctive relief and compensatory damages. In May 2002, plaintiffs filed an amended complaint, adding allegations regarding the installation of wireless communications equipment on some easements, and adding a claim for declaratory relief. Defendants have filed an answer and affirmative defenses to the amended complaint. The parties are pursuing discovery.

In August 2001, Florida Municipal Power Agency (FMPA) filed with the United States Court of Appeals for the District of Columbia (DC Circuit) a petition for review asking the DC Circuit to reverse and remand orders of the FERC denying FMPA's request for credits for transmission facilities owned by FMPA members. The transmission credits sought by FMPA would offset the transmission charges that FPL bills FMPA for network transmission service to FMPA's member cities. FMPA member cities have been taking network transmission service under FPL's open access transmission tariff (OATT) since the mid-1990s. In the orders appealed by FMPA, FERC ruled that FMPA would be entitled to credits for any FMPA facilities that were "integrated" with the FPL transmission system. Based on the evidence submitted, FERC concluded that none of the FMPA facilities met the integration test and, therefore, FMPA was not entitled to credits against FPL's charges for transmission service. On January 21, 2003, the DC Circuit upheld FERC's order denying FMPA credits for its facilities, finding that substantial evidence supported FERC's conclusion that FMPA's facilities do not satisfy the integration test. On March 28, 2003, the DC Circuit denied FMPA's rehearing request of the DC Circuit's decision. FMPA has petitioned the U.S. Supreme Court for review of the DC Circuit's decision. FMPA also has requested that FERC decide the crediting issue again in a separate FERC proceeding. That proceeding dates back to a filing by FPL on March 19, 1993, as completed on July 26, 1993, of a comprehensive restructuring of its then-existing tariff structure. All issues in that case are settled except for three issues reserved by FMPA, one of which is the crediting issue. FPL has argued that, particularly in light of the DC Circuit's order, FERC should not issue another order addressing FMPA's request for credits. If FERC does decide the crediting issue in this separate proceeding, and reverses its previous finding that FMPA is not entitled to transmission credits, FMPA is likely to seek refunds for amounts collected from FMPA member cities taking service under FPL's OATT. FPL estimates that through June 30, 2003 its maximum exposure to refunds, including interest, is approximately $50 million to $60 million. On March 5, 2003, FMPA petitioned the DC Circuit to order FERC to rule on the reserved issues. FERC's response to FMPA's petition stated that FMPA had not shown the extraordinary circumstances to warrant granting their petition. FERC has directed FPL and FMPA to file supplemental initial and reply briefs.

In January 2002, Roy Oorbeek and Richard Berman filed suit against FPL Group (as an individual and nominal defendant); all its current directors (except James L. Camaren, Michael H. Thaman and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Lewis Hay III, Dennis P. Coyle, Paul J. Evanson and Lawrence J. Kelleher. The lawsuit alleges that the proxy statements relating to shareholder approval of FPL Group's Long Term Incentive Plan (LTIP) and FPL Group's proposed, but unconsummated, merger with Entergy Corporation (Entergy) were false and misleading because they did not affirmatively state that payments made to certain officers under FPL Group's LTIP upon shareholder approval of the merger would be retained by the officers even if the merger with Entergy was not consummated and did not state that under some circumstances payments made pursuant to FPL Group's LTIP might not be deductible by FPL Group for federal income tax purposes. It also alleges that FPL Group's LTIP required either consummation of the merger as a condition to the payments or the return of the payments if the transaction did not close, and that the actions of the director defendants in approving the proxy statements, causing the payments to be made, and failing to demand their return constitute corporate waste. The plaintiffs seek to have the shareholder votes approving FPL Group's LTIP and the merger declared null and void, the return to FPL Group of $62 million of payments received by the officers, compensatory damages of $92 million (including the $62 million of payments received by the officers) from all defendants (except FPL Group) and attorneys' fees. FPL Group's board of directors had previously established a special committee to investigate a demand by another shareholder that the board take action to obtain the return of the payments made to the officers and expanded that investigation to include the allegations in the Oorbeek and Berman complaint.

In March 2002, William M. Klein, by Stephen S. Klein under power of attorney, on behalf of himself and all others similarly situated, filed suit against FPL Group (as nominal defendant); all its current directors (except James L. Camaren, Michael H. Thaman and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Paul J. Evanson, Lewis Hay III and Dennis P. Coyle. The lawsuit alleges that the payments made to certain officers under FPL Group's LTIP upon shareholder approval of the proposed merger with Entergy were improper and constituted breaches of fiduciary duties by the individual defendants because the LTIP required consummation of the merger as a condition to the payments. The plaintiff seeks the return to FPL Group of the payments received by the officers ($62 million); contribution, restitution and/or damages from the individual defendants; and attorneys' fees. These allegations also were referred to the special committee of FPL Group's board of directors investigating the allegations in the Oorbeek and Berman lawsuit.

In August 2002, the special committee filed under seal with the court its report of its investigation. The report concluded that pursuit of the claims identified by the plaintiffs in the Oorbeek and Berman and the Klein lawsuits is not in the best interest of FPL Group or its shareholders generally, and recommended that FPL Group seek dismissal of the lawsuits. After reviewing the special committee's report, FPL Group's board of directors (with only independent directors participating) concluded likewise. In September 2002, FPL Group, as nominal defendant, filed the special committee's report in the public docket and filed with the court a Statement of Position setting forth the special committee's and the board's conclusions and authorizing the filing of a motion to dismiss. The Statement of Position also reported that during the course of the special committee's investigation of the allegations in the lawsuits a separate question arose concerning the interpretation of the provisions of the LTIP pursuant to which the payments to eight senior officers were calculated. The board, the affected officers (three of whom have retired or resigned from FPL Group), and their respective legal counsel are discussing resolution of the issue. Any change from the original interpretation could result in a repayment to FPL Group of up to approximately $9 million.

In February 2003, Donald E. and Judith B. Phillips filed suit against FPL Group (as nominal defendant); all its current directors (except James L. Camaren, Michael H. Thaman and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Paul J. Evanson, Lewis Hay III, Dennis P. Coyle and Lawrence J. Kelleher. The lawsuit alleges that the proxy statements relating to shareholder approval of FPL Group's LTIP and FPL Group's proposed, but unconsummated, merger with Entergy were false and misleading because they did not affirmatively state that payments made to certain officers under FPL Group's LTIP upon shareholder approval of the merger would be retained by the officers even if the merger with Entergy was not consummated and did not state that under some circumstances payments made pursuant to FPL Group's LTIP might not be deductible by FPL Group for federal income tax purposes. It also alleges that FPL Group's LTIP required either consummation of the merger as a condition to the payments or the return of the payments if the transaction did not close, and that the actions of the director defendants in approving the proxy statements, causing the payments to be made, and failing to demand their return constitute corporate waste. The plaintiffs seek to have the shareholder votes approving FPL Group's LTIP and the merger declared null and void, the return to FPL Group of $62 million of payments received by the officers, compensatory damages of $92 million (including the $62 million of payments received by the officers) from all defendants (except FPL Group) and attorney's fees.

The Oorbeek, Klein and Phillips lawsuits have been consolidated. FPL Group has filed motions to dismiss the Oorbeek, Klein and Phillips lawsuits for failure to make a proper demand, as required by Florida law, to obtain action by the board of directors and to dismiss the Oorbeek and Klein lawsuits because the independent directors (other than Messrs. Zarb, Camaren and Thaman) have determined that pursuit of the lawsuits is not in the best interests of FPL Group. Messrs. Zarb, Camaren and Thaman joined the board in August 2002, October 2002 and July 2003, respectively, and did not participate in the proceedings relating to this determination or the motions to dismiss.

On May 2, 2003, the plaintiff's attorneys in the Klein lawsuit sent a new letter to FPL Group's board of directors (the May 2, 2003 Letter). This letter demands, among other things, that the board take action (i) to recover from the persons who approved such payments and/or otherwise breached their fiduciary duties, all of the above-described $92 million of LTIP payments made to officers and employees of FPL Group, allegedly on the grounds that the payments constituted a breach of fiduciary duty, bad faith, corporate waste and other unspecified wrongs, (ii) to investigate whether the proposed merger with Entergy was a plan by FPL Group's officers and directors to enrich themselves at the expense of the company, (iii) to seek the return of certain LTIP awards made in replacement of accelerated LTIP awards, (iv) to take immediate actions to secure the return of up to approximately $9 million in LTIP payments which is subject to an interpretation question under the LTIP, (v) to investigate and seek the return of stock options and restricted stock paid to Mr. Broadhead in January 2002 in connection with a consulting agreement and his retirement from FPL Group in December 2001, and (vi) to investigate whether punitive damages may be sought. In July 2003, FPL Group's board of directors appointed a special committee, composed of James L. Camaren and Michael H. Thaman, to investigate the matters raised in the May 2, 2003 Letter and to make a determination as to how FPL Group should respond to the matters raised therein.

In February 2003, Scott and Rebecca Finestone brought an action on behalf of themselves and their son Zachary Finestone in the U.S. District Court for the Southern District of Florida alleging that their son has developed cancer (neuroblastoma) as a result of the release and/or dissipation into the air, water, soil and underground areas of radioactive and non-radioactive hazardous materials, including strontium 90, and the release of other toxic materials from FPL's St. Lucie nuclear power plant. The complaint includes counts against FPL for strict liability for allegedly engaging in an ultra-hazardous activity and for alleged negligence in operating the

plant in a manner that allowed emissions of the foregoing materials and failing to limit its release of nuclear fission products as prescribed by federal and state laws and regulations. The plaintiffs seek damages in excess of $1 million. FPL has moved to dismiss the complaint.

In May 2003, Tish Blake and John Lowe, as personal representatives of the Estate of Ashton Lowe, on behalf of the estate and themselves, as surviving parents, brought an action in the U.S. District Court for the Southern District of Florida alleging that their son developed cancer (medulo-blastoma) as a result of the release and/or dissipation into the air, water, soil and underground areas of radioactive and non-radioactive hazardous materials, including strontium 90, and the release of other toxic materials from FPL's St. Lucie nuclear power plant. The allegations, counts and damages demanded in the complaint are virtually identical to those contained in the Finestone lawsuit described above. FPL will be moving to dismiss the complaint.

In March 2003, James J. and Lori Bradstreet brought an action on behalf of themselves and their son, Matthew Bradstreet, in the Circuit Court of the 18th Judicial Circuit in and for Brevard County, Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies, the American Dental Association, the Florida Dental Association, FPL and the Orlando Utilities Commission (OUC), alleging that their son has suffered toxic neurological effects from mercury poisoning. An amended complaint was filed in May 2003. The sources of mercury exposure are alleged to be vaccines containing a preservative called thimerosal that were allegedly manufactured and distributed by the drug companies, mercury amalgam dental fillings, and emissions from FPL and OUC power plants in Florida, including Brevard County. The complaint includes counts against all defendants for civil battery and against FPL for alleged negligence in operating the plants such that the son was exposed to mercury and other heavy metals emissions. The damages demanded from FPL are for injuries and losses allegedly suffered by the son as a result of his exposure to the plants' mercury emissions and the parents' alleged pain and suffering, medical expenses, loss of wages, and loss of their son's services and companionship. No amount of damages is specified. FPL has moved to dismiss the complaint. In July 2003, the Bradstreets brought an identical action in the same court on behalf of themselves and their daughter, Elizabeth Bradstreet. FPL will be moving to dismiss the complaint.

In June 2003, Monty and Kathryn Wooldridge brought an action on behalf of themselves and their son, Kevin Allen Wooldridge, in the Circuit Court of the 9th Judicial Circuit in and for Orange County, Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies, the American Dental Association, the Florida Dental Association, FPL and the OUC, alleging that their son has suffered toxic neurological effects from mercury poisoning. The allegations, counts and damages demanded in the complaint are virtually identical to those contained in the Bradstreet lawsuits described above. FPL will be moving to dismiss the complaint.

In March 2003 and subsequently amended in April 2003, the New York Public Interest Research Group, the NY/NJ Baykeeper and the American Littoral Society brought an action against the New York State Department of Environmental Conservation (DEC), Jamaica Bay Peaking Facility, LLC (Jamaica Bay), FPL Energy and Long Island Power Authority (LIPA) in the New York State Supreme Court, Queens County. The action challenges the construction and operation by Jamaica Bay of a nominal 55 mw generating facility (Facility) currently operating in Far Rockaway, NY. The petition alleges, among other things, that LIPA did not conduct a proper environmental review of the Facility under the State Environmental Quality Review Act, and that the issuance of an air emissions permit for the Facility by the DEC was improper because the Facility should have been considered a major stationary source under the Clean Air Act. Petitioners have also filed a Motion for a Preliminary Injunction seeking to stop the construction of the Facility pending a decision on their request that the court declare the DEC air permit null and void and requesting the court to order LIPA to prepare an environmental impact statement for the Facility. FPL Energy and Jamaica Bay have moved to dismiss the petition. In August 2003, the parties entered into a settlement agreement and expect that the case will be dismissed shortly.

FPL Group and FPL believe that they have meritorious defenses to the pending litigation discussed above and are vigorously defending the lawsuits. As noted above, FPL Group's Board of Directors has appointed a special committee of the Board to investigate the matters raised in the May 2, 2003 Letter and to make a determination with respect thereto. Management does not anticipate that the liabilities, if any, arising from the proceedings would have a material adverse effect on the financial statements.

In addition to those legal proceedings discussed herein, FPL Group and its subsidiaries, including FPL, are involved in a number of other legal proceedings and claims in the ordinary course of their businesses. While management is unable to predict with certainty the outcome of these other legal proceedings and claims, it is not expected that their ultimate resolution, individually or collectively, will have a material adverse effect on the financial statements.

Other Contingencies – In connection with the redemption in 1999 of its one-third ownership interest in Olympus Communications, L.P. (Olympus), an indirect subsidiary of FPL Group holds a note receivable from a limited partnership, of which Olympus is a general partner. The note receivable is secured by a pledge of the redeemed ownership interest. Olympus is an indirect subsidiary of Adelphia Communications Corp. (Adelphia). In June 2002, Adelphia and a number of its subsidiaries, including Olympus, filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code (Chapter 11). The note receivable plus accrued interest totaled approximately $127 million at June 30, 2003 and are included in other investments on FPL Group's condensed consolidated balance sheets. The note was due on July 1, 2002 and is currently in default.

Based on the most recent publicly available financial information set forth in Olympus' Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2001, total assets of Olympus exceeded liabilities by approximately $3.6 billion and Olympus served 1,787,000 basic subscribers. Olympus has not filed its Annual Report on Form 10-K for the fiscal year ended December 31, 2001 or any subsequent Quarterly Reports on Form 10-Q or Annual Reports on Form 10-K with the Securities and Exchange Commission (SEC), and consequently the September 30, 2001 financial information may not be indicative of Olympus' current financial position. Olympus has stated publicly that it expects to restate its financial statements for the years ended December 31, 2000 and 1999, and its interim financial statements for 2001 and possibly other periods. In addition, current management of Olympus believes that other public information provided by the Rigas family was unreliable. In July 2002, the SEC filed suit against Adelphia and certain of its officers alleging that Adelphia fraudulently excluded billions of dollars of debt from its financial statements, misstated its financial and operating results and concealed rampant self-dealing by the Rigas family, which controlled Adelphia. Pursuant to a bankruptcy court order, Olympus is required to file with the court updated financial information. After a number of motions to extend being granted by the court, updated financial information is now required to be filed by October 20, 2003.

In August 2002, an affidavit was filed in the bankruptcy court proceedings by a director of Lazard Freres & Co. LLC stating that, based on his analysis, the market value of FPL Group's secured interest in Olympus exceeded the carrying value of the note receivable plus accrued interest. In February 2003, FPL Group obtained an evaluation of the Olympus assets from an independent third party. The results of the evaluation, which was based on the limited information available, indicated that there was no impairment. However, the ultimate collectibility of the note receivable cannot be assured. FPL Group will continue to monitor these developments.

FPL Energy owns a 50% interest in two wind projects that are qualifying facilities under the PURPA and sell 100% of their output to Southern California Edison (SCE). The projects' qualifying facility status is based on an application filed by FPL Energy's partner in the projects. FERC regulations preclude more than 50% of the equity in qualifying facilities being owned directly or indirectly by utilities or utility holding companies. However, the ownership restriction does not apply to utility holding companies that are exempt from the Holding Company Act under section 3(a)(3) or 3(a)(5). FPL Energy and its partner both are utility holding companies, but FPL Energy's partner currently has exemptions from the Holding Company Act under both section 3(a)(3) and 3(a)(5). Thus, FPL Energy and its partner currently satisfy the 50% ownership test of PURPA. SCE has filed a motion with the SEC requesting that the SEC revoke the Holding Company Act exemptions currently held by FPL Energy's partner prospectively, as well as retroactively, on the basis that the Holding Company Act exemption applications filed by FPL Energy's partner were not filed in good faith. On February 6, 2003, an administrative law judge issued a decision revoking FPL Energy's partner's exemptions from the Holding Company Act. FPL Energy's partner has filed for an appeal of this decision with the SEC. On February 27, 2003, in response to the administrative law judge's decision, FPL Energy's partner transferred the ownership of its affiliates, which are partners in the partnership, to a trust with an independent non-utility trustee. The partnerships applied to the FERC for recertification of the facilities as qualifying facilities under the new ownership arrangements, which remains pending. In addition, on October 24, 2002, the FERC issued an Order Initiating Investigation and Hearing on the issue of whether three facilities, including the two wind projects described above and a third in which FPL Energy has no interest, satisfied statutory and regulatory requirements for qualifying facility status following the 1997 transfer of ownership interests in the facilities from FPL Energy's partner to a third party. This investigation resulted in a settlement with SCE and the FERC Staff. As of July 25, 2003, the settlement received all required regulatory and court approvals and will become effective upon conclusion of the FERC rehearing process. The effectiveness of the settlement would result in the facilities no longer having to satisfy qualifying facility ownership requirements and would not materially affect FPL Energy's results of operations. It will also result in SCE withdrawing its motion at the SEC. If the SEC upholds the administrative law judge's decision, the FERC on rehearing reverses its initial decision and rejects the SCE settlement, and the FERC rejects the recertification application and/or FPL Energy or its partner did not take appropriate remedial steps, the projects could lose their qualifying facility status and SCE could seek to terminate its long-term power sales agreements with the partnerships. If the long-term power sales agreements were terminated, the projects would have to sell their output into the marketplace. FPL Energy recorded a charge in the third quarter of 2002 associated with these regulatory issues of approximately $17 million ($10 million after tax). At June 30, 2003, FPL Energy's net investment in these two wind projects totaled approximately $13 million, which is included in other investments and other receivables on FPL Group's condensed consolidated balance sheets.

Subsidiaries of FPL Group, other than FPL, have investments in several leveraged leases, two of which are with MCI Telecommunications Corporation (MCI). In July 2002, MCI filed for bankruptcy protection under Chapter 11. Due to the uncertainty of collectibility associated with these leveraged leases, FPL Group recorded reserves totaling approximately $48 million ($30 million after tax) in the third quarter of 2002. At June 30, 2003, investments in leveraged leases with MCI totaled approximately $14 million and related deferred tax liabilities totaled approximately $10 million. On June 30, 2003, an agreement was reached with MCI for MCI's assumption of the leases as amended subject to the approval of the bankruptcy court and MCI's emergence from bankruptcy. The amended leases would result in the leases being classified as operating leases and are not expected to have a significant effect on FPL Group's financial statements.

FPL Group recorded charges totaling $207 million ($127 million after tax) in the third quarter of 2002 due to unfavorable market conditions in the wholesale energy and telecommunications markets. During the first six months of 2003, approximately $21 million was charged against the associated liability. As of June 30, 2003, a balance of approximately $6 million remains and is included in other current liabilities on FPL Group's condensed consolidated balance sheets.

10. Segment Information

FPL Group's reportable segments include FPL, a rate-regulated utility, and FPL Energy, a non-rate regulated energy generating subsidiary. Corporate and Other represents other business activities, other segments that are not separately reportable and eliminating entries. FPL Group's segment information is as follows:

	Three Months Ended June 30,							
	2003				2002			
	FPL	FPL Energy[a]	Corporate & Other	Total	FPL	FPL Energy[a]	Corporate & Other	Total
	(millions)							
Operating revenues	$ 2,053	$ 388	$ 18	$ 2,459	$ 1,921	$ 166	$ 41	$ 2,128
Operating expenses	$ 1,692	$ 334	$ 19	$ 2,045	$ 1,546	$ 155	$ 18	$ 1,719
Net income (loss)	$ 199	$ 49	$ (9)	$ 239	$ 205	$ 38	$ 7	$ 250

	Six Months Ended June 30,							
	2003				2002			
	FPL	FPL Energy[a]	Corporate & Other	Total	FPL	FPL Energy[a]	Corporate & Other	Total
	(millions)							
Operating revenues	$ 3,810	$ 772	$ 50	$ 4,632	$ 3,460	$ 370	$ 69	$ 3,899
Operating expenses	$ 3,197	$ 673	$ 41	$ 3,911	$ 2,851	$ 334	$ 49	$ 3,234
Income (loss) before cumulative effect of a change in accounting principle	$ 334	$ 93	$ (13)	$ 414	$ 323	$ 61	$ 32[b]	$ 416
Cumulative effect of adopting FAS 142, net of income taxes	$ -	$ -	$ -	$ -	$ -	$ (222)	$ -	$ (222)
Net income (loss)	$ 334	$ 93	$ (13)	$ 414	$ 323	$ (161)	$ 32[b]	$ 194

	June 30, 2003				December 31, 2002			
	FPL	FPL Energy	Corporate & Other	Total	FPL	FPL Energy	Corporate & Other	Total
	(millions)							
Total assets	$ 15,506[c]	$ 7,218[c]	$ 697	$ 23,421	$ 12,637	$ 6,358	$ 795	$ 19,790

[a] FPL Energy's results include interest charges based on an assumed capital structure of 50% debt for operating projects and 100% debt for projects under construction.
[b] Includes favorable settlement of litigation with the Internal Revenue Service for which a net tax benefit of $30 million was recognized.
[c] Reflects the adoption of FAS 143 in January 2003. See Note 1.

11. Summarized Financial Information of FPL Group Capital

FPL Group Capital, a 100% owned subsidiary of FPL Group, provides funding for and holds ownership interest in FPL Group's operating subsidiaries other than FPL. Most of FPL Group Capital's debt, including all of its debentures, are fully and unconditionally guaranteed by FPL Group. Condensed consolidating financial information is as follows:

Condensed Consolidating Statements of Income

	Three Months Ended June 30,							
	2003				2002			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
	(millions)							
Operating revenues	$ -	$ 406	$ 2,053	$ 2,459	$ -	$ 206	$ 1,922	$ 2,128
Operating expenses	-	(353)	(1,692)	(2,045)	-	(174)	(1,545)	(1,719)
Interest charges	(7)	(39)	(38)	(84)	(7)	(37)	(35)	(79)
Other income (deductions) -- net	244	31	(255)	20	255	58	(270)	43
Income from operations before income taxes	237	45	68	350	248	53	72	373
Income tax expense (benefit)	(2)	-	113	111	(2)	4	121	123
Net income (loss)	$ 239	$ 45	$ (45)	$ 239	$ 250	$ 49	$ (49)	$ 250

	Six Months Ended June 30,							
	2003				2002			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
	(millions)							
Operating revenues	$ -	$ 821	$ 3,811	$ 4,632	$ -	$ 439	$ 3,460	$ 3,899
Operating expenses	-	(714)	(3,197)	(3,911)	-	(383)	(2,851)	(3,234)
Interest charges	(14)	(76)	(71)	(161)	(14)	(74)	(72)	(160)
Other income (deductions) – net	424	64	(445)	43	200	81	(228)	53
Income from operations before income taxes	410	95	98	603	186	63	309	558
Income tax expense (benefit)	(4)	6	187	189	(8)	(36)	186	142
Income (loss) before cumulative effect of a change in accounting principle	414	89	(89)	414	194	99	123	416
Cumulative effect of adopting FAS 142, net of income taxes	-	-	-	-	-	(222)	-	(222)
Net income (loss)	$ 414	$ 89	$ (89)	$ 414	$ 194	$ (123)	$ 123	$ 194

[a] Represents FPL and consolidating adjustments.

Condensed Consolidating Balance Sheets

	June 30, 2003				December 31, 2002			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
	(millions)							
PROPERTY, PLANT AND EQUIPMENT								
Electric utility plant in service and other property	$ -	$ 6,581	$ 21,675	$ 28,256	$ -	$ 5,745	$ 20,760	$ 26,505
Less accumulated depreciation and amortization	-	(532)	(10,755)	(11,287)	-	(360)	(11,841)	(12,201)
Total property, plant and equipment – net	-	6,049	10,920	16,969	-	5,385	8,919	14,304
CURRENT ASSETS								
Cash and cash equivalents	46	135	100	281	5	261	-	266
Receivables	522	292	227	1,041	460	269	136	865
Other	-	256	962	1,218	-	240	537	777
Total current assets	568	683	1,289	2,540	465	770	673	1,908
OTHER ASSETS								
Investment in subsidiaries	6,416	-	(6,416)	-	6,221	-	(6,221)	-
Other	107	1,412	2,393	3,912	103	1,284	2,191	3,578
Total other assets	6,523	1,412	(4,023)	3,912	6,324	1,284	(4,030)	3,578
TOTAL ASSETS	$ 7,091	$ 8,144	$ 8,186	$ 23,421	$ 6,789	$ 7,439	$ 5,562	$ 19,790
CAPITALIZATION								
Common shareholders' equity	$ 6,676	$ 955	$ (955)	$ 6,676	$ 6,390	$ 839	$ (839)	$ 6,390
Preferred stock of FPL without sinking fund requirements	-	-	226	226	-	-	226	226
Long-term debt	-	3,906	2,859	6,765	-	3,426	2,364	5,790
Total capitalization	6,676	4,861	2,130	13,667	6,390	4,265	1,751	12,406
CURRENT LIABILITIES								
Accounts payable and short-term debt	-	1,476	1,147	2,623	-	1,563	1,092	2,655
Other	47	970	535	1,552	17	812	427	1,256
Total current liabilities	47	2,446	1,682	4,175	17	2,375	1,519	3,911
OTHER LIABILITIES AND DEFERRED CREDITS								
Asset retirement obligations	-	169	1,858	2,027	-	-	-	-
Accumulated deferred income taxes	(5)	450	1,316	1,761	(5)	412	1,140	1,547
Other	373	218	1,200	1,791	387	387	1,152	1,926
Total other liabilities and deferred credits	368	837	4,374	5,579	382	799	2,292	3,473
COMMITMENTS AND CONTINGENCIES								
TOTAL CAPITALIZATION AND LIABILITIES	$ 7,091	$ 8,144	$ 8,186	$ 23,421	$ 6,789	$ 7,439	$ 5,562	$ 19,790

[a] Represents FPL and consolidating adjustments.

Condensed Consolidating Statements of Cash Flows

	Six Months Ended June 30,							
	2003				2002			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
	(millions)							
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	$ 243	$ 270	$ 519	$ 1,032	$ (67)	$ 899	$ 595	$ 1,427
CASH FLOWS FROM INVESTING ACTIVITIES								
Capital expenditures and independent power investments	-	(766)	(629)	(1,395)	-	(625)	(558)	(1,183)
Other – net	-	12	(172)	(160)	1	33	(35)	(1)
Net cash provided by (used in) investing activities	-	(754)	(801)	(1,555)	1	(592)	(593)	(1,184)
CASH FLOWS FROM FINANCING ACTIVITIES								
Issuances of long-term debt	-	498	585	1,083	-	1,077	-	1,077
Retirements of long-term debt	-	(19)	(24)	(43)	-	(17)	(225)	(242)
Net change in short-term debt	-	(121)	(181)	(302)	-	(1,114)	227	(887)
Issuances of common stock	30	-	-	30	342	-	-	342
Dividends	(212)	-	-	(212)	(196)	-	-	(196)
Other – net	(20)	-	2	(18)	(35)	-	-	(35)
Net cash provided by (used in) financing activities	(202)	358	382	538	111	(54)	2	59
Net increase (decrease) in cash and cash equivalents	41	(126)	100	15	45	253	4	302
Cash and cash equivalents at beginning of period	5	261	-	266	-	81	1	82
Cash and cash equivalents at end of period	$ 46	$ 135	$ 100	$ 281	$ 45	$ 334	$ 5	$ 384

[a] Represents FPL and consolidating adjustments.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion should be read in conjunction with the Notes contained herein and Management's Discussion and Analysis of Financial Condition and Results of Operations (Management's Discussion) appearing in the 2002 Form 10-K for FPL Group and FPL. The results of operations for an interim period generally will not give a true indication of results for the year. In the following discussion, all comparisons are with the corresponding items in the corresponding periods of the prior year.

Results of Operations

FPL Group's net income for the second quarter of 2003 was $239 million compared to $250 million for the same period in 2002. Earnings growth at FPL Energy was more than offset by a decline in earnings at FPL and a loss for Corporate and Other. Unrealized losses from non-managed hedge activities decreased FPL Group's net income for the three months ended June 30, 2003 by $2 million while gains of $1 million increased net income for the same period in 2002. Excluding this item, net income would have been $241 million for the second quarter of 2003 compared to $249 million in the second quarter of 2002.

FPL Group's year-to-date net income for 2003 was $414 million compared to $194 million for the same period in 2002 reflecting improved results at both FPL and FPL Energy. FPL Group's net income for the six months ended June 30, 2002 included a first quarter after-tax charge of $222 million related to the cumulative effect of an accounting change. Also during the first quarter of 2002, a $30 million gain from an income tax settlement was recorded. Unrealized gains from non-managed hedge activities increased FPL Group's net income for the six months ended June 30, 2003 by $1 million compared to gains of $2 million for the six months ended June 30, 2002. Excluding these items, net income would have been $413 million for the first six months of 2003 compared to $384 million during the same period in 2002. Management assesses the economic performance of its business segments excluding these charges, gains and the effects of non-managed hedges. Although such items are properly included in the determination of net income in accordance with generally accepted accounting principles, both the size and nature of such items make period to period comparisons of operations difficult and potentially confusing.

FPL Group's effective tax rate for the three and six months ended June 30, 2003 reflects increased tax credits for wind projects at FPL Energy. The effective tax rate for the six months ended June 30, 2002 was further reduced by the gain from an income tax settlement discussed above.

In March 2003, the FASB added a project to its agenda to address whether compensation paid in the form of equity instruments should be recognized and how such compensation should be measured. In May 2003, FPL Group announced it would begin using the fair value based method of accounting for stock-based compensation beginning in 2004.

FPL – For the three months ended June 30, 2003, FPL's net income declined as higher operations and maintenance (O&M) and depreciation expenses more than offset higher revenues from retail base operations. Net income for the six months ended June 30, 2003 benefited from higher revenues from retail base operations partially offset by higher O&M expenses and depreciation expense.

FPL's operating revenues consisted of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
	(millions)			
Retail base operations	$ 946	$ 917	$ 1,774	$ 1,734
Revenue refund provision	-	(4)	-	(23)
Cost recovery clauses and other pass-through costs	1,093	1,005	2,006	1,742
Other	14	3	30	7
Total	$ 2,053	$ 1,921	$ 3,810	$ 3,460

The increase in retail base revenues for the three months ended June 30, 2003 was primarily due to an increase in customer accounts and an increase in usage per retail customer. A 2.4% increase in the number of retail customer accounts increased revenues by approximately $21 million, while the balance of the increase, or $8 million, was primarily due to a 0.5% increase in usage per retail customer. Usage growth associated with price elasticity and improved economic conditions was partially offset by a reduction in weather-driven usage, which was anticipated since revenues in the second quarter of the prior year benefited significantly from warmer weather.

The increase in retail base revenues for the six months ended June 30, 2003, resulting from an increase in customer accounts and an increase in usage per retail customer, was partially offset by the 7% reduction in retail rates pursuant to the 2002-2005 rate agreement that was effective in mid-April 2002. The 7% rate reduction equated to a $62 million reduction in retail base revenues for the six month period. A 2.4% increase in the number of retail customer accounts increased revenues by approximately $40 million, while the balance of the increase, or $62 million, was primarily due to a 3.4% increase in usage per retail customer. Almost 70% of the growth in usage was due to the effects of weather and price elasticity.

Revenues from cost recovery clauses and other pass-through costs such as franchise fees and revenue taxes do not significantly affect net income; however, differences between actual revenues and costs incurred can significantly affect FPL Group's and FPL's operating cash flows. Fluctuations in these revenues, as well as in fuel, purchased power and interchange expenses, are primarily driven by changes in energy sales, fuel prices and capacity charges. The increase in revenues from cost recovery clauses and other pass-through costs for the three and six months ended June 30, 2003, as well as an increase in related payables included in accounts payable on the condensed consolidated balance sheets, was primarily due to higher fuel costs. These higher than projected fuel costs resulted in an underrecovery which increased deferred clause expenses on FPL Group's and FPL's condensed consolidated balance sheets and negatively affected FPL Group's and FPL's cash flows from operations for the three and six months ended June 30, 2003. In March and July 2003, the FPSC approved fuel adjustment increases totaling $347 million effective April 1, 2003 and an additional $214 million effective July 1, 2003, respectively, due to higher than projected oil and natural gas prices.

FPL's O&M expenses increased for the three and six months ended June 30, 2003 primarily due to higher nuclear maintenance, employee benefit and various insurance costs. For the second quarter of 2003, nuclear maintenance costs increased $13 million primarily due to additional maintenance work performed during the scheduled outage at St. Lucie Unit No. 2; employee benefit costs increased $8 million due to higher employee health care costs; with the balance of the increase primarily due to higher property and liability insurance costs. For the six months ended June 30, 2003, nuclear maintenance costs increased $25 million; employee benefit costs increased $15 million; with the balance of the increase primarily due to higher property and liability insurance costs.

In January 2003, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. (FIN) 46, "Consolidation of Variable Interest Entities," which will replace the current accounting guidance for special purpose entities (SPEs). As a result, entities that are deemed to be variable interest entities (VIEs) in which FPL Group or FPL or one of their respective subsidiaries is considered to be the "primary beneficiary" will be consolidated. Variable interests are considered to be contractual, ownership or other monetary interests in an entity that fluctuate with changes in the entity's net asset value. An entity is considered to be a VIE when it has equity investors who lack the characteristics of having a controlling financial interest, or its capital is insufficient to permit it to finance its activities without additional subordinated financial support. Consolidation of a VIE by an investor is required when it is determined that the investor will absorb a majority of the VIE's expected losses or residual returns. FPL Group and FPL believe that the VIEs discussed below will be required to be consolidated beginning in July 2003.In late April and early May 2003, while volumetric inspections of the reactor vessel head at St. Lucie Unit No. 2 were being performed during a scheduled refueling outage, two small cracks were found in the control rod drive mechanism tubes. No leakage was observed and both cracks were repaired during the outage. The cost for the repairs is included in an accrual which is being recorded on a levelized basis over a five-year period beginning in 2002, as approved by the FPSC. Also during the St. Lucie Unit No. 2 scheduled refueling outage, the steam generators were inspected and more tubes had to be plugged than anticipated. The inspection results were evaluated and revised tube plugging projections developed. As a result of this evaluation, management anticipates replacing the steam generators at St. Lucie Unit No. 2 in 2007. The cost for the steam generators is estimated to be approximately $224 million and is included in FPL's capital expenditures disclosed in Note 9 – Commitments. Depending upon the results of future inspections, the reactor vessel head replacement for St. Lucie Unit No. 2 may be delayed until 2007 to coincide with the steam generator replacement.

In anticipation of NRC regulatory requirements resulting from another nuclear company's recent experience, FPL and FPL Energy plan on performing visual inspections of Turkey Point Unit No. 3's, Turkey Point Unit No. 4's and Seabrook's bottom mounted instrumentation penetrations during their next scheduled refueling outages (fall of 2004 for Turkey Point Unit No. 3 and October 2003 for both Turkey Point Unit No. 4 and Seabrook). FPL performed a limited visual inspection of Turkey Point Unit No. 3 during its scheduled refueling outage in the spring of 2003 and found no evidence of leakage from these penetrations. St. Lucie Units No. 1 and 2 do not have bottom mounted instrumentation penetrations.

The variances in depreciation expense are affected by the amortization of a regulatory liability, as approved by the FPSC in FPL's 2002-2005 rate agreement, representing the pro rata portion of the $125 million annual depreciation credit provided for by the 2002-2005 rate agreement. In 2002, the $125 million depreciation credit was amortized over an eight and one half month period beginning April 15th versus a twelve month period in 2003. This timing issue resulted in a $6 million smaller depreciation credit in the second quarter 2003 and a larger depreciation credit of $26 million for first six months of 2003 compared with the same periods in 2002. Absent this credit, depreciation expense increased by $16 million and $30 million for the three and six months ended June 30, 2003, respectively, reflecting the Fort Myers and Sanford plant additions and general system growth.

On April 8, 2003, final approval of the Martin and Manatee plant expansion was granted by the Governor and Cabinet sitting as the Siting Board under the Florida Electrical Power Plant Siting Act. On April 9, 2003, CPV Gulfcoast, Ltd. filed its initial brief for its appeal to the Supreme Court of Florida challenging the FPSC's 2002 approval of the Martin and Manatee expansion. FPL has filed its answer brief, which included a request for dismissal.

In April 2003, the FERC issued its White Paper, responding to comments on its proposed rule regarding standardized market design for electric markets in the United States. The White Paper indicates that the FERC intends to be more flexible on how and when the final rule will be implemented, defer to regional state committees to address significant RTO/ISO features, require regulated utilities to join RTOs or ISOs and require RTOs to implement spot markets. FPL is evaluating the proposed rule and is currently unable to determine the effects, if any, on FPL's operations.

In June 2003, the Florida Supreme Court dismissed the Public Counsel's appeal of the FPSC's approval of GridFlorida without prejudice. The FPSC has restored the GridFlorida docket to active status and will reestablish a schedule for proceeding after an FPSC and FERC technical conference on September 15, 2003.

On November 6, 2003, the Florida Supreme Court will hear oral arguments in the South Florida Hospital and Healthcare Association's appeal of the FPSC's approval of FPL's 2002-2005 rate agreement. FPL intends to continue to vigorously contest this appeal and believes that the FPSC's decision approving the 2002-2005 rate agreement will be upheld.

FPL Energy – FPL Energy's net income for the quarters ended June 30, 2003 and 2002 was $49 million and $38 million, respectively. During the second quarter of 2003, FPL Energy recorded $2 million of after-tax net unrealized mark-to-market losses from non-managed hedges compared to gains of $1 million during the second quarter of 2002. For further discussion of the derivative instruments, see Note 5. Excluding these items, FPL Energy's after-tax earnings were $51 million and $37 million in the second quarter of 2003 and 2002, respectively.

FPL Energy's second quarter 2003 net income benefited from project additions, primarily the purchase of an 88.23% interest in Seabrook in November 2002, as well as wind and natural gas-fired assets that began operations during or after the second quarter of 2002. These project additions, totaling more than 3,700 mw, contributed $23 million to the second quarter 2003 net income. FPL Energy's operating revenues and operating expenses for the second quarter of 2003 increased $222 million and $179 million, respectively, primarily driven by project additions. The balance of the portfolio also experienced increased revenues primarily as a result of higher energy prices in the Electric Reliability Council of Texas (ERCOT) region and the Northeast due to rising fuel prices partially offset by lower generation on hydro assets due to weather conditions in the Northeast. The balance of the portfolio also experienced increases in operating expenses, primarily fuel-related, due to rising natural gas and oil prices.

Earnings from investments in partnerships and joint ventures for the second quarter of 2003, presented as equity in earnings of equity method investees, decreased $6 million from the prior year quarter primarily due to increased gas prices and lower earnings from a project in California. Also, FPL Energy's net income for the second quarter of 2002 included the positive effects of a $10 million insurance settlement.

FPL Energy's net income for the six months ended June 30, 2003 was $93 million compared to a net loss of $161 million for the comparable period in 2002. The net loss for 2002 was the result of FPL Energy recording a goodwill impairment charge totaling $222 million after tax representing the cumulative effect of adopting FAS 142, "Goodwill and Other Intangible Assets." During the first six months of 2003, FPL Energy recorded $1 million of after-tax net unrealized mark-to-market gains from non-managed hedges compared to gains of $2 million during the same period of 2002. Excluding these items, FPL Energy's after-tax earnings were $92 million and $59 million for the six months ended June 30, 2003 and 2002, respectively.

FPL Energy's net income for the six months ended June 30, 2003 benefited from project additions, primarily Seabrook, as well as wind and natural gas-fired assets that began operations subsequent to June 2002. These project additions, totaling more than 3,700 mw, contributed $51 million to net income for the first six months of 2003. FPL Energy's operating revenues and operating expenses for the first six months of 2003 increased $402 million and $339 million, respectively, primarily driven by project additions. The balance of the portfolio also experienced increased revenues primarily as a result of higher energy prices in the ERCOT region and the Northeast due to increases in fuel costs partially offset by reduced generation from hydro assets due to weather conditions in the Northeast. The balance of the portfolio also experienced increases in operating expenses, primarily fuel-related, due to rising natural gas and oil prices.

Earnings from investments in partnerships and joint ventures increased $18 million from the prior year primarily due to a mark-to-market gain on a gas supply agreement, the settlement of a counterparty dispute and the settlement of disputed revenues in both 2003 and 2002. Excluding these events, earnings from FPL Energy's investment in equity method investees decreased approximately $1 million in the first six months of 2003.

FPL Energy's net income for the first six months of 2003 also reflected higher interest expense of approximately $7 million associated with increasing debt balances due to growth in the business partially offset by the effects of lower average interest rates compared with the same period in 2002. FPL Energy's net income in 2002 also includes the positive effects of a $10 million insurance settlement.

During the second quarter of 2003, FPL Energy placed into service 1,542 mw including two gas-fired plants, one located in the Mid-Atlantic region and one in the Central region, and 24 mw of wind in the Mid-Atlantic region. During the second half of 2003, FPL Energy expects to add 1,421 mw of gas-fired generation and 812 mw of new wind generation. Construction is underway on another gas-fired power plant that will add 744 mw in 2004. FPL Energy expects its future portfolio growth to come from a mix of wind development (assuming the extension of the production tax credits beyond 2003) and asset acquisitions.

FPL Energy's target is to have approximately 75% of its capacity under contract over the following twelve-month period. As of June 30, 2003, FPL Energy's capacity under contract is as follows:

	Remainder of 2003		2004	
Asset Class	Available MW[a]	% MW Under Contract	Available MW[a]	% MW Under Contract
Wind [b]	2,118	100%	2,335	100%
Non-wind assets under long-term contract	1,255	98%	1,255	98%
Merchants:				
Seabrook	886	90%	1,024	94%
NEPOOL/PJM/NYPP	1,518	55% [c]	1,952	23% [c]
ERCOT	2,897	76% [c]	3,009	43% [c]
Other (WECC/SERC)	1,270	40% [c]	1,345	59% [c]
Total portfolio	9,944	77%	10,920	65%

(a) Weighted to reflect in-service dates, planned maintenance and a Seabrook refueling outage in 2003.
(b) For further discussion regarding two wind projects involved in litigation that could potentially terminate long-term power sales agreements, see Note 9 – Other Contingencies.
(c) Represents on-peak mw hedged.

Corporate and Other – Corporate and Other is primarily comprised of FPL FiberNet and other corporate income and expenses such as interest income and interest expense. For the three and six months ended June 30, 2003, results of Corporate and Other declined as 2002 results benefited from a $17 million after-tax gain in the second quarter on a sales-type lease of dark fiber, as well as a $30 million gain in the first quarter from an income tax settlement.

Liquidity and Capital Resources

FPL Group and its subsidiaries, including FPL, require funds to support and to grow their businesses. These funds are used for working capital, capital expenditures, investments in or acquisitions of assets and businesses and, among other things, to redeem debt and preferred stock or pay maturing debt obligations. It is anticipated that these requirements will be satisfied through a combination of internally generated funds and the issuance, from time to time, of debt and equity securities, consistent with FPL Group's and FPL's objective of maintaining, on a long-term basis, a capital structure that will support a strong investment grade credit rating. Credit ratings can affect FPL Group's and FPL's ability to obtain short- and long-term financing, the cost of such financing and the execution of their financing strategies.

Bank lines of credit available to FPL Group and its subsidiaries at June 30, 2003 aggregated approximately $3.1 billion ($2.1 billion for FPL Group Capital and $1 billion for FPL). Approximately one-half of these facilities expires in the fourth quarter of 2003, with the remainder expiring in the fourth quarter of 2004. These facilities are available to support the companies' commercial paper programs as well as for general corporate purposes. In March 2003, FPL entered into a promissory note with a bank under which FPL may borrow up to $500 million. As of June 30, 2003, FPL had loans outstanding under this note totaling $150 million principal amount with a weighted-average annual interest rate of 1.38% and an average remaining term of 79 days. The proceeds of borrowings under the promissory note will be used for general corporate purposes.

During the second quarter of 2003, FPL and FPL Group Capital issued long-term debt totaling approximately $594 million and $500 million, respectively. The proceeds of the debt were used, by FPL, to repay a portion of short-term borrowings, redeem higher interest rate debt and for other corporate purposes and, by FPL Group Capital, to repay a portion of commercial paper issued to fund investments in independent power projects. In July 2003, FPL Group Capital entered into two variable rate hedge agreements to protect $300 million of its outstanding fixed rate debentures against changes in fair value due to changes in interest rates.

In July 2003, subsidiaries of FPL Energy obtained debt financing totaling $780 million, of which $622 million was drawn upon, to fund the development, acquisition and/or construction of independent power projects. In August 2003, an FPL Energy subsidiary entered into an interest rate swap agreement to fix the interest rate on $200 million of its debt at 3.557%. FPL Group Capital has guaranteed certain obligations under these debt agreements.

For further discussion of debt activity, see Note 8.

Securities of FPL Group and its subsidiaries are currently rated by Moody's Investors Service, Inc. (Moody's), Standard & Poor's Ratings Services (S&P) and Fitch Ratings (Fitch). At July 31, 2003, Moody's, S&P and Fitch had assigned the following credit ratings to FPL Group, FPL and FPL Group Capital:

	Moody's[a]	S&P[a]	Fitch[a]
FPL Group:			
Corporate credit rating	N/A	A	A
FPL:			
Corporate credit rating	A1	A/A-1	N/A
First mortgage bonds	Aa3	A	AA-
Pollution control, solid waste disposal and *industrial development* revenue bonds	Aa3/VMIG-1	A/A-1	A+
Preferred stock	A3	BBB+	A
Commercial paper	P-1	A-1	F1
FPL Group Capital:			
Corporate credit rating	N/A	A/A-1	N/A
Debentures	A2	A-	A
Commercial paper	P-1	A-1	F1

[a] A security rating is not a recommendation to buy, sell or hold securities and should be evaluated independently of any other rating. The rating is subject to revision or withdrawal at any time by the assigning rating organization.

In June 2002, Moody's confirmed its credit ratings for FPL and FPL Group Capital. The outlook indicated by Moody's for the ratings of FPL is stable, while the outlook for the ratings of FPL Group Capital is negative reflecting uncertainty in the wholesale generation market. In April 2002, following the announcement of the Seabrook acquisition, S&P placed FPL Group's credit rating on CreditWatch with negative implications. In November 2002, S&P removed the CreditWatch with negative implications for FPL Group. The outlook was revised to negative, and the "A" corporate credit rating was affirmed for FPL Group and subsidiaries. In July 2003, Fitch initiated coverage of FPL Group, FPL and FPL Group Capital and indicated a stable outlook for each company.

FPL Group's and FPL's commitments at June 30, 2003 were as follows:

	2003	2004	2005	2006	2007	Thereafter	Total
				(millions)			
Long-term debt:							
FPL	$ 70	$ -	$ 500	$ -	$ -	$ 2,444	$ 3,014
FPL Energy	16	37	41	35	22	212	363
Corporate and Other	-	275	-	1,100	1,075	1,136	3,586
Standby letters of credit:							
FPL	1	2	-	-	-	-	3
FPL Energy	158	126	-	-	-	-	284
Corporate and Other	-	3	-	-	-	-	3
Guarantees:							
FPL	-	65	-	135	-	-	200
FPL Energy	151	12	12	-	215	379	769
Corporate and Other	-	-	2	-	-	1	3
Other commitments:							
FPL[a]	795	1,510	1,255	1,005	1,105	-	5,670
FPL Energy[b]	346	109	66	58	248	639	1,466
Total	$ 1,537	$ 2,139	$ 1,876	$ 2,333	$ 2,665	$ 4,811	$ 15,361

[a] Represents projected capital expenditures through 2007 to meet increased electricity usage and customer growth. Excludes minimum payments under purchased power and fuel contracts which are recoverable through various cost recovery clauses. See Note 9 – Contracts.
[b] Represents firm commitments in connection with the acquisition, development and expansion of independent power projects.

In January 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities," which will replace the current accounting guidance for SPEs. As a result, entities that are deemed to be VIEs in which FPL Group or one of its subsidiaries is considered to be the "primary beneficiary" will be consolidated effective July 1, 2003. At June 30, 2003, FPL Group's and FPL's maximum exposure to loss as a result of their involvement with the VIEs discussed in Note 2, in the event that the underlying asset would be economically worthless, was approximately $376 million and $164 million, respectively, which includes a residual value guarantee, letters of credit and debt service guarantee. As a result of the consolidation of those VIEs, FPL Group's and FPL's assets will increase by approximately $366 million and $1 million, respectively, and their liabilities will increase by approximately $379 million and $1 million, respectively. In addition, FPL Group's equity will decrease by approximately $7 million related to accumulated other comprehensive losses recorded by FPL Energy's SPE lessor mentioned in Note 2. The cumulative effect on

FPL Group's net income of implementing FIN 46 is approximately a $3 million loss (net of taxes of $2 million) and zero for FPL. FPL Group is continuing to evaluate its investments in partnerships and joint ventures to determine if any of those entities would be required to be consolidated under the provisions of FIN 46. For further discussion of VIEs, see Note 2.

FPL Energy has guaranteed certain performance obligations of a power plant owned by a wholly-owned subsidiary as part of a PPA that expires in 2027. Under the PPA, the subsidiary could incur market-based liquidated damages for failure to meet a stated mechanical availability and guaranteed average output. Based on past performance of similar projects and current forward prices, management believes that the exposure associated with this guarantee is not material.

FPL Group has guaranteed certain payment obligations of FPL Group Capital, including most of those under FPL Group Capital's debt, including all of its debentures and commercial paper issuances, as well as guarantees discussed above. At June 30, 2003, FPL had guaranteed amounts outstanding in conjunction with certain debt agreements with a VIE. See Note 2 – FPL.

Accumulated Other Comprehensive Income

Total other comprehensive income activity for the six months ended June 30, 2003 was as follows:

	Accumulated Other Comprehensive Income		
	Net Unrealized Gains (Losses) On Cash Flow Hedges	Other	Total
	(millions)		
Balance, December 31, 2002	$ 19	$ (3)	$ 16
Effective portion of net unrealized gain:			
Consolidated subsidiaries (net of $18 tax expense)	28	-	28
Equity method investees (net of $9 tax expense)	14	-	14
Reclassification from OCI to net income:			
Consolidated subsidiaries (net of $11 tax benefit)	(17)	-	(17)
Equity method investees (net of $4 tax benefit)	(7)	-	(7)
Net unrealized gain on available for sale securities (net of $5 tax expense)	-	9	9
Balances, June 30, 2003	$ 37	$ 6	$ 43

Energy Marketing and Trading and Market Risk Sensitivity

Energy Marketing and Trading – Certain of FPL Group's subsidiaries, including FPL and FPL Energy, use derivative instruments (primarily swaps, options, futures and forwards) to manage the commodity price risk inherent in fuel purchases and electricity sales, as well as to optimize the value of power generation assets. To a lesser extent, FPL Energy engages in limited energy trading activities to take advantage of expected future favorable price movements.

Derivative instruments are recorded on FPL Group's and FPL's balance sheets as either an asset or liability (in other current assets, other assets, other current liabilities and other liabilities) measured at fair value. At FPL, substantially all changes in fair value are deferred as a regulatory asset or liability until the contracts are settled. Upon settlement, any gains or losses are passed through the fuel clause and the capacity clause. For FPL Group's non-rate regulated operations, predominantly FPL Energy, changes in the derivatives' fair value are recognized net in operating revenues for trading and managed hedge activities and in equity in earnings of equity method investees and other – net for non-managed hedges in FPL Group's condensed consolidated statements of income unless hedge accounting is applied. Settlement gains and losses are included within the line items in the statements of income to which they relate. See Note 5.

The changes in the fair value of FPL Group's consolidated subsidiaries' derivative instruments were as follows:

	Proprietary Trading	Hedges on Owned Assets: Managed	Non-Managed	OCI	Cost Recovery Clause	FPL Group Total
			(millions)			
Three Months ended June 30, 2003						
Fair value of contracts outstanding at March 31, 2003	$ 4	$ 1	$ (7)	$ 39	$ 13	$ 50
Reclassification to realized at settlement of contracts	(2)	-	1	(11)	(6)	(18)
Fair value of new contracts when entered into	-	-	-	-	-	-
Effective portion of changes in fair value recorded in OCI	-	-	-	18	-	18
Ineffective portion of changes in fair value recorded in earnings	-	-	-	-	-	-
Changes in valuation assumptions	-	-	2	-	-	2[a]
Changes in fair value excluding reclassification to realized	2	-	(3)	-	9	8
Fair value of contracts outstanding at June 30, 2003	4	1	(7)	46	16	60
Net option premium payment/(receipts)	-	-	(9)	-	1	(8)
Total mark-to-market energy contract net assets at June 30, 2003	$ 4	$ 1	$ (16)	$ 46	$ 17	$ 52[b]
Six Months ended June 30, 2003						
Fair value of contracts outstanding at December 31, 2002	$ 4	$ -	$ 8	$ 28	$ 12	$ 52
Reclassification to realized at settlement of contracts	(4)	-	2	(28)	(22)	(52)
Fair value of new contracts when entered into	-	-	-	-	-	-
Effective portion of changes in fair value recorded in OCI	-	-	-	46	-	46
Ineffective portion of changes in fair value recorded in earnings	-	-	-	-	-	-
Changes in valuation assumptions	-	-	2	-	-	2[a]
Changes in fair value excluding reclassification to realized	4	1	(19)	-	26	12
Fair value of contracts outstanding at June 30, 2003	4	1	(7)	46	16	60
Net option premium payment/(receipts)	-	-	(9)	-	1	(8)
Total mark-to-market energy contract net assets at June 30, 2003	$ 4	$ 1	$ (16)	$ 46	$ 17	$ 52[b]

(a) Change in valuation assumption from applying volatility skewness (selection of an input assumption among alternatives based on the moneyness of the option) in option valuation.

(b) Includes FPL's mark-to-market energy contract net assets of approximately $18 million at June 30, 2003.

FPL Group's total mark-to-market energy contract net assets at June 30, 2003 shown above are included in the condensed consolidated balance sheets as follows:

	June 30, 2003
	(millions)
Other current assets	$ 108
Other assets	17
Other current liabilities	(55)
Other liabilities	(18)
FPL Group's total mark-to-market energy contract net assets at June 30, 2003	$ 52

The sources of fair value estimates and maturity of derivative instruments at June 30, 2003 were as follows:

	Maturity: 2003	2004	2005	2006	2007	Thereafter	Total
				(millions)			
Proprietary Trading:							
Actively quoted (i.e., exchange trade) prices	$ -	$ (1)	$ -	$ -	$ -	$ -	$ (1)
Prices provided by other external sources	-	2	-	-	-	-	2
Modeled	-	-	1	-	-	2	3
Total	-	1	1	-	-	2	4
Owned Assets – Managed:							
Actively quoted (i.e., exchange trade) prices	-	-	-	-	-	-	-
Prices provided by other external sources	1	-	-	-	-	-	1
Modeled	-	-	-	-	-	-	-
Total	1	-	-	-	-	-	1
Owned Assets – Non-Managed:							
Actively quoted (i.e., exchange trade) prices	(1)	(2)	1	-	-	-	(2)
Prices provided by other external sources	(8)	(1)	-	-	-	-	(9)
Modeled	(3)	6	1	-	-	-	4
Total	(12)	3	2	-	-	-	(7)
Owned Assets – Hedges in OCI:							
Actively quoted (i.e., exchange trade) prices	46	-	(3)	-	-	-	43
Prices provided by other external sources	2	1	-	-	-	-	3
Modeled	-	-	-	-	-	-	-
Total	48	1	(3)	-	-	-	46
Owned Assets – Cost Recovery Clause:							
Actively quoted (i.e., exchange trade) prices	14	-	-	-	-	-	14
Prices provided by other external sources	-	-	-	-	-	-	-
Modeled	2	-	-	-	-	-	2
Total	16	-	-	-	-	-	16
Total sources of fair value	$ 53	$ 5	$ -	$ -	$ -	$ 2	$ 60

Market Risk Sensitivity – Substantially all financial instruments and positions affecting the financial statements of FPL Group and FPL described below are held for purposes other than trading. Market risk is measured as the potential loss in fair value resulting from hypothetical reasonably possible changes in commodity prices, interest rates or equity prices over the next year. Management has established risk management policies to monitor and manage market risks. FPL Group's Exposure Management Committee (EMC), which is comprised of certain members of senior management, is responsible for the overall approval of market risk management policies and the delegation of approval and authorization levels. The EMC receives periodic updates on market positions and related exposures, credit exposures and overall risk management activities. FPL Group manages its interest rate exposure by monitoring current interest rates in relation to total capitalization.

Commodity price risk – FPL Group uses a value-at-risk (VaR) model to measure market risk in its trading and mark-to-market portfolios. The VaR is the estimated nominal loss of market value based on a one-day holding period at a 95% confidence level using historical simulation methodology. As of June 30, 2003 and December 31, 2002, the VaR figures are as follows:

	Trading and Managed Hedges			Non-Managed Hedges and Hedges in OCI [a]			Total		
	FPL	FPL Energy	FPL Group	FPL	FPL Energy	FPL Group	FPL	FPL Energy	FPL Group
					(millions)				
December 31, 2002	$ -	$ -	$ -	$ 1	$ 3	$ 4	$ 1	$ 3	$ 4
June 30, 2003	$ -	$ -	$ -	$ 5	$ 5	$ 7	$ 5	$ 4	$ 7
Average for the period ended June 30, 2003	$ -	$ -	$ -	$ 3	$ 4	$ 6	$ 3	$ 4	$ 6

[a] Non-managed hedges are employed to reduce the market risk exposure to physical assets which are not marked-to-market. The VaR figures for the non-managed hedges and hedges in OCI category do not represent the economic exposure to commodity price movements.

Interest rate risk – The special use funds of FPL Group include restricted funds set aside to cover the cost of storm damage for FPL and for the decommissioning of FPL Group's and FPL's nuclear power plants. A portion of these funds is invested in fixed income debt securities carried at their market value of approximately $1.265 billion and $1.184 billion ($1.139 billion and $1.066 billion for FPL) at June 30, 2003 and December 31, 2002, respectively. Adjustments to market value result in a corresponding adjustment to the related liability accounts based on current regulatory treatment for FPL. The market value adjustments of FPL Group's non-rate regulated operations result in a corresponding adjustment to OCI. Because the funds set aside by FPL for storm damage could be needed at any time, the related investments are generally more liquid and, therefore, are less sensitive to changes in interest rates. The nuclear decommissioning funds, in contrast, are generally invested in longer-term securities, as decommissioning activities are not expected to begin until at least 2012.

The following are estimates of the fair value of FPL's and FPL Group's long-term debt:

	June 30, 2003		December 31, 2002	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
		(millions)		
Long-term debt of FPL, including current maturities	$ 2,997	$ 3,199[a]	$ 2,434	$ 2,578[a]
Long-term debt of FPL Group, including current maturities	$ 6,941	$ 7,547[a]	$ 5,895	$ 6,222[a]

[a] Based on quoted market prices for these or similar issues.

Based upon a hypothetical 10% decrease in interest rates, which is a reasonable near-term market change, the net fair value of the net liabilities would increase by approximately $134 million ($69 million for FPL) at June 30, 2003.

Equity price risk – Included in the special use funds of FPL Group are marketable equity securities carried at their market value of approximately $804 million and $689 million ($680 million and $578 million for FPL) at June 30, 2003 and December 31, 2002, respectively. A hypothetical 10% decrease in the prices quoted by stock exchanges, which is a reasonable near-term market change, would result in a $80 million ($68 million for FPL) reduction in fair value and corresponding adjustments to the related liability accounts based on current regulatory treatment for FPL, or adjustments to OCI for FPL Group's non-rate regulated operations, at June 30, 2003.

New Accounting Rules and Interpretations

Accounting for Asset Retirement Obligations – Effective January 1, 2003, FPL Group and FPL adopted FAS 143, "Accounting for Asset Retirement Obligations." See Note 1.

Guarantees – In November 2002, the FASB issued FIN 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others." See Note 9 – Commitments.

Variable Interest Entities – In January 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities." See Note 2.

Derivative Instruments – In April 2003, the FASB issued FAS 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities," which amends FAS 133 to formally incorporate certain conclusions reached by the Derivatives Implementation Group. Also, in June 2003, the FASB issued guidance in Issue C20 regarding when a contract's price may be considered clearly and closely related to the asset being sold for purposes of qualifying for the normal purchases and normal sales exception in FAS 133. See Note 5.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

See Management's Discussion – Energy Marketing and Trading and Market Risk Sensitivity – Market Risk Sensitivity.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

As of June 30, 2003, FPL Group and FPL performed an evaluation, under the supervision and with the participation of its management, including FPL Group's and FPL's chief executive officer and chief financial officer, of the effectiveness of the design and operation of the company's disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) or 15d-15(e)). Based upon that evaluation, the chief executive officer and chief financial officer of each of FPL Group and FPL concluded that the company's disclosure controls and procedures are effective in timely alerting them to material information relating to the company and its consolidated subsidiaries required to be included in the company's reports filed or submitted under the Exchange Act. Due to the inherent limitations of the effectiveness of any established disclosure controls and procedures, management of FPL Group and FPL cannot provide absolute assurance that the objectives of its disclosure controls and procedures will be met.

(b) Changes in Internal Controls

There has been no significant change in FPL Group's or FPL's internal control over financial reporting that occurred during FPL Group's and FPL's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, FPL Group's or FPL's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

Reference is made to Item 3. Legal Proceedings in the 2002 Form 10-K for FPL Group and FPL and Part II, Item 1. Legal Proceedings in the Quarterly Report on Form 10-Q for the period ended March 31, 2003 for FPL Group and FPL.

With respect to the EPA suit relating to Scherer Unit No. 4, in June 2003, the Eleventh Circuit issued its order dismissing the TVA's appeal in a separate Clean Air Act proceeding because it found the provision of the Clean Air Act allowing the EPA to issue binding administrative compliance orders was unconstitutional, and hence found that the TVA order was a non-final order that courts of appeal do not have jurisdiction to review. The EPA is reviewing its options for further review of the Eleventh Circuit decision. The EPA has not yet moved to reopen this case. In addition, under a proposed EPA rule, the civil penalties being sought by the EPA in this suit would increase, effective August 4, 2003 and thereafter, to $32,500 per day.

Regarding the FMPA suit, FMPA has petitioned the U.S. Supreme Court for review of the DC Circuit's decision that upheld FERC's order denying FMPA credits for its facilities. In addition, FERC responded to FMPA's petition to the DC Circuit to order FERC to rule on the reserved issues by stating that FMPA had not shown the extraordinary circumstances to warrant granting their petition. FERC has directed FPL and FMPA to file supplemental initial and reply briefs.

In July 2003, FPL Group's board of directors appointed a special committee, composed of James L. Camaren and Michael H. Thaman, to investigate the matters raised in the May 2, 2003 letter from the plaintiff's attorneys in the Klein lawsuit and to make a determination as to how FPL Group should respond to the matters raised therein.

In May 2003, Tish Blake and John Lowe, as personal representatives of the Estate of Ashton Lowe, on behalf of the estate and themselves, as surviving parents, brought an action in the U.S. District Court for the Southern District of Florida alleging that their son developed cancer (medulo-blastoma) as a result of the release and/or dissipation into the air, water, soil and underground areas of radioactive and non-radioactive hazardous materials, including strontium 90, and the release of other toxic materials from FPL's St. Lucie nuclear power plant. The allegations, counts and damages demanded in the complaint are virtually identical to those contained in the Finestone lawsuit described in Note 9 – Litigation. FPL will be moving to dismiss the complaint.

FPL has moved to dismiss the complaint in the March 2003 Bradstreet lawsuit. In July 2003, the Bradstreets brought an identical action in the same court on behalf of themselves and their daughter, Elizabeth Bradstreet. FPL will be moving to dismiss the complaint.

In June 2003, Monty and Kathryn Wooldridge brought an action on behalf of themselves and their son, Kevin Allen Wooldridge, in the Circuit Court of the 9th Judicial Circuit in and for Orange County, Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies, the American Dental Association, the Florida Dental Association, FPL and the OUC, alleging that their son has suffered toxic neurological effects from mercury poisoning. The allegations, counts and damages demanded in the complaint are virtually identical to those contained in the Bradstreet lawsuits described in Note 9 – Litigation. FPL will be moving to dismiss the complaint.

In the action challenging the construction and operation of a generating facility by Jamaica Bay, the parties entered into a settlement agreement in August 2003 and expect that the case will be dismissed shortly.

Item 4. Submission of Matters to a Vote of Security Holders

FPL Group – The Annual Meeting of FPL Group's shareholders was held on May 23, 2003. Of the 183,234,174 shares of common stock outstanding on the record date of March 17, 2003, a total of 155,391,864 shares were represented in person or by proxy.

The following directors were elected effective May 23, 2003:

	For	Against or Withheld
H. Jesse Arnelle	151,977,488	3,414,376
Sherry S. Barrat	141,890,445	13,501,419
Robert M. Beall, II	141,827,070	13,564,794
J. Hyatt Brown	133,302,709	22,089,155
James L. Camaren	152,254,547	3,137,317
Alexander W. Dreyfoos, Jr.	141,744,440	13,647,424
Paul J. Evanson (resigned 6/9/03)	152,087,822	3,304,042
Lewis Hay III	150,949,461	4,442,403
Frederick V. Malek	141,708,566	13,683,298
Paul R. Tregurtha	151,182,181	4,209,683
Frank G. Zarb	152,143,240	3,248,624

The vote to ratify the appointment of Deloitte & Touche LLP as independent auditors was 139,692,894 for, 14,285,112 against and 1,413,858 abstaining.

On July 10, 2003, Michael H. Thaman was elected to the board of directors of FPL Group at a special meeting of the board of directors.

FPL – The following FPL directors were elected effective May 23, 2003 by the written consent of FPL Group, as the sole common shareholder of FPL, in lieu of an annual meeting of shareholders:

Dennis P. Coyle	Lawrence J. Kelleher
Moray P. Dewhurst	Armando J. Olivera
Paul J. Evanson (resigned 6/9/03)	Antonio Rodriguez
Lewis Hay III	John A. Stall

Item 5. Other Information

(a) Reference is made to Item 1. Business – FPL Operations – Retail Ratemaking in the 2002 Form 10-K for FPL Group and FPL.

On November 6, 2003, the Florida Supreme Court will hear oral arguments in the South Florida Hospital and Healthcare Association's appeal of the FPSC's approval of FPL's 2002-2005 rate agreement. FPL intends to continue to vigorously contest this appeal and believes that the FPSC's decision approving the 2002-2005 rate agreement will be upheld.

(b) Reference is made to Item 1. Business – FPL Operations – Competition in the 2002 Form 10-K for FPL Group and FPL.

In June 2003, the Florida Supreme Court dismissed Public Counsel's appeal of the FPSC's approval of GridFlorida without prejudice. The FPSC has restored the GridFlorida docket to active status and will reestablish a schedule for proceeding after an FPSC and FERC technical conference on September 15, 2003.

(c) Reference is made to Item 1. Business – FPL Operations – System Capability and Load in the 2002 Form 10-K for FPL Group and FPL.

On April 8, 2003, final approval of the Martin and Manatee plant expansion was granted by the Governor and Cabinet sitting as the Siting Board under the Florida Electrical Power Plant Siting Act. On April 9, 2003, CPV Gulfcoast, Ltd. filed its initial brief for its appeal to the Supreme Court of Florida challenging the FPSC's 2002 approval of the Martin and Manatee expansion. FPL has filed its answer brief, which included a request for dismissal.

On July 9, 2003, FPL set a record all-time summer energy peak estimated to be 19,616 mw. Adequate resources were available at the time of peak to meet customer demand.

(d) Reference is made to Item 1. Business – FPL Operations – Nuclear Operations in the 2002 Form 10-K for FPL Group and FPL.

In late April and early May 2003, while volumetric inspections of the reactor vessel head at St. Lucie Unit No. 2 were being performed during a scheduled refueling outage, two small cracks were found in the control rod drive mechanism tubes. No leakage was observed and both cracks were repaired during the outage. The cost for the repairs is included in an accrual which is being recorded on a levelized basis over a five-year period beginning in 2002, as approved by the FPSC. Also during the St. Lucie Unit No. 2 scheduled refueling outage, the steam generators were inspected and more tubes had to be plugged than anticipated. The inspection results were evaluated and revised tube plugging projections developed. As a result of this evaluation, management anticipates replacing the steam generators at St. Lucie Unit No. 2 in 2007. The cost for the steam generators is estimated to be approximately $224 million and is included in FPL's capital expenditures disclosed in Note 9 – Commitments. Depending upon the results of future inspections, the reactor vessel head replacement for St. Lucie Unit No. 2 may be delayed until 2007 to coincide with the steam generator replacement.

In anticipation of NRC regulatory requirements resulting from another nuclear company's recent experience, FPL and FPL Energy plan on performing visual inspections of Turkey Point Unit No. 3's, Turkey Point Unit No. 4's and Seabrook's bottom mounted instrumentation penetrations during their next scheduled refueling outages (fall of 2004 for Turkey Point Unit No. 3 and October 2003 for both Turkey Point Unit No. 4 and Seabrook). FPL performed a limited visual inspection of Turkey Point Unit No. 3 during its scheduled refueling outage in the spring of 2003 and found no evidence of leakage from these penetrations. St. Lucie Units No. 1 and 2 do not have bottom mounted instrumentation penetrations.

(e) Reference is made to Item 1. Business – FPL Operations – Fuel in the 2002 Form 10-K for FPL Group and FPL.

In March 2003, Private Fuel Storage, LLC (PFS) requested that the NRC review the Atomic Safety and Licensing Board's (ASLB) decision that requires PFS to address the consequences of a hypothetical military aircraft accident into its proposed facility before such facility is licensed. PFS has also initiated further proceedings before the ASLB to address the consequences of such an accident. Licensing on other environmental issues litigated during the hearings remain pending before the ASLB. In addition, the State of Utah has appealed certain decisions of the ASLB.

The date that St. Lucie Unit No. 2 will lose its ability to store spent fuel upon the installation of additional storage racks in the existing spent fuel pool has been revised from 2012 to 2010. The date was revised due to a change in the number of non reusable fuel assemblies, thus causing the need to store more fuel assemblies in the spent fuel pool sooner than originally projected.

(f) Reference is made to Item 1. Business – FPL Energy Operations – Employees in the 2002 Form 10-K for FPL Group and FPL.

The collective bargaining agreement between an FPL Energy subsidiary and the Utility Workers Union of America (UWUA) expires on December 1, 2003. FPL Energy is currently negotiating with members of the UWUA for a new collective bargaining agreement.

(g) Reference is made to Item 2. Properties – Character of Ownership in the 2002 Form 10-K for FPL Group and FPL.

In July 2003, a subsidiary of FPL Energy obtained a $400 million variable rate construction term facility. In connection with this financing, two of FPL Energy's gas-fired facilities were encumbered by liens against their assets. See Note 8 – Long-term Debt.

Also in July 2003, a subsidiary of FPL Energy sold $380 million of 6.639% senior secured bonds maturing in 2023. In connection with this financing, seven of FPL Energy's wind facilities were encumbered by liens against their assets. See Note 8 – Long-term Debt.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit Number	Description	FPL Group	FPL
12(a)	Computation of Ratio of Earnings to Fixed Charges	x	
12(b)	Computation of Ratios		x
31(a)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of FPL Group	x	
31(b)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of FPL Group	x	
31(c)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of FPL		x
31(d)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of FPL		x
32(a)	Section 1350 Certification of FPL Group	x	
32(b)	Section 1350 Certification of FPL		x

FPL Group and FPL agree to furnish to the SEC upon request any instrument with respect to long-term debt that FPL Group and FPL have not filed as an exhibit pursuant to the exemption provided by Item 601(b)(4)(iii)(A) of Regulation S-K.

(b) Reports on Form 8-K

A current report on Form 8-K was filed with the SEC on April 4, 2003 by FPL Group reporting one event under Item 5. Other Events.

A current report on Form 8-K was filed with the SEC on April 24, 2003 by FPL Group and FPL reporting one event under Item 7. Financial Statements and Exhibits and additional information under Item 9. Regulation FD Disclosure.

A current report on Form 8-K was filed with the SEC on June 9, 2003 by FPL Group and FPL reporting one event under Item 5. Other Events.

A current report on Form 8-K was filed with the SEC on June 25, 2003 by FPL Group and FPL reporting one event under Item 5. Other Events.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

FPL GROUP, INC.
FLORIDA POWER & LIGHT COMPANY
(Registrants)

Date: August 7, 2003

K. MICHAEL DAVIS
K. Michael Davis
Controller and Chief Accounting Officer of FPL Group, Inc.
Vice President, Accounting, Controller and
Chief Accounting Officer of Florida Power & Light Company
(Principal Accounting Officer of the Registrants)

Exhibit 12(a)

FPL GROUP, INC. AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

	Six Months Ended June 30, 2003 (millions of dollars)
Earnings, as defined:	
Net income	$ 414
Income taxes	189
Fixed charges, included in the determination of net income, as below	171
Amortization of capitalized interest	1
Distribution of earnings from equity method investees	15
Less: Equity in earnings of equity method investees	51
Total earnings, as defined	$ 739
Fixed charges, as defined:	
Interest charges	$ 161
Rental interest factor	9
Fixed charges included in nuclear fuel cost	1
Fixed charges, included in the determination of net income	171
Capitalized interest	52
Total fixed charges, as defined	$ 223
Ratio of earnings to fixed charges	3.31

Exhibit 12(b)

FLORIDA POWER & LIGHT COMPANY
COMPUTATION OF RATIOS

	Six Months Ended June 30, 2003 (millions of dollars)
RATIO OF EARNINGS TO FIXED CHARGES	
Earnings, as defined:	
Net income	$ 341
Income taxes	188
Fixed charges, as below	89
Total earnings, as defined	$ 618
Fixed charges, as defined:	
Interest charges	$ 83
Rental interest factor	4
Fixed charges included in nuclear fuel cost	1
Capitalized interest	1
Total fixed charges, as defined	$ 89
Ratio of earnings to fixed charges	6.94
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS	
Earnings, as defined:	
Net income	$ 341
Income taxes	188
Fixed charges, as below	89
Total earnings, as defined	$ 618
Fixed charges, as defined:	
Interest charges	$ 83
Rental interest factor	4
Fixed charges included in nuclear fuel cost	1
Capitalized interest	1
Total fixed charges, as defined	89
Non-tax deductible preferred stock dividends	7
Ratio of income before income taxes to net income	1.55
Preferred stock dividends before income taxes	11
Combined fixed charges and preferred stock dividends	$ 100
Ratio of earnings to combined fixed charges and preferred stock dividends	6.18

Exhibit 31(a)

Rule 13a-14(a)/15d-14(a) Certification

I, Lewis Hay III, Chief Executive Officer of FPL Group, Inc., certify that:

1. I have reviewed the Form 10-Q for the quarterly period ended June 30, 2003 of FPL Group, Inc. (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2003

LEWIS HAY III

Lewis Hay III
Chairman of the Board, President
and Chief Executive Officer

Exhibit 31(b)

Rule 13a-14(a)/15d-14(a) Certification

I, Moray P. Dewhurst, Chief Financial Officer of FPL Group, Inc., certify that:

1. I have reviewed the Form 10-Q for the quarterly period ended June 30, 2003 of FPL Group, Inc. (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2003

MORAY P. DEWHURST

Moray P. Dewhurst
Vice President, Finance
and Chief Financial Officer

Exhibit 31(c)

Rule 13a-14(a)/15d-14(a) Certification

I, Lewis Hay III, Chief Executive Officer of Florida Power & Light Company (FPL), certify that:

1. I have reviewed the Form 10-Q for the quarterly period ended June 30, 2003 of FPL (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2003

LEWIS HAY III

Lewis Hay III
Chairman of the Board
and Chief Executive Officer

Exhibit 31(d)

Rule 13a-14(a)/15d-14(a) Certification

I, Moray P. Dewhurst, Chief Financial Officer of Florida Power & Light Company (FPL), certify that:

1. I have reviewed the Form 10-Q for the quarterly period ended June 30, 2003 of FPL (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2003

MORAY P. DEWHURST
Moray P. Dewhurst
Senior Vice President, Finance
and Chief Financial Officer

Exhibit 32(a)

Section 1350 Certification

We, Lewis Hay III, Chief Executive Officer of FPL Group, Inc. (FPL Group) and Moray P. Dewhurst, Chief Financial Officer of FPL Group certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of FPL Group for the quarterly period ended June 30, 2003 (Report) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of FPL Group.

Dated: August 7, 2003

LEWIS HAY III

Lewis Hay III
Chairman of the Board, President
and Chief Executive Officer

MORAY P. DEWHURST

Moray P. Dewhurst
Vice President, Finance
and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to FPL Group and will be retained by FPL Group and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of FPL Group under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit 32(b)

Section 1350 Certification

We, Lewis Hay III, Chief Executive Officer of Florida Power & Light Company (FPL) and Moray P. Dewhurst, Chief Financial Officer of FPL, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of FPL for the quarterly period ended June 30, 2003 (Report) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of FPL.

Dated: August 7, 2003

LEWIS HAY III

Lewis Hay III
Chairman of the Board
and Chief Executive Officer

MORAY P. DEWHURST

Moray P. Dewhurst
Senior Vice President, Finance
and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to FPL and will be retained by FPL and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of FPL under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit (c)-1E





UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **September 30, 2003**

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number	Exact name of registrants as specified in their charters, address of principal executive offices and registrants' telephone number	IRS Employer Identification Number
1-8841	**FPL GROUP, INC.**	59-2449419
1-3545	**FLORIDA POWER & LIGHT COMPANY**	59-0247775
	700 Universe Boulevard Juno Beach, Florida 33408 (561) 694-4000	

State or other jurisdiction of incorporation or organization: Florida

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) have been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate by check mark whether FPL Group, Inc. is an accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes X No ___

Indicate by check mark whether Florida Power & Light Company is an accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes ___ No X

APPLICABLE ONLY TO CORPORATE ISSUERS:

The number of shares outstanding of FPL Group, Inc. common stock, as of the latest practicable date: Common Stock, $0.01 par value, outstanding at October 31, 2003: 183,947,177 shares.

As of October 31, 2003, there were issued and outstanding 1,000 shares of Florida Power & Light Company's common stock, without par value, all of which were held, beneficially and of record, by FPL Group, Inc.

This combined Form 10-Q represents separate filings by FPL Group, Inc. and Florida Power & Light Company. Information contained herein relating to an individual registrant is filed by that registrant on its own behalf. Florida Power & Light Company makes no representations as to the information relating to FPL Group, Inc.'s other operations.

CAUTIONARY STATEMENTS AND RISK FACTORS THAT MAY AFFECT FUTURE RESULTS

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (Reform Act), FPL Group, Inc. (FPL Group) and Florida Power & Light Company (FPL) are hereby filing cautionary statements identifying important factors that could cause FPL Group's or FPL's actual results to differ materially from those projected in forward-looking statements (as such term is defined in the Reform Act) made by or on behalf of FPL Group and FPL in this combined Form 10-Q, in presentations, in response to questions or otherwise. Any statements that express, or involve discussions as to expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as will likely result, are expected to, will continue, is anticipated, believe, could, estimated, may, plan, potential, projection, target, outlook) are not statements of historical facts and may be forward-looking. Forward-looking statements involve estimates, assumptions and uncertainties. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the following important factors (in addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements) that could cause FPL Group's or FPL's actual results to differ materially from those contained in forward-looking statements made by or on behalf of FPL Group and FPL.

Any forward-looking statement speaks only as of the date on which such statement is made, and FPL Group and FPL undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for management to predict all of such factors, nor can it assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

The following are some important factors that could have a significant impact on FPL Group's and FPL's operations and financial results, and could cause FPL Group's and FPL's actual results or outcomes to differ materially from those discussed in the forward-looking statements:

- FPL Group and FPL are subject to changes in laws or regulations, including the Public Utility Regulatory Policies Act of 1978, as amended (PURPA), and the Public Utility Holding Company Act of 1935, as amended (Holding Company Act), changing governmental policies and regulatory actions, including those of the Federal Energy Regulatory Commission (FERC), the Florida Public Service Commission (FPSC) and the utility commissions of other states in which FPL Group has operations, and the U.S. Nuclear Regulatory Commission (NRC), with respect to, among other things, allowed rates of return, industry and rate structure, operation of nuclear power facilities, operation and construction of plant facilities, operation and construction of transmission facilities, acquisition, disposal, depreciation and amortization of assets and facilities, recovery of fuel and purchased power costs, decommissioning costs, return on common equity and equity ratio limits, and present or prospective wholesale and retail competition (including but not limited to retail wheeling and transmission costs). The FPSC has the authority to disallow recovery of costs that it considers excessive or imprudently incurred.

- The regulatory process generally restricts FPL's ability to grow earnings and does not provide any assurance as to achievement of earnings levels.

- FPL Group and FPL are subject to extensive federal, state and local environmental statutes, rules and regulations relating to air quality, water quality, waste management, natural resources and health and safety that could, among other things, restrict or limit the output of certain facilities or the use of certain fuels required for the production of electricity and/or increase costs. There are significant capital, operating and other costs associated with compliance with these environmental statutes, rules and regulations, and those costs could be even more significant in the future.

- FPL Group and FPL operate in a changing market environment influenced by various legislative and regulatory initiatives regarding deregulation, regulation or restructuring of the energy industry, including deregulation of the production and sale of electricity. FPL Group and its subsidiaries will need to adapt to these changes and may face increasing competitive pressure.

- The operation of power generation facilities involves many risks, including start up risks, breakdown or failure of equipment, transmission lines or pipelines, use of new technology, the dependence on a specific fuel source or the impact of unusual or adverse weather conditions (including natural disasters such as hurricanes), as well as the risk of performance below expected levels of output or efficiency. This could result in lost revenues and/or increased expenses. Insurance, warranties or performance guarantees may not cover any or all of the lost revenues or increased expenses, including the cost of replacement power. In addition to these risks, FPL Group's and FPL's nuclear units face certain risks that are unique to the nuclear industry including the ability to dispose of spent nuclear fuel, as well as additional regulatory actions up to and including shutdown of the units stemming from public safety concerns, whether at FPL Group's and FPL's plants, or at the plants of other nuclear operators. Breakdown or failure of an FPL Energy, LLC (FPL Energy) operating facility may prevent the facility from performing under applicable power sales agreements which, in certain situations, could result in termination of the agreement or incurring a liability for liquidated damages.

- FPL Group's and FPL's ability to successfully and timely complete their power generation facilities currently under construction, those projects yet to begin construction or capital improvements to existing facilities is contingent upon many variables and subject to substantial risks. Should any such efforts be unsuccessful, FPL Group and FPL could be subject to additional costs, termination payments under committed contracts, loss of production tax credits for wind projects currently under construction and/or the write-off of their investment in the project or improvement.

- FPL Group and FPL use derivative instruments, such as swaps, options, futures and forwards to manage their commodity and financial market risks, and to a lesser extent, engage in limited trading activities. FPL Group could recognize financial losses as a result of volatility in the market values of these contracts, or if a counterparty fails to perform. In the absence of actively quoted market prices and pricing information from external sources, the valuation of these derivative instruments involves management's judgment or use of estimates. As a result, changes in the underlying assumptions or use of alternative valuation methods could affect the value of the reported fair value of these contracts. In addition, FPL's use of such instruments could be subject to prudency challenges by the FPSC and if found imprudent, cost recovery disallowance.

- There are other risks associated with FPL Group's non-rate regulated businesses, particularly FPL Energy. In addition to risks discussed elsewhere, risk factors specifically affecting FPL Energy's success in competitive wholesale markets include the ability to efficiently develop and operate generating assets, the successful and timely completion of project restructuring activities, the price and supply of fuel, transmission constraints, competition from new sources of generation, excess generation capacity and demand for power. There can be significant volatility in market prices for fuel and electricity, and there are other financial, counterparty and market risks that are beyond the control of FPL Energy. FPL Energy's inability or failure to effectively hedge its assets or positions against changes in commodity prices, interest rates, counterparty credit risk or other risk measures could significantly impair its future financial results. In keeping with industry trends, a portion of FPL Energy's power generation facilities operate wholly or partially without long-term power purchase agreements. As a result, power from these facilities is sold on the spot market or on a short-term contractual basis, which may affect the volatility of FPL Group's financial results. In addition, FPL Energy's business depends upon transmission facilities owned and operated by others; if transmission is disrupted or capacity is inadequate or unavailable, FPL Energy's ability to sell and deliver its wholesale power may be limited.

- FPL Group is likely to encounter significant competition for acquisition opportunities that may become available as a result of the consolidation of the power industry. In addition, FPL Group may be unable to identify attractive acquisition opportunities at favorable prices and to successfully and timely complete and integrate them.

- FPL Group and FPL rely on access to capital markets as a significant source of liquidity for capital requirements not satisfied by operating cash flows. The inability of FPL Group and FPL to maintain their current credit ratings could affect their ability to raise capital on favorable terms, particularly during times of uncertainty in the capital markets which, in turn, could impact FPL Group's and FPL's ability to grow their businesses and would likely increase interest costs.

- FPL Group's and FPL's results of operations can be affected by changes in the weather. Weather conditions directly influence the demand for electricity and natural gas and affect the price of energy commodities, and can affect the production of electricity at wind and hydro-powered facilities. In addition, severe weather can be destructive, causing outages and/or property damage, which could require additional costs to be incurred.

- FPL Group and FPL are subject to costs and other effects of legal and administrative proceedings, settlements, investigations and claims; as well as the effect of new, or changes in, tax rates or policies, rates of inflation, accounting standards, securities laws or corporate governance requirements.

- FPL Group and FPL are subject to direct and indirect effects of terrorist threats and activities. Generation and transmission facilities, in general, have been identified as potential targets. The effects of terrorist threats and activities include, among other things, terrorist actions or responses to such actions or threats, the inability to generate, purchase or transmit power, the risk of a significant slowdown in growth or a decline in the U.S. economy, delay in economic recovery in the U.S., and the increased cost and adequacy of security and insurance.

- FPL Group's and FPL's ability to obtain insurance, and the cost of and coverage provided by such insurance, could be affected by national events as well as company-specific events.

- FPL Group and FPL are subject to employee workforce factors, including loss or retirement of key executives, availability of qualified personnel, collective bargaining agreements with union employees or work stoppage.

The issues and associated risks and uncertainties described above are not the only ones FPL Group and FPL may face. Additional issues may arise or become material as the energy industry evolves. The risks and uncertainties associated with these additional issues could impair FPL Group's and FPL's businesses in the future.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

FPL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(millions, except per share amounts)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
OPERATING REVENUES	$2,974	$ 2,353	$7,605	$6,251
OPERATING EXPENSES				
Fuel, purchased power and interchange	1,532	1,082	3,736	2,783
Other operations and maintenance	383	325	1,168	1,007
Restructuring and impairment charges	-	207	-	207
Depreciation and amortization	282	225	808	718
Taxes other than income taxes	227	199	622	556
Total operating expenses	2,424	2,038	6,334	5,271
OPERATING INCOME	550	315	1,271	980
OTHER INCOME (DEDUCTIONS)				
Interest charges	(106)	(74)	(267)	(234)
Preferred stock dividends – FPL	(4)	(4)	(11)	(11)
Reserve for leveraged leases	-	(48)	-	(48)
Equity in earnings of equity method investees	34	18	85	51
Other – net	20	-	19	27
Total other deductions – net	(56)	(108)	(174)	(215)
INCOME FROM OPERATIONS BEFORE INCOME TAXES AND CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES	494	207	1,097	765
INCOME TAXES	160	57	349	199
INCOME BEFORE CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES	334	150	748	566
CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES				
FAS 142, "Goodwill and Other Intangible Assets," net of income taxes of $143	-	-	-	(222)
FASB Interpretation No. 46, "Consolidation of Variable Interest Entities," net of income taxes of $2	(3)	-	(3)	-
NET INCOME	$ 331	$ 150	$ 745	$ 344
Earnings per share of common stock:				
Earnings per share before cumulative effect of changes in accounting principles	$ 1.88	$ 0.85	$ 4.22	$ 3.29
Cumulative effect of changes in accounting principles	$ (0.02)	$ -	$ (0.02)	$ (1.29)
Earnings per share	$ 1.86	$ 0.85	$ 4.20	$ 2.00
Earnings per share of common stock – assuming dilution:				
Earnings per share before cumulative effect of changes in accounting principles	$ 1.88	$ 0.85	$ 4.21	$ 3.29
Cumulative effect of changes in accounting principles	$ (0.02)	$ -	$ (0.02)	$ (1.29)
Earnings per share	$ 1.86	$ 0.85	$ 4.19	$ 2.00
Dividends per share of common stock	$ 0.60	$ 0.58	$ 1.80	$ 1.74
Weighted-average number of common shares outstanding	177.8	175.7	177.3	171.8
Weighted-average number of common shares outstanding – assuming dilution	178.3	175.9	177.8	172.1

This report should be read in conjunction with the Notes to Condensed Consolidated Financial Statements (Notes) herein and the Notes to Consolidated Financial Statements appearing in the combined Annual Report on Form 10-K for the fiscal year ended December 31, 2002 (2002 Form 10-K) for FPL Group and FPL.

FPL GROUP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions)
(unaudited)

	September 30, 2003	December 31, 2002
PROPERTY, PLANT AND EQUIPMENT		
Electric utility plant in service and other property	$ 27,237	$ 23,664
Nuclear fuel	504	202
Construction work in progress	1,846	2,639
Less accumulated depreciation and amortization	(11,663)	(12,201)
Total property, plant and equipment – net	17,924	14,304
CURRENT ASSETS		
Cash and cash equivalents	935	266
Customer receivables, net of allowances of $24 and $26, respectively	948	642
Other receivables	183	223
Materials, supplies and fossil fuel inventory – at average cost	422	448
Deferred clause expenses	496	131
Other	274	198
Total current assets	3,258	1,908
OTHER ASSETS		
Special use funds	2,112	1,921
Other investments	784	697
Other	1,077	960
Total other assets	3,973	3,578
TOTAL ASSETS	$ 25,155	$ 19,790
CAPITALIZATION		
Common stock	$ 2	$ 2
Additional paid-in capital	3,184	3,091
Retained earnings	3,708	3,281
Accumulated other comprehensive income	11	16
Total common shareholders' equity	6,905	6,390
Preferred stock of FPL without sinking fund requirements	226	226
Long-term debt	8,331	5,790
Total capitalization	15,462	12,406
CURRENT LIABILITIES		
Commercial paper	1,171	1,822
Notes payable	371	375
Current maturities of long-term debt	343	105
Accounts payable	608	458
Customers' deposits	351	316
Accrued interest and taxes	420	169
Deferred clause revenues	40	62
Other	727	604
Total current liabilities	4,031	3,911
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	2,056	-
Accumulated deferred income taxes	1,936	1,547
Storm and property insurance reserve	321	298
Other	1,349	1,628
Total other liabilities and deferred credits	5,662	3,473
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	$ 25,155	$ 19,790

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FPL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)
(unaudited)

	Nine Months Ended September 30,	
	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 745	$ 344
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	775	685
Nuclear fuel amortization	38	-
Cumulative effect of changes in accounting principles	5	365
Restructuring and impairment charges	-	207
Deferred income taxes and related regulatory credit	376	41
Cost recovery clauses	(353)	151
Equity in earnings of equity method investees	(85)	(51)
Distribution of earnings from equity method investees	27	55
Changes in operating assets and liabilities:		
Restricted cash	(96)	251
Customer receivables	(304)	(182)
Other receivables	57	55
Material, supplies and fossil fuel inventory	36	40
Other current assets	(20)	(107)
Deferred pension cost	(92)	(86)
Accounts payable	173	139
Customers' deposits	35	28
Accrued interest and taxes	251	401
Other current liabilities	(12)	(104)
Other liabilities	8	(18)
Other – net	45	14
Net cash provided by operating activities	1,609	2,228
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures of FPL	(946)	(803)
Independent power investments	(1,108)	(940)
Nuclear fuel purchases	(29)	-
Capital expenditures of FPL FiberNet, LLC	(6)	(16)
Contributions to special use funds	(143)	(50)
Other – net	19	57
Net cash used in investing activities	(2,213)	(1,752)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuances of long-term debt	2,430	1,177
Retirements of long-term debt	(183)	(242)
Net change in short-term debt	(684)	(816)
Issuances of common stock	55	360
Dividends on common stock	(318)	(298)
Other – net	(27)	(43)
Net cash provided by financing activities	1,273	138
Net increase in cash and cash equivalents	669	614
Cash and cash equivalents at beginning of period	266	82
Cash and cash equivalents at end of period	$ 935	$ 696
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Additions to capital lease obligations	$ 41	$ 54
Accrual for premium on publicly-traded equity units known as Corporate Units	$ -	$ 111
Additions to debt through adoption of FIN 46	$ 515	$ -
Additions to property, plant and equipment – net through the adoption of FIN 46	$ 346	$ -

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(millions)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
OPERATING REVENUES	$ 2,383	$ 2,144	$ 6,193	$ 5,603
OPERATING EXPENSES				
Fuel, purchased power and interchange	1,170	977	2,949	2,491
Other operations and maintenance	292	281	900	839
Depreciation and amortization	224	194	666	632
Taxes other than income taxes	210	190	578	530
Total operating expenses	1,896	1,642	5,093	4,492
OPERATING INCOME	487	502	1,100	1,111
OTHER INCOME (DEDUCTIONS)				
Interest charges	(44)	(41)	(128)	(126)
Other – net	-	-	-	(2)
Total other deductions – net	(44)	(41)	(128)	(128)
INCOME BEFORE INCOME TAXES	443	461	972	983
INCOME TAXES	162	173	350	365
NET INCOME	281	288	622	618
PREFERRED STOCK DIVIDENDS	4	4	11	11
NET INCOME AVAILABLE TO FPL GROUP	$ 277	$ 284	$ 611	$ 607

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions)
(unaudited)

	September 30, 2003	December 31, 2002
ELECTRIC UTILITY PLANT		
Plant in service	$ 21,115	$ 19,864
Nuclear fuel	421	140
Construction work in progress	623	757
Less accumulated depreciation and amortization	(11,045)	(11,842)
Electric utility plant – net	11,114	8,919
CURRENT ASSETS		
Cash and cash equivalents	231	-
Customer receivables, net of allowances of $13 and $9, respectively	756	503
Other receivables	70	125
Materials, supplies and fossil fuel inventory – at average cost	326	349
Deferred clause expenses	496	131
Other	70	57
Total current assets	1,949	1,165
OTHER ASSETS		
Special use funds	1,856	1,693
Other	921	860
Total other assets	2,777	2,553
TOTAL ASSETS	$ 15,840	$ 12,637
CAPITALIZATION		
Common stock	$ 1,373	$ 1,373
Additional paid-in capital	4,316	3,716
Retained earnings	383	295
Accumulated other comprehensive loss	(2)	(2)
Total common shareholder's equity	6,070	5,382
Preferred stock without sinking fund requirements	226	226
Long-term debt	2,994	2,364
Total capitalization	9,290	7,972
CURRENT LIABILITIES		
Commercial paper	267	722
Notes payable	40	-
Current maturities of long-term debt	-	70
Accounts payable	477	369
Customers' deposits	343	316
Accrued interest and taxes	428	175
Deferred clause revenues	40	62
Other	363	297
Total current liabilities	1,958	2,011
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	1,883	-
Accumulated deferred income taxes	1,396	1,215
Storm and property insurance reserve	321	298
Other	992	1,141
Total other liabilities and deferred credits	4,592	2,654
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	$ 15,840	$ 12,637

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)
(unaudited)

	Nine Months Ended September 30,	
	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 622	$ 618
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	632	599
Nuclear fuel amortization	17	-
Deferred income taxes and related regulatory credit	168	225
Cost recovery clauses	(353)	151
Changes in operating assets and liabilities:		
Customer receivables	(253)	(102)
Other receivables	70	(1)
Material, supplies and fossil fuel inventory	23	(10)
Other current assets	(19)	(63)
Deferred pension cost	(74)	(76)
Accounts payable	129	81
Customers' deposits	27	28
Accrued interest and taxes	254	293
Other current liabilities	6	(88)
Other liabilities	24	70
Other – net	5	(2)
Net cash provided by operating activities	1,278	1,723
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(946)	(803)
Nuclear fuel purchases	(13)	-
Contributions to special use funds	(130)	(50)
Other – net	-	4
Net cash used in investing activities	(1,089)	(849)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuances of long-term debt	585	-
Retirements of long-term debt	(164)	(225)
Net change in short-term debt	(445)	144
Capital contributions from FPL Group, Inc.	600	-
Dividends	(534)	(784)
Net cash provided by (used in) financing activities	42	(865)
Net increase in cash and cash equivalents	231	9
Cash and cash equivalents at beginning of period	-	1
Cash and cash equivalents at end of period	$ 231	$ 10
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Additions to capital lease obligations	$ 41	$ 54
Additions to debt through adoption of FIN 46	$ 164	$ -

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2002 Form 10-K for FPL Group and FPL.

FPL GROUP, INC. AND FLORIDA POWER & LIGHT COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

The accompanying condensed consolidated financial statements should be read in conjunction with the 2002 Form 10-K for FPL Group and FPL. In the opinion of FPL Group and FPL management, all adjustments (consisting of normal recurring accruals) considered necessary for fair financial statement presentation have been made. Certain amounts included in the prior year's consolidated financial statements have been reclassified to conform to the current year's presentation. The results of operations for an interim period may not give a true indication of results for the year.

1. Asset Retirement Obligations

Effective January 1, 2003, FPL Group and FPL adopted Statement of Financial Accounting Standards No. (FAS) 143, "Accounting for Asset Retirement Obligations." This statement requires that a liability for the fair value of an asset retirement obligation (ARO) be recognized in the period in which it is incurred with the offsetting associated asset retirement cost capitalized as part of the carrying amount of the long-lived asset. The asset retirement cost is subsequently allocated to expense using a systematic and rational method over its useful life. Changes in the ARO resulting from the passage of time are recognized as an increase in the carrying amount of the liability and as accretion expense, which is included in depreciation and amortization expense in the condensed consolidated statements of income. Prior to January 1, 2003, FPL accrued for decommissioning and dismantlement costs over the life of the related asset through depreciation expense.

Upon adoption of FAS 143, with respect to amounts for nuclear decommissioning, FPL recorded an ARO of approximately $1.8 billion, capitalized a net asset related to the ARO of approximately $231 million and reversed the approximately $1.6 billion it had previously recorded in accumulated depreciation. The difference, approximately $29 million, was deferred as a regulatory liability. FPL's AROs other than nuclear decommissioning were not significant. The adoption of FAS 143 results in timing differences in the recognition of legal asset retirement costs for financial reporting purposes and the method the FPSC allows FPL to recover in rates. Accordingly, any differences between the ongoing expense recognized under FAS 143 and the amount recoverable through rates have been deferred in accordance with FAS 71, "Accounting for the Effects of Certain Types of Regulation." At September 30, 2003, approximately $1.9 billion was recorded in accumulated depreciation for recorded asset retirement costs that do not meet the definition of an ARO under FAS 143, or are not estimable as discussed in the paragraph below, but are accrued based on FPSC rules and regulations. FPL recorded accretion expense of approximately $25 million and $75 million for the three and nine months ended September 30, 2003, respectively. No other adjustments were made to FPL's ARO during the quarter ended September 30, 2003. Had FAS 143 been applied in 2002 and 2001, FPL would have recorded AROs of approximately $1.8 billion and $1.7 billion at December 31, 2002 and 2001, respectively. Pro forma net income and earnings per share have not been presented for FPL for the three and nine months ended September 30, 2002 and for the years ended December 31, 2002, 2001 and 2000 because the pro forma application of FAS 143 to prior periods would result in the same pro forma net income and earnings per share amounts as the actual amounts reported for those periods due to the regulatory treatment mentioned above.

FPL Group and FPL have identified but not recognized ARO liabilities related to electric transmission and distribution (T&D) and telecommunications assets resulting from easements over property not owned by FPL Group or FPL. These easements are generally perpetual and only require retirement action upon abandonment or cessation of use of the property for the specified purpose. The ARO liability is not estimable for such easements as FPL Group and FPL intend to utilize these properties indefinitely. In the event FPL Group and FPL decide to abandon or cease the use of a particular easement, an ARO liability would be recorded at that time.

In addition to the amounts recorded by FPL, upon adoption of FAS 143, FPL Energy increased its ARO by approximately $6 million to a total ARO of approximately $164 million and increased its net property, plant and equipment by approximately $6 million. Approximately $152 million of FPL Energy's ARO related to the nuclear decommissioning obligation of the Seabrook Station (Seabrook), and the remainder primarily represented the current estimated fair value of obligations to dismantle its wind facilities located on leased property and certain hydro facilities. The cumulative effect on FPL Energy's net income of adopting FAS 143 was immaterial. FPL Energy recorded accretion expense of approximately $3 million and $9 million for the three and nine months ended September 30, 2003, respectively, which caused FPL Energy's ARO to increase to approximately $173 million at September 30, 2003. FPL Energy made no other material adjustments to its ARO during 2003.

Had FAS 143 been applied in 2002 and 2001, FPL Group would have recorded AROs of approximately $2.0 billion and $1.7 billion at December 31, 2002 and 2001, respectively. Additionally, had FPL Group applied FAS 143 in the three and nine months ended September 30, 2002, FPL Group's net income and earnings per share would have been as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2003	2002	2003	2002
	(millions, except per share amounts)			
Pro forma:				
Net income	$ 331	$ 150	$ 745	$ 343
Earnings per share of common stock	$ 1.86	$ 0.85	$ 4.20	$ 2.00
Earnings per share of common stock – assuming dilution	$ 1.86	$ 0.85	$ 4.19	$ 1.99
As reported:				
Net income	$ 331	$ 150	$ 745	$ 344
Earnings per share of common stock	$ 1.86	$ 0.85	$ 4.20	$ 2.00
Earnings per share of common stock – assuming dilution	$ 1.86	$ 0.85	$ 4.19	$ 2.00

2. Variable Interest Entities

In January 2003, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. (FIN) 46, "Consolidation of Variable Interest Entities." As a result, entities that are deemed to be variable interest entities (VIEs) in which FPL Group or FPL or one of their respective subsidiaries is considered to be the "primary beneficiary" are to be consolidated. Variable interests are considered to be contractual, ownership or other monetary interests in an entity that fluctuate with changes in the entity's net asset value. An entity is considered to be a VIE when it has equity investors who lack the characteristics of having a controlling financial interest, or its capital is insufficient to permit it to finance its activities without additional subordinated financial support. Consolidation of a VIE by an investor is required when it is determined that the investor will absorb a majority of the VIE's expected losses or residual returns. The following VIEs have been consolidated as of July 1, 2003.

FPL – FPL leases nuclear fuel for all four of its nuclear units from an unrelated special purpose entity (SPE). For ratemaking purposes, these leases are classified as operating leases. For financial reporting, the capital lease obligation was recorded at the amount due in the event of lease termination. FPL makes quarterly payments to the lessor for the lease commitments regardless of fuel utilization. In 1991, at the inception of the leases, the SPE entered into various debt agreements to finance the cost of the nuclear fuel. As of June 11, 2003, FPL is the guarantor of the current debt agreements.

FPL Energy – In 2000, an FPL Energy subsidiary entered into an operating lease agreement with an SPE lessor to lease a 550-megawatt (mw) combined-cycle power generation plant through 2007. At the inception of the lease, the lessor obtained the funding commitments required to complete the acquisition, development and construction of the plant through debt and equity contributions from investors who are not affiliated with FPL Group. At December 31, 2002, the commitment was capped at costs incurred of $380 million. The $380 million commitment included $364 million of debt and $16 million of equity. The conditions to achieve project completion were satisfied as of December 27, 2002, at which time the base lease term began. The FPL Energy subsidiary began making quarterly lease payments on March 31, 2003. The quarterly lease payments are intended to cover the lessor's debt service, which includes a stated yield to equity holders and certain other costs.

The FPL Energy subsidiary has the option to purchase the plant from the SPE lessor at any time during the remaining lease term for 100% of the outstanding principal balance of the loans and equity contributions made to the SPE, all accrued and unpaid interest and yield, and all other fees, costs and amounts then due and owing pursuant to the provisions of the related financing documents. However, under certain limited events of default, the FPL Energy subsidiary can be required to purchase the plant for the same cost. If the FPL Energy subsidiary does not elect to purchase the plant at the end of the lease term, a residual value guarantee must be paid, and the plant will be sold. Any proceeds received by the lessor in excess of the outstanding debt and equity will be given to the FPL Energy subsidiary. FPL Group Capital Inc (FPL Group Capital) has guaranteed certain obligations of the FPL Energy subsidiary under the lease agreement. The equity holder controls the lessor.

As a result of the consolidation of the above mentioned VIE's beginning July 1, 2003, FPL Group's and FPL's balance sheet line items increased (decreased) by the following amounts:

	FPL Group	FPL
	(millions)	
Assets:		
Electric utility plant in service and other property	$ 354	$ -
Nuclear fuel	257	257
Construction work in progress	-	-
Less accumulated depreciation and amortization	265	257
Materials, supplies and fossil fuel inventory	9	-
Other current assets	2	-
Other assets	9	1
Total Assets	$ 366	$ 1
Capitalization and Liabilities:		
Retained earnings	$ (5)	$ -
Accumulated other comprehensive loss	(7)	-
Long-term debt (see Note 8)	486	135
Commercial paper	29	29
Accounts payable	(12)	(12)
Other current liabilities	3	-
Other liabilities and deferred credits	(128)	(151)
Total Capitalization and Liabilities	$ 366	$ 1

The cumulative effect on FPL Group's net income of implementing FIN 46 for the VIEs discussed above is approximately a $3 million loss (net of taxes of $2 million) and zero for FPL.

In October 2003, the FASB deferred the required implementation date of FIN 46 until the fourth quarter of 2003, but permitted companies to choose earlier adoption for some or all of their investments. FPL Group has chosen to consolidate the two VIEs noted above and will continue to analyze other investments, particularly its partnership interests, to determine if any of those entities are VIEs and, if so, whether they should be included in the consolidated statements of FPL Group.

3. Earnings Per Share of Common Stock

The reconciliation of FPL Group earnings per share of common stock and earnings per share of common stock – assuming dilution is shown below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
	(millions, except per share amounts)			
Numerator:				
Net income	$ 331	$ 150	$ 745	$ 344
Denominator:				
Weighted-average number of common shares outstanding	177.8	175.7	177.3	171.8
Performance share and shareholder value awards, options and equity units [a]	0.5	0.2	0.5	0.3
Weighted-average number of common shares outstanding – assuming dilution	178.3	175.9	177.8	172.1
Earnings per share of common stock	$ 1.86	$ 0.85	$ 4.20	$ 2.00
Earnings per share of common stock – assuming dilution	$ 1.86	$ 0.85	$ 4.19	$ 2.00

[a] Performance share and shareholder value awards are included in diluted weighted-average number of common shares outstanding based upon what would be issued if the end of the reporting period was the end of the term of the award. Options and equity units (known as Corporate Units) are included in diluted weighted-average number of common shares outstanding by applying the treasury stock method.

Common shares issuable upon the exercise of stock options and settlement of purchase contracts that are a component of the equity units (known as Corporate Units), which were not included in the denominator above due to their antidilutive effect, were approximately 1 million and 23 million for the three months ended September 30, 2003 and 2002, respectively, and approximately 1 million and 11 million for the nine months ended September 30, 2003 and 2002, respectively.

4. Comprehensive Income

Substantially all of the transactions that FPL Group has designated as hedges at September 30, 2003 are cash flow hedges which have expiration dates through December 2008. Approximately $9 million of FPL Group's accumulated other comprehensive income at September 30, 2003 will be reclassified into earnings within the next 12 months as the hedged fuel is consumed or as electricity is sold. Accumulated other comprehensive income is separately displayed in the condensed consolidated balance sheets of FPL Group.

FPL Group's comprehensive income was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
	(millions)			
Net income of FPL Group	$ 331	$ 150	$ 745	$ 344
Net unrealized gains (losses) on cash flow hedges [a]	(33)	3	(14)	18
Net unrealized gains on available for sale securities	1	1	9	1
Comprehensive income of FPL Group	$ 299	$ 154	$ 740	$ 363
(a) Effective portion of net unrealized gains (losses) on cash flow hedges	$ (21)	$ 5	$ 22	$ 20

5. Derivative Instruments

Beginning in 2002, FPL Group segregated unrealized mark-to-market gains and losses on derivative transactions into two categories. The first category, referred to as trading and managed hedge activities, represents the net unrealized effect of actively traded positions entered into to take advantage of market price movements and to optimize the value of generation assets and related contracts. The second category, referred to as non-managed hedges, represents the net unrealized effect of derivative transactions entered into as economic hedges (but which do not qualify for hedge accounting under FAS 133, "Accounting for Derivative Instruments and Hedging Activities," as amended) and the ineffective portion of transactions accounted for as cash flow hedges. These transactions have been entered into to reduce FPL Group's aggregate risk. Any position that is moved between non-managed hedge activity and trading and managed hedge activity is transferred at its fair value on the date of reclassification.

Unrealized mark-to-market gains (losses) on derivative transactions for both consolidated subsidiaries and equity method investees were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
	(millions)			
Trading and managed hedges [a]	$ 1	$ (2)	$ (3)	$ 6
Non-managed hedges [b]	$ 14	$ 4	$ 17	$ 7

(a) The unrealized gains (losses) from trading and managed hedge activities are reported net in operating revenues.
(b) The unrealized gains from non-managed hedge activities of consolidated entities are reported in other – net and activities of equity method investees are reported in equity in earnings of equity method investees in FPL Group's condensed consolidated statements of income.

Effective July 1, 2003, FPL Group and FPL adopted FAS 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities" (FAS 149). The statement amends and clarifies financial accounting and reporting for derivative instruments, including derivative instruments embedded in other contracts, and for hedging activities. There was no financial statement impact upon adoption of FAS 149. However, the statement could have a significant future impact on the number of contracts that will be marked to market through earnings.

In August 2003, the Emerging Issues Task Force (EITF) released Issue No. 03-11 (EITF 03-11), which provides guidance on whether to report realized gains or losses on physically settled derivative contracts not held for trading purposes on a gross or net basis and requires realized gains or losses on derivative contracts that net settle to be reported on a net basis. Currently, FPL Group and FPL generally report contracts requiring physical delivery of a commodity on a gross basis, even when the contract is ultimately net settled with the counterparty or netted by the transmission system operator. The new guidance is effective October 1, 2003. FPL Group and FPL are evaluating the effect the new guidance will have on their financial statements in the future.

Recently, the staff of the Securities and Exchange Commission (SEC) indicated that the realized and unrealized effects of derivative instruments not accounted for as hedges should be reported within the same caption on the statements of income. Currently, FPL Group reflects unrealized gains and losses related to non-managed hedges in other – net. FPL Group and

FPL reflect realized gains and losses for these instruments within the line items in the statements of income to which they relate. FPL Group and FPL expect to adopt the new guidance as soon as practicable. FPL Group and FPL are evaluating the effect the new guidance will have on their financial statements in the future.

6. Regulation

In April 2003, the FERC issued its White Paper on Wholesale Power Market Platform (White Paper), responding to comments on its proposed rule regarding standardized market design for electric markets in the United States. The White Paper indicates that the FERC intends to be more flexible on how and when the final rule will be implemented, defer to regional state committees to address significant regional transmission organizations (RTO)/independent system operator (ISO) features, require regulated utilities to join RTOs or ISOs and require RTOs to implement spot markets. FPL is evaluating the proposed rule and is currently unable to determine the effects, if any, on FPL's operations.

In June 2003, the Florida Supreme Court dismissed the State of Florida Office of Public Counsel's (Public Counsel) appeal of the FPSC's approval of GridFlorida LLC (GridFlorida) without prejudice. The FPSC has restored the GridFlorida docket to active status and held a technical conference with the FERC in September 2003. The FPSC staff intends to identify issues arising out of the technical conference at a workshop prior to updating the schedule for proceeding.

On November 6, 2003, the Florida Supreme Court heard oral arguments in the South Florida Hospital and Healthcare Association's appeal of the FPSC's approval of FPL's 2002-2005 rate agreement. FPL intends to continue to vigorously contest this appeal and believes that the FPSC's decision approving the 2002-2005 rate agreement will be upheld.

7. Stock-Based Compensation

FAS 123, "Accounting for Stock-Based Compensation," encourages a fair value based method of accounting for stock-based compensation. In May 2003, FPL Group announced it would begin using the fair value based method of accounting for stock-based compensation beginning in 2004. Through 2003 however, FPL Group will use the intrinsic value based method of accounting as permitted by the statement. Stock-based compensation expense was approximately $3 million and $3 million for the three months ended September 30, 2003 and 2002, respectively, and $13 million and $14 million for the nine months ended September 30, 2003 and 2002, respectively. Compensation expense for restricted stock and performance shares is the same under the fair value and the intrinsic value based methods. The following table illustrates the effect on net income and earnings per share of common stock if FPL Group's compensation expense relating to options had been determined using the fair value based method:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
	(millions, except per share amounts)			
Net income, as reported	$ 331	$ 150	$ 745	$ 344
Less total stock-based employee compensation expense determined under fair value based method, net of taxes	2	2	5	5
Pro forma net income	$ 329	$ 148	$ 740	$ 339
Earnings per share of common stock:				
As reported	$ 1.86	$ 0.85	$ 4.20	$ 2.00
Pro forma	$ 1.85	$ 0.84	$ 4.17	$ 1.97
Assuming dilution – as reported	$ 1.86	$ 0.85	$ 4.19	$ 2.00
Assuming dilution – pro forma	$ 1.85	$ 0.84	$ 4.16	$ 1.97

8. Debt and Preferred Stock

Long-term Debt – In April 2003, FPL sold $500 million principal amount of 5 5/8% first mortgage bonds maturing in April 2034 and FPL Group Capital sold $500 million principal amount of 3 1/4% debentures maturing in April 2006. The proceeds from FPL's first mortgage bonds were used to repay a portion of FPL's short-term borrowings and for other corporate purposes. The proceeds from FPL Group Capital's debentures were used to repay a portion of commercial paper issued to fund investments in independent power projects.

In May 2003, FPL sold approximately $79 million principal amount of variable rate tax-exempt solid waste disposal revenue refunding bonds maturing in May 2024. The proceeds were used to refund and redeem in May 2003, approximately $5 million principal amount of 6.70% solid waste disposal revenue bonds maturing in May 2027 and approximately $4 million principal amount of 7.15% solid waste disposal revenue bonds maturing in February 2023. The remaining proceeds were used to refund and redeem in July 2003, approximately $65 million principal amount of variable rate solid waste disposal revenue bonds maturing in July 2024 and approximately $4 million principal amount variable rate solid waste disposal revenue bonds maturing in January 2027.

In June 2003, FPL sold $15 million principal amount of variable rate tax-exempt solid waste disposal revenue refunding bonds maturing in February 2023. The proceeds were used to refund and redeem $15 million principal amount of 7.15% solid waste disposal revenue bonds maturing in February 2023.

In July 2003, a subsidiary of FPL Energy closed on a $400 million variable rate construction term facility to fund the construction of two gas-fired power projects. Approximately $242 million was advanced at closing, and an additional $41 million was advanced during the three months ended September 30, 2003. The construction term facility consists of limited-recourse senior secured debt for the construction period followed by a term credit facility which matures 42 months following the completion of one of the power projects (estimated maturity date of November 15, 2007), but in no event later than June 30, 2008. FPL Group Capital has guaranteed certain obligations under the debt agreement. In August 2003, the FPL Energy subsidiary entered into an interest rate swap agreement to fix the interest rate on $200 million of this debt at 3.557%, which expires on November 15, 2007.

Also in July 2003, a subsidiary of FPL Energy sold $380 million of 6.639% limited-recourse senior secured bonds maturing in June 2023. Annual principal payments are due beginning June 2004. The majority of the proceeds were used to return to FPL Energy a portion of the indirect investment it made in the development, acquisition and/or construction of seven wind power projects and to fund debt service and major maintenance reserve accounts. FPL Group Capital has guaranteed certain obligations under the debt agreement.

In July 2003, FPL Group Capital entered into two $150 million variable interest rate swap agreements to protect $300 million of its 7 5/8% fixed rate debt maturing in September 2006 against changes in fair value due to changes in interest rates. Both of the swap agreements expire in September 2006.

Effective July 1, 2003, in accordance with FIN 46, FPL Group and FPL consolidated certain VIEs as discussed in Note 2. As a result, on July 1, 2003, FPL consolidated $135 million of 2.34% senior secured notes maturing in June 2006. The notes were issued by a VIE in June 2003. The proceeds of the notes were used by the VIE to refinance its existing debt and for the procurement of its nuclear fuel and related general corporate purposes. Also in June 2003, a $65 million senior secured revolving credit facility, which expires in June 2004, was established to provide backup support to the VIE's commercial paper program. FPL has provided an unconditional guarantee of the payment obligations of the VIE under the notes and credit facility. At September 30, 2003, FPL had no outstanding borrowings under the revolving credit facility and $30 million outstanding under the commercial paper program.

Effective July 1, 2003, FPL Energy consolidated, in accordance with FIN 46, approximately $360 million variable rate notes payable issued in June 2002 and maturing in December 2007. Quarterly principal payments on the notes began March 2003. At September 30, 2003, the balance of the notes payable was approximately $360 million. The proceeds of the notes were used by the VIE to complete the acquisition, development and construction of a power generation plant. FPL Group Capital has guaranteed certain obligations under the debt agreement. In July 2002, the VIE entered into two identical interest rate swap agreements with an aggregate original notional amount of $106 million to fix the interest rate on a portion of this debt at 4.41%. The interest rate swap agreements expire in December 2007.

In August 2003, a subsidiary of FPL Energy sold $117 million of 7.11% senior secured notes maturing in June 2020. The proceeds were used for the development, construction and equipping of two power projects. FPL Group Capital has provided an unconditional guarantee of the payment obligations under the debt agreement.

In September 2003, FPL Group Capital sold $200 million principal amount of 1 7/8% debentures and $400 million principal amount of variable rate debentures, each maturing in March 2005. The proceeds from these debentures were used to repay a portion of commercial paper issued to fund investments by FPL Group Capital in independent power projects.

In October 2003, FPL sold $300 million principal amount of 5.95% first mortgage bonds maturing in October 2033. The proceeds were used to repay a portion of FPL's short-term borrowings and for other corporate purposes. Also in October 2003, FPL called for redemption in November 2003 and December 2003 approximately $109 million of 7.00% first mortgage bonds maturing in September 2025 and approximately $108 million of 7.05% first mortgage bonds maturing in December 2026, respectively.

In October 2003, FPL and FPL Group Capital entered into new credit facilities which replaced the previous credit facilities. Bank lines of credit currently available to FPL Group and its subsidiaries aggregate approximately $3.0 billion ($2.0 billion for FPL Group Capital and $1.0 billion for FPL). Half of these facilities expire in October 2004 with a one-year term-out option. The other half expire in October 2006 and provide for the issuance of letters of credit of up to $500 million for FPL Group Capital and up to $250 million for FPL subject to the aggregate commitment ($1.0 billion for FPL Group Capital and $500 million for FPL) under the facilities. These facilities are available to support the companies' commercial paper programs and to provide additional liquidity in the event of a T&D property loss, as well as for general corporate purposes. Neither FPL Group Capital nor FPL had any outstanding borrowings under these credit facilities at September 30, 2003.

Notes Payable – In March 2003, FPL entered into a promissory note with a bank under which FPL may borrow up to $500 million. As of September 30, 2003, FPL had loans outstanding under this note totaling $40 million principal amount with a weighted-average annual interest rate of 1.35% and an average remaining term of 45 days. The proceeds of borrowings under the promissory note are used for general corporate purposes.

Preferred Stock – In October 2003, FPL called for redemption in November 2003 the following FPL preferred stock series with an aggregate par value of $221 million:

	Shares Outstanding	Redemption Price per Share
Cumulative, $100 Par Value, without sinking fund requirements:		
4 1/2%	100,000	$ 101.00
4 1/2% Series B	50,000	$ 101.00
4 1/2% Series C	62,500	$ 103.00
4.32% Series D	50,000	$ 103.50
4.35% Series E	50,000	$ 102.00
6.98% Series S	750,000	$ 103.49
7.05% Series T	500,000	$ 103.52
6.75% Series U	650,000	$ 103.37
Total called preferred stock of FPL	2,212,500	

9. Commitments and Contingencies

Commitments – FPL Group and its subsidiaries have made commitments in connection with a portion of their projected capital expenditures. Capital expenditures at FPL consist of the cost for construction or acquisition of additional facilities and equipment to meet customer demand. At FPL Energy, capital expenditures include, among other things, costs for the acquisition, development and expansion of independent power projects (including capitalized interest). FPL FiberNet, LLC's (FPL FiberNet) capital expenditures primarily include costs to sustain its fiber optic network and meet customer specific requirements. At September 30, 2003, capital expenditures for the remainder of 2003 through 2007 are estimated to be as follows:

	2003	2004	2005	2006	2007	Total
			(millions)			
FPL:						
Generation: [a]						
New [b]	$ 130	$ 375	$ 180	$ -	$ -	$ 685
Existing	135	295	325	240	345	1,340
Transmission and distribution	165	705	650	650	665	2,835
Nuclear fuel	-	95	75	80	100	350
General and other	45	135	115	125	120	540
Total	$ 475	$ 1,605	$ 1,345	$ 1,095	$ 1,230	$ 5,750
FPL Energy:						
Wind[c]	$ 165	$ 5	$ -	$ -	$ -	$ 170
Gas	85	95	5	-	-	185
Nuclear fuel and other	-	75	30	55	50	210
Total	$ 250	$ 175	$ 35	$ 55	$ 50	$ 565
FPL FiberNet	$ 5	$ 10	$ 10	$ 10	$ 10	$ 45

(a) Includes allowance for funds used during construction (AFUDC) of approximately $9 million for the remainder of 2003 and $58 million, $42 million, $9 million and $19 million in 2004, 2005, 2006 and 2007, respectively. AFUDC capitalized during the nine months ended September 30, 2003 amounted to approximately $11 million.

(b) Represents estimated capital expenditures for capacity needs identified through 2006.

(c) FPL Energy's capital expenditures for new wind are estimated through 2003, when the production tax credits are scheduled to expire, and assumes the addition of 836 mw which have been announced. In addition, in October 2003, FPL Energy announced an agreement to purchase 130 mw of wind power projects. See Part II – Item 5(e).

In addition to estimated capital expenditures listed above, FPL and FPL Energy have long-term contracts related to purchased power and/or fuel (see Contracts below). As of September 30, 2003, FPL Energy had approximately $1.5 billion in firm commitments for a portion of its capital expenditures, natural gas transportation and storage and nuclear fuel contracts. FPL Group has guaranteed certain payment obligations of FPL Group Capital, including most payment obligations under FPL Group Capital's debt.

FPL Group and FPL each account for payment guarantees and related contracts, for which it is the guarantor, under FIN 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees Including Indirect Guarantees of Indebtedness of Others," which requires that the fair value of guarantees provided to consolidated entities entered into after December 31, 2002, be recorded on the balance sheet. At September 30, 2003, subsidiaries of FPL Group, other than FPL, have guaranteed a firm gas transportation agreement obligation with a letter of credit, purchase and sale of power and fuel agreement obligations and debt service payments relating to agreements that existed at December 31, 2002. The term of the guarantees is equal to the term of the related debt, firm transportation agreement or purchase and sale of power and fuel agreement, which can be as short as 30 days or as long as 20 years. The maximum potential amount of future payments that could be required under these guarantees at September 30, 2003 was approximately $19 million. At September 30, 2003, FPL Group did not have any liabilities recorded for these guarantees. In certain instances, FPL Group can seek recourse from third parties for 50% of any amount paid under the guarantees.

FPL Energy has guaranteed certain performance obligations of a power plant owned by a wholly-owned subsidiary as part of a power purchase agreement (PPA) that expires in 2027. Under the PPA, the subsidiary could incur market-based liquidated damages for failure to meet a stated mechanical availability and guaranteed average output. Based on past performance of similar projects and current forward prices, management believes that the exposure associated with this guarantee is not material.

At September 30, 2003, restricted cash approximated $132 million and was restricted primarily for debt service payments, construction liabilities and operations and maintenance (O&M) expenses.

Contracts – FPL has entered into long-term purchased power and fuel contracts. FPL is obligated under take-or-pay purchased power contracts with JEA (formerly known as the Jacksonville Electric Authority) and with subsidiaries of The Southern Company (Southern Companies) to pay for approximately 1,300 mw of power through mid-2010 and 381 mw thereafter through 2021. FPL also has various firm pay-for-performance contracts to purchase approximately 900 mw from certain cogenerators and small power producers (qualifying facilities) with expiration dates ranging from 2005 through 2026. The purchased power contracts provide for capacity and energy payments. Energy payments are based on the actual power taken under these contracts, and the Southern Companies' contract is subject to minimum quantities. Capacity payments for the pay-for-performance contracts are subject to the qualifying facilities meeting certain contract conditions. FPL has various agreements with several electricity suppliers to purchase an aggregate of up to 1,100 mw of power with expiration dates ranging from 2003 through 2007. In general, the agreements require FPL to make capacity payments and supply the fuel consumed by the plants under the contracts. FPL has medium- to long-term contracts for the transportation and supply of natural gas, coal and oil with various expiration dates through 2028.

FPL Energy has long-term contracts for the transportation, supply and storage of natural gas with expiration dates ranging from 2005 through 2033. FPL Energy also has several contracts for the supply, conversion, enrichment and fabrication of Seabrook's nuclear fuel with expiration dates ranging from 2003 to 2014.

The remaining required capacity and minimum payments under these contracts as of September 30, 2003 are estimated to be as follows:

	2003	2004	2005	2006	2007	Thereafter
			(millions)			
FPL:						
Capacity payments:						
JEA and Southern Companies	$ 40	$ 180	$ 180	$ 180	$ 190	$ 1,100
Qualifying facilities	$ 90	$ 350	$ 350	$ 300	$ 300	$ 4,300
Other electricity suppliers	$ 15	$ 90	$ 55	$ 50	$ 5	$ -
Minimum payments, at projected prices:						
Southern Companies – energy	$ 15	$ 60	$ 70	$ 70	$ 70	$ 180
Natural gas, including transportation	$ 390	$ 1,255	$ 825	$ 525	$ 275	$ 3,175
Coal	$ 15	$ 25	$ 25	$ 10	$ 10	$ -
Oil	$ 175	$ -	$ -	$ -	$ -	$ -
FPL Energy	$ 15	$ 75	$ 50	$ 40	$ 35	$ 600

Charges under these contracts were as follows:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2003		2002		2003		2002	
	Capacity	Energy/ Fuel	Capacity	Energy/ Fuel	Capacity	Energy/ Fuel	Capacity	Energy/ Fuel
	(millions)							
FPL:								
JEA and Southern Companies	$ 48[a]	$ 45[b]	$ 46[a]	$ 41[b]	$ 144[a]	$ 123[b]	$ 142[a]	$ 120[b]
Qualifying facilities	$ 87[c]	$ 40[b]	$ 79[c]	$ 35[b]	$ 265[c]	$ 109[b]	$ 234[c]	$ 96[b]
Other electricity suppliers	$ 39[c]	$ 14[b]	$ 43[c]	$ 6[b]	$ 81[c]	$ 31[b]	$ 67[c]	$ 15[b]
Natural gas, including transportation	$ -	$ 465[b]	$ -	$ 238[b]	$ -	$ 1,307[b]	$ -	$ 606[b]
Coal	$ -	$ 15[b]	$ -	$ 17[b]	$ -	$ 40[b]	$ -	$ 44[b]
Oil	$ -	$ 249[b]	$ -	$ 149[b]	$ -	$ 521[b]	$ -	$ 314[b]
FPL Energy	$ -	$ 10	$ -	$ 5	$ -	$ 29	$ -	$ 13

(a) Majority is recoverable through the capacity cost recovery clause (capacity clause).
(b) Recoverable through the fuel and purchased power cost recovery clause (fuel clause).
(c) Recoverable through the capacity clause.

Insurance – Liability for accidents at nuclear power plants is governed by the Price-Anderson Act, which limits the liability of nuclear reactor owners to the amount of insurance available from both private sources and an industry retrospective payment plan. In accordance with this act, FPL Group maintains $300 million of private liability insurance per site, which is the maximum obtainable, and participates in a secondary financial protection system under which it is subject to retrospective assessments of up to $518 million ($414 million for FPL) per incident at any nuclear utility reactor in the United States, payable at a rate not to exceed $52 million ($41 million for FPL) per incident per year. FPL Group and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook and St. Lucie Unit No. 2, which approximates $12 million and $15 million per incident, respectively. The Price-Anderson Act expired on August 1, 2002 but the liability limitations did not change for plants, including FPL's four nuclear units and Seabrook, with operating licenses issued by the NRC prior to August 1, 2002.

FPL Group participates in nuclear insurance mutual companies that provide $2.75 billion of limited insurance coverage per occurrence per site for property damage, decontamination and premature decommissioning risks at its nuclear plants. The proceeds from such insurance, however, must first be used for reactor stabilization and site decontamination before they can be used for plant repair. FPL Group also participates in an insurance program that provides limited coverage for replacement power costs if a nuclear plant is out of service for an extended period of time because of an accident. In the event of an accident at one of FPL Group's or another participating insured's nuclear plants, FPL Group could be assessed up to $93 million ($70 million for FPL) in retrospective premiums. FPL Group and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook and St. Lucie Unit No. 2, which approximates $3 million and $3 million, respectively.

In the event of a catastrophic loss at one of FPL Group's nuclear plants, the amount of insurance available might not be adequate to cover property damage and other expenses incurred. Uninsured losses, to the extent not recovered through rates in the case of FPL, would be borne by FPL Group and FPL and could have a material adverse effect on FPL Group's and FPL's financial condition and results of operations.

FPL self-insures its T&D property due to the high cost and limited coverage available from third-party insurers. As approved by the FPSC, FPL maintains a storm and property insurance reserve for uninsured property storm damage or assessments under the nuclear insurance program. As of September 30, 2003, the storm and property insurance reserve (approximately $321 million) equals the amount in the storm fund (approximately $197 million) plus related deferred income taxes (approximately $124 million). The current annual accrual approved by the FPSC is $20.3 million. Recovery from customers of any losses in excess of the storm and property insurance reserve will require the approval of the FPSC. FPL's available lines of credit provide additional liquidity in the event of a T&D property loss. In addition, FPL Group is self-insured for FPL FiberNet's fiber-optic cable located throughout Florida.

Litigation – In 1999, the Attorney General of the United States, on behalf of the U.S. Environmental Protection Agency (EPA), brought an action against Georgia Power Company and other subsidiaries of The Southern Company for certain alleged violations of the Clean Air Act. In May 2001, the EPA amended its complaint. The amended complaint alleges, among other things, that Georgia Power Company constructed and is continuing to operate Scherer Unit No. 4, in which FPL owns a 76% interest, without obtaining proper permitting, and without complying with performance and technology standards as required by the Clean Air Act. It also alleges that unspecified major modifications have been made at Scherer Unit No. 4 that require its compliance with the aforementioned Clean Air Act provisions. The EPA seeks injunctive relief requiring the installation of best available control technology and civil penalties of up to $25,000 per day for each violation from an unspecified date after June 1, 1975 through January 30, 1997 and $27,500 per day for each violation thereafter. Under a proposed EPA rule, the maximum penalty would increase to $32,500 per day for each violation after publication of the final rule. Georgia Power Company has answered the amended complaint, asserting that it has complied with all requirements of the Clean Air Act,

denying the plaintiff's allegations of liability, denying that the plaintiff is entitled to any of the relief that it seeks and raising various other defenses. In June 2001, a federal district court stayed discovery and administratively closed the case pending resolution of the EPA's motion for consolidation of discovery in several Clean Air Act cases that was filed with a Multi-District Litigation (MDL) panel. In August 2001, the MDL panel denied the motion for consolidation. In September 2001, the EPA moved that the federal district court reopen this case for purposes of discovery. Georgia Power Company opposed that motion asking that the case remain closed until the Eleventh Circuit Court of Appeals rules on the Tennessee Valley Authority's (TVA) appeal of an EPA administrative compliance order relating to legal issues that are also central to this case. In August 2002, the federal district court denied without prejudice the EPA's motion to reopen. In June 2003, the Eleventh Circuit issued its order dismissing the TVA's appeal because it found the provision of the Clean Air Act allowing the EPA to issue binding administrative compliance orders was unconstitutional, and hence found that the TVA order was a non-final order that courts of appeal do not have jurisdiction to review. In September 2003, the Eleventh Circuit denied the EPA's motion for rehearing, and the EPA is now evaluating whether to seek review of the Eleventh Circuit decision by the United States Supreme Court. The EPA has not yet moved to reopen the Georgia Power Company case.

In 2001, J. W. and Ernestine M. Thomas, Chester and Marie Jenkins, and Ray Norman and Jack Teague, as Co-Personal Representatives on behalf of the Estate of Robert L. Johns, served FPL Group, FPL, FPL FiberNet, FPL Group Capital and FPL Investments Inc (FPL Investments) as defendants in a civil action filed in the Florida circuit court. This action is purportedly on behalf of all property owners in Florida (excluding railroad and public rights of way) whose property is encumbered by easements in favor of FPL, and on whose property defendants have installed or intend to install fiber-optic cable which defendants currently lease, license or convey or intend to lease, license or convey for non-electric transmission or distribution purposes. The lawsuit alleges that FPL's easements do not permit the installation and use of fiber-optic cable for general communication purposes. The plaintiffs have asserted claims for unlawful detainer, unjust enrichment and constructive trust and seek injunctive relief and compensatory damages. In May 2002, plaintiffs filed an amended complaint, adding allegations regarding the installation of wireless communications equipment on some easements, and adding a claim for declaratory relief. In August 2002, Hazel and Lamar Jenkins were substituted for Chester and Marie Jenkins as plaintiffs. Defendants filed an answer and affirmative defenses to the amended complaint in August 2002. The parties are now pursuing discovery. In addition, in September 2003, FPL Group Capital and FPL Investments moved for summary judgment as to all claims asserted against them. Plaintiffs thereafter filed a Notice of Voluntary Dismissal, seeking to dismiss without prejudice FPL Group Capital and FPL Investments as defendants in the action. FPL Group Capital and FPL Investments have moved, among other things, for such dismissal to be entered with prejudice. Additionally, in October 2003, FPL Group moved for summary judgment as to all claims asserted against it. Defendants have also asked the court to set a schedule for resolution of whether the case will proceed as a class action.

In August 2001, Florida Municipal Power Agency (FMPA) filed with the U.S. Court of Appeals for the District of Columbia (DC Circuit) a petition for review asking the DC Circuit to reverse and remand orders of the FERC denying FMPA's request for credits for transmission facilities owned by FMPA members. The transmission credits sought by FMPA would offset the transmission charges that FPL bills FMPA for network transmission service to FMPA's member cities. FMPA member cities have been taking network transmission service under FPL's open access transmission tariff (OATT) since the mid-1990s. In the orders appealed by FMPA, FERC ruled that FMPA would be entitled to credits for any FMPA facilities that were "integrated" with the FPL transmission system. Based on the evidence submitted, FERC concluded that none of the FMPA facilities met the integration test and, therefore, FMPA was not entitled to credits against FPL's charges for transmission service. On January 21, 2003, the DC Circuit upheld FERC's order denying FMPA credits for its facilities, finding that substantial evidence supported FERC's conclusion that FMPA's facilities do not satisfy the integration test. On March 28, 2003, the DC Circuit denied FMPA's request for rehearing of the DC Circuit's decision. On October 14, 2003, the U.S. Supreme Court denied FMPA's petition for review of the DC Circuit's decision. FMPA also has requested that FERC decide the crediting issue again in a separate FERC proceeding. That proceeding dates back to a filing by FPL on March 19, 1993, as completed on July 26, 1993, of a comprehensive restructuring of its then-existing tariff structure. All issues in that case are settled except for three issues reserved by FMPA, one of which is the crediting issue. FPL has argued that, particularly in light of the DC Circuit's order, FERC should not issue another order addressing FMPA's request for credits. If FERC does decide the crediting issue in this separate proceeding, and reverses its previous finding that FMPA is not entitled to transmission credits, FMPA is likely to seek refunds for amounts collected from FMPA member cities taking service under FPL's OATT. FPL estimates that through September 30, 2003 its maximum exposure to refunds, including interest, is approximately $66 million. On March 5, 2003, FMPA petitioned the DC Circuit to order FERC to rule on the reserved issues. FERC's response to FMPA's petition stated that FMPA had not shown the extraordinary circumstances to warrant granting their petition. That petition is being held in abeyance at FMPA's request given FERC's acceptance of additional filings. FPL and FMPA have filed supplemental initial and reply briefs.

In January 2002, Roy Oorbeek and Richard Berman filed suit against FPL Group (as an individual and nominal defendant); all its current directors (except James L. Camaren, Michael H. Thaman and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Lewis Hay III, Dennis P. Coyle, Paul J. Evanson and Lawrence J. Kelleher. The lawsuit alleges that the proxy statements relating to shareholder approval of FPL Group's Long Term Incentive Plan (LTIP) and FPL Group's proposed, but unconsummated, merger with Entergy Corporation (Entergy) were false and misleading because they did not affirmatively state that payments made to certain officers under FPL Group's LTIP upon shareholder approval of the merger would be retained by the officers even if the merger with Entergy was not consummated and did not state that under some circumstances payments made pursuant to FPL Group's LTIP might not be deductible by FPL

Group for federal income tax purposes. It also alleges that FPL Group's LTIP required either consummation of the merger as a condition to the payments or the return of the payments if the transaction did not close, and that the actions of the director defendants in approving the proxy statements, causing the payments to be made, and failing to demand their return constitute corporate waste. The plaintiffs seek to have the shareholder votes approving FPL Group's LTIP and the merger declared null and void, the return to FPL Group of $62 million of payments received by the officers, compensatory damages of $92 million (including the $62 million of payments received by the officers) from all defendants (except FPL Group) and attorneys' fees. FPL Group's board of directors had previously established a special committee to investigate a demand by another shareholder that the board take action to obtain the return of the payments made to the officers and expanded that investigation to include the allegations in the Oorbeek and Berman complaint.

In March 2002, William M. Klein, by Stephen S. Klein under power of attorney, on behalf of himself and all others similarly situated, filed suit against FPL Group (as nominal defendant); all its current directors (except James L. Camaren, Michael H. Thaman and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Paul J. Evanson, Lewis Hay III and Dennis P. Coyle. The lawsuit alleges that the payments made to certain officers under FPL Group's LTIP upon shareholder approval of the proposed merger with Entergy were improper and constituted breaches of fiduciary duties by the individual defendants because the LTIP required consummation of the merger as a condition to the payments. The plaintiff seeks the return to FPL Group of the payments received by the officers ($62 million); contribution, restitution and/or damages from the individual defendants; and attorneys' fees. These allegations also were referred to the special committee of FPL Group's board of directors investigating the allegations in the Oorbeek and Berman lawsuit.

In August 2002, the special committee filed under seal with the court its report of its investigation. The report concluded that pursuit of the claims identified by the plaintiffs in the Oorbeek and Berman and the Klein lawsuits is not in the best interest of FPL Group or its shareholders generally, and recommended that FPL Group seek dismissal of the lawsuits. After reviewing the special committee's report, FPL Group's board of directors (with only independent directors participating) concluded likewise. In September 2002, FPL Group, as nominal defendant, filed the special committee's report in the public docket and filed with the court a Statement of Position setting forth the special committee's and the board's conclusions and authorizing the filing of a motion to dismiss. The Statement of Position also reported that during the course of the special committee's investigation of the allegations in the lawsuits a separate question arose concerning the interpretation of the provisions of the LTIP pursuant to which the payments to eight current and former senior officers were calculated. Any change from the original interpretation could result in a repayment to FPL Group of up to approximately $9 million. FPL Group and the eight senior officers have entered into a binding Arbitration Agreement in order to resolve the issue.

In February 2003, Donald E. and Judith B. Phillips filed suit against FPL Group (as nominal defendant); all its current directors (except James L. Camaren, Michael H. Thaman and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Paul J. Evanson, Lewis Hay III, Dennis P. Coyle and Lawrence J. Kelleher. The lawsuit alleges that the proxy statements relating to shareholder approval of FPL Group's LTIP and FPL Group's proposed, but unconsummated, merger with Entergy were false and misleading because they did not affirmatively state that payments made to certain officers under FPL Group's LTIP upon shareholder approval of the merger would be retained by the officers even if the merger with Entergy was not consummated and did not state that under some circumstances payments made pursuant to FPL Group's LTIP might not be deductible by FPL Group for federal income tax purposes. It also alleges that FPL Group's LTIP required either consummation of the merger as a condition to the payments or the return of the payments if the transaction did not close, and that the actions of the director defendants in approving the proxy statements, causing the payments to be made, and failing to demand their return constitute corporate waste. The plaintiffs seek to have the shareholder votes approving FPL Group's LTIP and the merger declared null and void, the return to FPL Group of $62 million of payments received by the officers, compensatory damages of $92 million (including the $62 million of payments received by the officers) from all defendants (except FPL Group) and attorney's fees.

The Oorbeek, Klein and Phillips lawsuits have been consolidated. FPL Group has filed motions to dismiss the Oorbeek, Klein and Phillips lawsuits for failure to make a proper demand, as required by Florida law, to obtain action by the board of directors and to dismiss the Oorbeek and Klein lawsuits because the independent directors (other than Messrs. Zarb, Camaren and Thaman) have determined that pursuit of the lawsuits is not in the best interests of FPL Group. Messrs. Zarb, Camaren and Thaman joined the board in August 2002, October 2002 and July 2003, respectively, and did not participate in the proceedings relating to this determination or the motions to dismiss.

On May 2, 2003, the plaintiff's attorneys in the Klein lawsuit sent a new letter to FPL Group's board of directors (the May 2, 2003 Letter). This letter demands, among other things, that the board take action (i) to recover from the persons who approved such payments and/or otherwise breached their fiduciary duties, all of the above-described $92 million of LTIP payments made to officers and employees of FPL Group, allegedly on the grounds that the payments constituted a breach of fiduciary duty, bad faith, corporate waste and other unspecified wrongs, (ii) to investigate whether the proposed merger with Entergy was a plan by FPL Group's officers and directors to enrich themselves at the expense of the company, (iii) to seek the return of certain LTIP awards made in replacement of accelerated LTIP awards, (iv) to take immediate actions to secure the return of up to approximately $9 million in LTIP payments which is subject to an interpretation question under the LTIP, (v) to investigate and seek the return of stock options and restricted stock paid to Mr. Broadhead in January 2002 in connection with a consulting agreement and his retirement from FPL Group in December 2001, and (vi) to investigate whether punitive

damages may be sought. In July 2003, FPL Group's board of directors appointed a special committee, composed of James L. Camaren and Michael H. Thaman, to investigate the matters raised in the May 2, 2003 Letter and to make a determination as to how FPL Group should respond to the matters raised therein. On August 7, 2003, the plaintiff's attorney in the Klein lawsuit sent a letter to FPL Group's board of directors purporting to "withdraw" the May 2, 2003 Letter, the effect of which the special committee is evaluating.

In February 2003, Scott and Rebecca Finestone brought an action on behalf of themselves and their son Zachary Finestone in the U.S. District Court for the Southern District of Florida alleging that their son has developed cancer (neuroblastoma) as a result of the release and/or dissipation into the air, water, soil and underground areas of radioactive and non-radioactive hazardous materials, including strontium 90, and the release of other toxic materials from FPL's St. Lucie nuclear power plant. The complaint includes counts against FPL for strict liability for allegedly engaging in an ultra-hazardous activity and for alleged negligence in operating the plant in a manner that allowed emissions of the foregoing materials and failing to limit its release of nuclear fission products as prescribed by federal and state laws and regulations. The plaintiffs seek damages in excess of $1 million. FPL moved to dismiss the complaint. In September 2003, the Court entered an order denying FPL's motion to dismiss. Following FPL's motion for reconsideration in the Blake and Lowe suit, discussed below, the Court entered a similar order vacating its order denying the motion to dismiss the count for strict liability, and indicating it would reconsider that portion of its order.

In May 2003, Tish Blake and John Lowe, as personal representatives of the Estate of Ashton Lowe, on behalf of the estate and themselves, as surviving parents, brought an action in the U.S. District Court for the Southern District of Florida alleging that their son developed cancer (medulo-blastoma) as a result of the release and/or dissipation into the air, water, soil and underground areas of radioactive and non-radioactive hazardous materials, including strontium 90, and the release of other toxic materials from FPL's St. Lucie nuclear power plant. The allegations, counts and damages demanded in the complaint are virtually identical to those contained in the Finestone lawsuit described above. FPL moved to dismiss the complaint. In September 2003, the Court entered an order denying FPL's motion to dismiss. FPL moved for reconsideration of the Court's order as to the count for strict liability. The Court then entered an order vacating the order denying the motion to dismiss as to the count for strict liability, and is reconsidering that portion of the order.

In March 2003, James J. and Lori Bradstreet brought an action on behalf of themselves and their son, Matthew Bradstreet, in the Circuit Court of the 18th Judicial Circuit in and for Brevard County, Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies, the American Dental Association, the Florida Dental Association, FPL and the Orlando Utilities Commission (OUC), alleging that their son has suffered toxic neurological effects from mercury poisoning. An amended complaint was filed in May 2003. The sources of mercury exposure are alleged to be vaccines containing a preservative called thimerosal that were allegedly manufactured and distributed by the drug companies, mercury amalgam dental fillings, and emissions from FPL and OUC power plants in Florida, including Brevard County. The complaint includes counts against all defendants for civil battery and against FPL for alleged negligence in operating the plants such that the son was exposed to mercury and other heavy metals emissions. The damages demanded from FPL are for injuries and losses allegedly suffered by the son as a result of his exposure to the plants' mercury emissions and the parents' alleged pain and suffering, medical expenses, loss of wages, and loss of their son's services and companionship. No amount of damages is specified. FPL has moved to dismiss the complaint. In July 2003, the Bradstreets brought an identical action in the same court on behalf of themselves and their daughter, Elizabeth Bradstreet. FPL has moved to dismiss the complaint.

In June 2003, Monty and Kathryn Wooldridge brought an action on behalf of themselves and their son, Kevin Allen Wooldridge, in the Circuit Court of the 9th Judicial Circuit in and for Orange County, Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies, the American Dental Association, the Florida Dental Association, FPL and the OUC, alleging that their son has suffered toxic neurological effects from mercury poisoning. The allegations, counts and damages demanded in the complaint are virtually identical to those contained in the Bradstreet lawsuits described above. FPL has moved to dismiss the complaint.

In August 2003, Pedro C. and Emilia Roig brought an action on behalf of themselves and their son, Pedro Anthony Roig, in the Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida, which was removed in October 2003 to the U.S. District Court for the Southern District of Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies and FPL, alleging that their son has suffered toxic neurological effects from mercury poisoning. The allegations, counts and damages demanded in the complaint with respect to FPL are virtually identical to those contained in the Bradstreet and Wooldridge lawsuits described above. FPL will be moving to dismiss the complaint.

FPL Group and FPL believe that they have meritorious defenses to the pending litigation discussed above and are vigorously defending the lawsuits. As noted above, FPL Group's board of directors has appointed a special committee of the board to investigate the matters raised in the May 2, 2003 Letter and to make a determination with respect thereto. Management does not anticipate that the liabilities, if any, arising from the proceedings would have a material adverse effect on the financial statements.

In addition to those legal proceedings discussed herein, FPL Group and its subsidiaries, including FPL, are involved in a number of other legal proceedings and claims in the ordinary course of their businesses. While management is unable to predict with certainty the outcome of these other legal proceedings and claims, it is not expected that their ultimate resolution, individually or collectively, will have a material adverse effect on the financial statements.

Other Contingencies – In connection with the redemption in 1999 of its one-third ownership interest in Olympus Communications, L.P. (Olympus), an indirect subsidiary of FPL Group holds a note receivable from a limited partnership, of which Olympus is a general partner. The note receivable is secured by a pledge of the redeemed ownership interest. Olympus is an indirect subsidiary of Adelphia Communications Corp. (Adelphia). In June 2002, Adelphia and a number of its subsidiaries, including Olympus, filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code (Chapter 11). The note receivable plus accrued interest totaled approximately $127 million at September 30, 2003 and are included in other investments on FPL Group's condensed consolidated balance sheets. The note was due on July 1, 2002 and is currently in default.

Based on the most recent publicly available financial information set forth in Olympus' Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2001, total assets of Olympus exceeded liabilities by approximately $3.6 billion and Olympus served 1,787,000 basic subscribers. Olympus has not filed its Annual Report on Form 10-K for the fiscal year ended December 31, 2001 or any subsequent Quarterly Reports on Form 10-Q or Annual Reports on Form 10-K with the SEC, and consequently the September 30, 2001 financial information may not be indicative of Olympus' current financial position. Olympus has stated publicly that it expects to restate its financial statements for the years ended December 31, 2000 and 1999, and its interim financial statements for 2001 and possibly other periods. In addition, current management of Olympus believes that other public information provided by the Rigas family, which controlled Adelphia, was unreliable. In July 2002, the SEC filed suit against Adelphia and certain of its officers alleging that Adelphia fraudulently excluded billions of dollars of debt from its financial statements, misstated its financial and operating results and concealed rampant self-dealing by the Rigas family. In October 2003, Olympus filed certain limited financial information as required by orders of the bankruptcy court. However, such information was not useful to FPL Group in its evaluation of the collectibility of the note receivable.

In August 2002, an affidavit was filed in the bankruptcy court proceedings by a director of Lazard Freres & Co. LLC stating that, based on his analysis, the market value of FPL Group's secured interest in Olympus exceeded the carrying value of the note receivable plus accrued interest. In February 2003, FPL Group obtained an evaluation of the Olympus assets from an independent third party. The results of the evaluation, which was based on the limited information available, indicated that there was no impairment. However, the ultimate collectibility of the note receivable cannot be assured. FPL Group will continue to monitor these developments.

Subsidiaries of FPL Group, other than FPL, have investments in several leveraged leases, two of which are with MCI Telecommunications Corporation (MCI). In July 2002, MCI filed for bankruptcy protection under Chapter 11. Due to the uncertainty of collectibility associated with these leveraged leases, FPL Group recorded reserves totaling approximately $48 million ($30 million after tax) in the third quarter of 2002. At September 30, 2003, investments in leveraged leases with MCI totaled approximately $15 million and related deferred tax liabilities totaled approximately $10 million. An agreement has been reached with MCI that will consolidate and amend the leases upon the effective date of MCI's reorganization plan. On September 2, 2003, MCI was authorized by the bankruptcy court to assume the consolidated and amended lease, cure any prepetition arrearages and take all further action necessary or appropriate to effectuate the amended lease upon the effective date of MCI's reorganization plan. The amended lease would be classified as an operating lease and is not expected to have a significant effect on FPL Group's financial statements. In October 2003, the bankruptcy court approved MCI's reorganization plan which is expected to become effective in early 2004.

FPL Group recorded charges totaling $207 million ($127 million after tax) in the third quarter of 2002 due to unfavorable market conditions in the wholesale energy and telecommunications markets. During the first nine months of 2003, approximately $22 million was charged against the associated liability. As of September 30, 2003, a balance of approximately $5 million remains and is included in other current liabilities on FPL Group's condensed consolidated balance sheets.

10. Segment Information

FPL Group's reportable segments include FPL, a rate-regulated utility, and FPL Energy, a non-rate regulated energy generating subsidiary. Corporate and Other represents other business activities, other segments that are not separately reportable and eliminating entries. FPL Group's segment information is as follows:

	Three Months Ended September 30,							
	2003				2002			
	FPL	FPL Energy[a]	Corporate & Other	Total	FPL	FPL Energy[a]	Corporate & Other	Total
	(millions)							
Operating revenues	$ 2,383	$ 573	$ 18	$ 2,974	$ 2,144	$ 193	$ 16	$ 2,353
Operating expenses	$ 1,896	$ 509	$ 19	$ 2,424	$ 1,642	$ 274	$ 122	$ 2,038
Income (loss) before cumulative effect of changes in accounting principles	$ 277	$ 66	$ (9)	$ 334	$ 284	$ (34)[b]	$ (100)[c]	$ 150
Cumulative effect of changes in accounting principles, net of income taxes	$ -	$ (3)[d]	$ -	$ (3)	$ -	$ -	$ -	$ -
Net income (loss)	$ 277	$ 63	$ (9)	$ 331	$ 284	$ (34)[b]	$ (100)[c]	$ 150

	Nine Months Ended September 30,							
	2003				2002			
	FPL	FPL Energy[a]	Corporate & Other	Total	FPL	FPL Energy[a]	Corporate & Other	Total
	(millions)							
Operating revenues	$ 6,193	$ 1,345	$ 67	$ 7,605	$ 5,603	$ 563	$ 85	$ 6,251
Operating expenses	$ 5,093	$ 1,182	$ 59	$ 6,334	$ 4,492	$ 608	$ 171	$ 5,271
Income (loss) before cumulative effect of changes in accounting principles	$ 611	$ 159	$ (22)	$ 748	$ 607	$ 27[b]	$ (68)[c][e]	$ 566
Cumulative effect of changes in accounting *principles, net of income taxes*	$ -	$ (3)[d]	$ -	$ (3)	$ -	$ (222)[f]	$ -	$ (222)
Net income (loss)	$ 611	$ 156	$ (22)	$ 745	$ 607	$ (195)[b]	$ (68)[c][e]	$ 344

	September 30, 2003				December 31, 2002			
	FPL	FPL Energy[a]	Corporate & Other	Total	FPL	FPL Energy[a]	Corporate & Other	Total
	(millions)							
Total assets	$ 15,840[g]	$ 8,139[d][g]	$ 1,176	$25,155	$ 12,637	$ 6,358	$ 795	$19,790

[a] Interest charges include an allocation based on an assumed capital structure of 50% debt for operating projects and 100% debt for projects under construction.
[b] Includes restructuring and other charges of $73 million.
[c] Includes restructuring and impairment charges at FPL FiberNet of $64 million and reserve for leveraged leases of $30 million.
[d] Reflects the adoption of FIN 46 in July 2003 (see Note 2).
[e] Includes favorable settlement of litigation with the Internal Revenue Service for which a net tax benefit of $30 million was recognized.
[f] Reflects the adoption of FAS 142 in January 2002.
[g] Reflects the adoption of FAS 143 in January 2003 (see Note 1).

11. Summarized Financial Information of FPL Group Capital

FPL Group Capital, a 100% owned subsidiary of FPL Group, provides funding for and holds ownership interest in FPL Group's operating subsidiaries other than FPL. Most of FPL Group Capital's debt and payment guarantees, including all of its debentures, are fully and unconditionally guaranteed by FPL Group. Condensed consolidating financial information is as follows:

Condensed Consolidating Statements of Income

	Three Months Ended September 30,							
	2003				2002			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
	(millions)							
Operating revenues	$ -	$ 590	$ 2,384	$ 2,974	$ -	$ 209	$ 2,144	$ 2,353
Operating expenses	-	(527)	(1,897)	(2,424)	-	(396)	(1,642)	(2,038)
Interest charges	(7)	(61)	(38)	(106)	(7)	(33)	(34)	(74)
Other income (deductions – net	330	59	(339)	50	152	(17)	(169)	(34)
Income (loss) from operations before income taxes and cumulative effect of changes in accounting principles	323	61	110	494	145	(237)	299	207
Income tax expense (benefit)	(8)	5	163	160	(5)	(108)	170	57
Income (loss) before cumulative effect of changes in accounting principles	331	56	(53)	334	150	(129)	129	150
Cumulative effect of changes in accounting principles, net of income taxes	-	(3)	-	(3)	-	-	-	-
Net income (loss)	$ 331	$ 53	$ (53)	$ 331	$ 150	$ (129)	$ 129	$ 150

	Nine Months Ended September 30,							
	2003				2002			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
	(millions)							
Operating revenues	$ -	$ 1,412	$ 6,193	$ 7,605	$ -	$ 648	$ 5,603	$ 6,251
Operating expenses	-	(1,241)	(5,093)	(6,334)	-	(778)	(4,493)	(5,271)
Interest charges	(21)	(138)	(108)	(267)	(21)	(107)	(106)	(234)
Other income (deductions) – net	754	123	(784)	93	352	63	(396)	19
Income (loss) from operations before income taxes and cumulative effect of changes in accounting principles	733	156	208	1,097	331	(174)	608	765
Income tax expense (benefit)	(12)	11	350	349	(13)	(144)	356	199
Income (loss) before cumulative effect of changes in accounting principles	745	145	(142)	748	344	(30)	252	566
Cumulative effect of changes in accounting principles, net of income taxes	-	(3)	-	(3)	-	(222)	-	(222)
Net income (loss)	$ 745	$ 142	$ (142)	$ 745	$ 344	$ (252)	$ 252	$ 344

[a] Represents FPL and consolidating adjustments.

FPL GROUP, INC. AND FLORIDA POWER & LIGHT COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (concluded)
(unaudited)

Condensed Consolidating Balance Sheets

	September 30, 2003				December 31, 2002			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
	(millions)							
PROPERTY, PLANT AND EQUIPMENT								
Electric utility plant in service and other property	$ -	$ 7,429	$ 22,158	$ 29,587	$ -	$ 5,745	$ 20,760	$ 26,505
Less accumulated depreciation and amortization	-	(620)	(11,043)	(11,663)	-	(360)	(11,841)	(12,201)
Total property, plant and equipment – net	-	6,809	11,115	17,924	-	5,385	8,919	14,304
CURRENT ASSETS								
Cash and cash equivalents	21	683	231	935	5	261	-	266
Receivables	128	411	592	1,131	460	269	136	865
Other	-	303	889	1,192	-	240	537	777
Total current assets	149	1,397	1,712	3,258	465	770	673	1,908
OTHER ASSETS								
Investment in subsidiaries	7,047	-	(7,047)	-	6,221	-	(6,221)	-
Other	107	1,425	2,441	3,973	103	1,284	2,191	3,578
Total other assets	7,154	1,425	(4,606)	3,973	6,324	1,284	(4,030)	3,578
TOTAL ASSETS	$ 7,303	$ 9,631	$ 8,221	$ 25,155	$ 6,789	$ 7,439	$ 5,562	$ 19,790
CAPITALIZATION								
Common shareholders' equity	$ 6,905	$ 976	$ (976)	$ 6,905	$ 6,390	$ 839	$ (839)	$ 6,390
Preferred stock of FPL without sinking fund requirements	-	-	226	226	-	-	226	226
Long-term debt	-	5,338	2,993	8,331	-	3,426	2,364	5,790
Total capitalization	6,905	6,314	2,243	15,462	6,390	4,265	1,751	12,406
CURRENT LIABILITIES								
Accounts payable and short-term debt	-	1,366	784	2,150	-	1,563	1,092	2,655
Other	47	898	936	1,881	17	812	427	1,256
Total current liabilities	47	2,264	1,720	4,031	17	2,375	1,519	3,911
OTHER LIABILITIES AND DEFERRED CREDITS								
Asset retirement obligations	-	173	1,883	2,056	-	-	-	-
Accumulated deferred income taxes	(5)	623	1,318	1,936	(5)	412	1,140	1,547
Other	356	257	1,057	1,670	387	387	1,152	1,926
Total other liabilities and deferred credits	351	1,053	4,258	5,662	382	799	2,292	3,473
COMMITMENTS AND CONTINGENCIES								
TOTAL CAPITALIZATION AND LIABILITIES	$ 7,303	$ 9,631	$ 8,221	$ 25,155	$ 6,789	$ 7,439	$ 5,562	$ 19,790

[a] Represents FPL and consolidating adjustments.

Condensed Consolidating Statements of Cash Flows

	Nine Months Ended September 30,							
	2003				2002			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
	(millions)							
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	$ 919	$ (54)	$ 744	$ 1,609	$ (2)	$ 1,276	$ 954	$ 2,228
CASH FLOWS FROM INVESTING ACTIVITIES								
Capital expenditures and independent power investments	-	(1,131)	(958)	(2,089)	-	(956)	(803)	(1,759)
Other – net	(600)	20	456	(124)	3	65	(61)	7
Net cash provided by (used in) investing activities	(600)	(1,111)	(502)	(2,213)	3	(891)	(864)	(1,752)
CASH FLOWS FROM FINANCING ACTIVITIES								
Issuances of long-term debt	-	1,845	585	2,430	-	1,177	-	1,177
Retirements of long-term debt	-	(19)	(164)	(183)	-	(17)	(225)	(242)
Net change in short-term debt	-	(239)	(445)	(684)	-	(960)	144	(816)
Issuances of common stock	55	-	-	55	360	-	-	360
Dividends	(318)	-	-	(318)	(298)	-	-	(298)
Other – net	(40)	-	13	(27)	(43)	-	-	(43)
Net cash provided by (used in) financing activities	(303)	1,587	(11)	1,273	19	200	(81)	138
Net increase in cash and cash equivalents	16	422	231	669	20	585	9	614
Cash and cash equivalents at beginning of period	5	261	-	266	-	81	1	82
Cash and cash equivalents at end of period	$ 21	$ 683	$ 231	$ 935	$ 20	$ 666	$ 10	$ 696

[a] Represents FPL and consolidating adjustments.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion should be read in conjunction with the Notes contained herein and Management's Discussion and Analysis of Financial Condition and Results of Operations (Management's Discussion) appearing in the 2002 Form 10-K for FPL Group and FPL. The results of operations for an interim period generally will not give a true indication of results for the year. In the following discussion, all comparisons are with the corresponding items in the corresponding periods of the prior year.

Results of Operations

FPL Group's net income for the third quarter of 2003 was $331 million compared to $150 million for the same period in 2002. For the nine months ended September 30, 2003, FPL Group's net income was $745 million compared to $344 million for the same period in 2002. Net income for the three and nine months ended September 30, 2003 and 2002 reflect the following items which increased (decreased) reported results:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
	(millions)			
FPL Energy:				
Cumulative effect of changes in accounting principles	$ (3)	$ -	$ (3)	$ (222)
Restructuring and other charges	$ -	$ (73)	$ -	$ (73)
Unrealized gains from non-managed hedges	$ 8	$ 2	$ 9	$ 5
Corporate and Other:				
Impairment, restructuring and other charges	$ -	$ (94)	$ -	$ (94)
Gain from income tax settlement	$ -	$ -	$ -	$ 30

Management assesses the economic performance of its business segments excluding these charges, gains and the effects of non-managed hedges. Although such items are properly included in the determination of net income in accordance with generally accepted accounting principles, both the size and nature of such items make period to period comparisons of operations difficult and potentially confusing.

For the third quarter 2003, earnings growth at FPL Energy was partially offset by a decline in earnings at FPL and increased losses at Corporate and Other. The increase in net income for the nine months ended September 30, 2003 reflects improved results at both FPL and FPL Energy. FPL Group's effective tax rate for the three and nine months ended September 30, 2003 and 2002 reflect tax credits for wind projects at FPL Energy. The effective tax rate for the nine months ended September 30, 2002 was further reduced by the gain from an income tax settlement referenced above.

In May 2003, FPL Group announced it would begin using the fair value based method of accounting for stock-based compensation beginning in 2004.

FPL – For the three months ended September 30, 2003, FPL's net income declined as higher O&M and depreciation expenses more than offset higher revenues from retail base operations. Net income for the nine months ended September 30, 2003 benefited from higher revenues from retail base operations partially offset by higher O&M expenses and depreciation expense.

FPL's operating revenues consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
	(millions)			
Retail base operations	$ 1,050	$ 1,027	$ 2,824	$ 2,761
Revenue refund provision	-	-	-	(23)
Cost recovery clauses and other pass-through costs	1,320	1,112	3,326	2,854
Other	13	5	43	11
Total	$ 2,383	$ 2,144	$ 6,193	$ 5,603

The increase in retail base revenues for the three months ended September 30, 2003 was primarily due to an increase in customer accounts offset slightly by a decrease in usage per retail customer. A 2.4% increase in the number of retail customer accounts increased revenues by approximately $24 million, while a slight decline in usage per retail customer decreased revenues by approximately $1 million.

The increase in retail base revenues for the nine months ended September 30, 2003, resulting from an increase in customer accounts and an increase in usage per retail customer, was partially offset by the 7% reduction in retail base rates pursuant to the 2002-2005 rate agreement that was effective in mid-April 2002. The 7% base rate reduction equated to a $62 million reduction in retail base revenues for the nine-month period. A 2.4% increase in the number of retail customer accounts increased revenues by approximately $64 million, while the balance of the increase, or $61 million, was primarily due to a

2.1% increase in usage per retail customer. Based upon econometric models, management estimates that over half of the growth in usage was due to the effects of weather and price elasticity.

Revenues from cost recovery clauses and other pass-through costs such as franchise fees and revenue taxes do not significantly affect net income; however, under- or over-recoveries of such costs can significantly affect FPL Group's and FPL's operating cash flows. Fluctuations in these revenues, as well as in fuel, purchased power and interchange expenses, are primarily driven by changes in energy sales, fuel prices and capacity charges. The increase in revenues from cost recovery clauses and other pass-through costs for the three and nine months ended September 30, 2003, was primarily due to higher fuel costs. These higher than projected fuel costs resulted in an underrecovery which increased deferred clause expenses on FPL Group's and FPL's condensed consolidated balance sheets and negatively affected FPL Group's and FPL's cash flows from operations for the nine months ended September 30, 2003. In March and July 2003, the FPSC approved fuel adjustment increases totaling $347 million effective April 1, 2003 and an additional $214 million effective July 31, 2003, respectively, due to higher than projected oil and natural gas prices.

FPL's O&M expenses increased for the three and nine months ended September 30, 2003 primarily due to higher plant maintenance, employee benefit and various insurance costs. For the third quarter of 2003, plant maintenance costs increased $6 million reflecting increased maintenance outage work at FPL's fossil generation facilities; employee benefit costs increased $9 million primarily due to higher employee health care costs; and property and liability insurance costs increased $3 million. These increases were partially offset by a decline in O&M expenses, primarily due to a change in the accounting for the reactor vessel head inspection and repair costs. During the fourth quarter of 2002, FPL received approval from the FPSC to recognize these costs on a levelized basis over a five-year period beginning in 2002. For the nine months ended September 30, 2003, plant maintenance costs increased $27 million primarily related to nuclear outage costs; employee benefit costs, primarily healthcare-related, increased $23 million; with the balance of the increase primarily due to higher property and liability insurance costs.

In late April and early May 2003, while volumetric inspections of the reactor vessel head at St. Lucie Unit No. 2 were being performed during a scheduled refueling outage, two small cracks were found in the control rod drive mechanism tubes. No leakage was observed, and both cracks were repaired during the outage. The cost for the repairs is included in an accrual which is being recorded on a levelized basis over a five-year period beginning in 2002, as approved by the FPSC. Also during the St. Lucie Unit No. 2 scheduled refueling outage, the steam generators were inspected and more tubes had to be plugged than anticipated. The inspection results were evaluated and revised tube plugging projections developed. As a result of this evaluation, management anticipates replacing the steam generators at St. Lucie Unit No. 2 in 2007. The cost for replacing the steam generators is estimated to be approximately $224 million and is included in FPL's capital expenditures disclosed in Note 9 – Commitments. Depending upon the results of future inspections, the reactor vessel head replacement for St. Lucie Unit No. 2 may be delayed until 2007 to coincide with the steam generator replacement.

In October 2003, visual and volumetric inspections of the reactor vessel head were performed during Turkey Point Unit No. 4's scheduled refueling outage, and no degradation was found. Also during the outage, visual inspections of the bottom mounted instrumentation penetrations were performed, and no evidence of leakage from these penetrations was noted. A visual inspection of Turkey Point Unit No. 3's bottom mounted instrumentation penetrations will be performed in the fall of 2004. St. Lucie Units Nos. 1 and 2 do not have bottom mounted instrumentation penetrations.

In October 2003, the NRC extended the operating licenses for St. Lucie Units Nos. 1 and 2, which will allow operation of these units until 2036 and 2043, respectively. FPL has not yet decided whether to operate past the original license expiration dates of 2016 and 2023, although FPL is continuing to take actions to ensure the long-term viability of the units in order to preserve this option. This decision will be made by 2011. Any adjustment to depreciation and decommissioning rates would require FPSC approval.

The variances in depreciation expense are affected by the recording of the pro rata portion of the $125 million annual depreciation credit provided for by the 2002-2005 rate agreement. In 2002, the $125 million depreciation credit was amortized over an eight and one half month period beginning April 15th versus a twelve month period in 2003. This timing issue resulted in a $13 million smaller depreciation credit in the third quarter of 2003 and a larger depreciation credit of $13 million for first nine months of 2003 compared with the same periods in 2002. The remaining increase in depreciation expense for the three and nine months ended September 30, 2003 reflects the Fort Myers and Sanford plant additions and general system growth.

On April 8, 2003, final approval of the Martin and Manatee plant expansion was granted by the Governor and Cabinet sitting as the Siting Board under the Florida Electrical Power Plant Siting Act. On April 9, 2003, CPV Gulfcoast, Ltd. filed its initial brief for its appeal to the Supreme Court of Florida challenging the FPSC's 2002 approval of the Martin and Manatee expansion. FPL filed its answer brief on May 14, 2003, which included a request for dismissal.

In April 2003, the FERC issued its White Paper, responding to comments on its proposed rule regarding standardized market design for electric markets in the United States. The White Paper indicates that the FERC intends to be more flexible on how and when the final rule will be implemented, defer to regional state committees to address significant RTO/ISO features, require regulated utilities to join RTOs or ISOs and require RTOs to implement spot markets. FPL is evaluating the proposed rule and is currently unable to determine the effects, if any, on FPL's operations.

In June 2003, the Florida Supreme Court dismissed the Public Counsel's appeal of the FPSC's approval of GridFlorida without prejudice. The FPSC has restored the GridFlorida docket to active status and held a technical conference with the FERC in September 2003. The FPSC staff intends to identify issues arising out of the technical conference at a workshop prior to updating the schedule for proceeding.

On November 6, 2003, the Florida Supreme Court heard oral arguments in the South Florida Hospital and Healthcare Association's appeal of the FPSC's approval of FPL's 2002-2005 rate agreement. FPL intends to continue to vigorously contest this appeal and believes that the FPSC's decision approving the 2002-2005 rate agreement will be upheld.

FPL Energy – FPL Energy's net income for the third quarter of 2003 was $63 million, including charges totaling $3 million after tax due to a change in accounting principles and a net unrealized gain of $8 million after tax associated with the mark-to-market effect of non-managed hedge activities. This compares to a loss of $34 million in the prior year quarter which included an after-tax charge of $73 million related to restructuring and other charges and a net unrealized gain of $2 million after tax associated with the mark-to-market effect of non-managed hedges. For further discussion of the change in accounting principles, see Note 2, and for derivative instruments, see Note 5.

FPL Energy's third quarter 2003 net income benefited from project additions, primarily the purchase of an 88.23% interest in Seabrook in November 2002, as well as wind and natural gas-fired assets that began operations during or after the third quarter of 2002. These project additions, totaling more than 4,500 mw, contributed $28 million to the third quarter 2003 net income. FPL Energy's operating revenues and operating expenses for the third quarter of 2003 increased $380 million and $235 million, respectively, primarily driven by project additions. Operating expenses in 2002 included restructuring charges of approximately $103 million. The balance of the portfolio also experienced increased revenues primarily as a result of higher energy prices in the Electric Reliability Council of Texas (ERCOT) region due to rising fuel prices. The balance of the portfolio also experienced increases in operating expenses, primarily fuel-related, due to rising natural gas and oil prices.

Earnings from investments in partnerships and joint ventures for the third quarter of 2003, presented as equity in earnings of equity method investees, increased $16 million from the prior year quarter primarily due to a $17 million reserve against its investment in two wind projects recorded in 2002. A gain on the restructuring of a gas supply contract in the third quarter of 2003 was essentially offset by lower earnings from a project in the Northeast due to higher fuel costs.

In October 2003, visual inspections of the bottom mounted instrumentation penetrations were performed during Seabrook's scheduled refueling outage, and no evidence of leakage from these penetrations was noted.

FPL Energy's net income for the third quarter of 2003 also reflected higher interest charges of approximately $16 million associated with higher debt balances due to growth in the business, and the offsetting effects of lower average interest rates.

FPL Energy's net income for the nine months ended September 30, 2003 was $156 million, including a charge of $3 million after tax due to a change in accounting principles and a net unrealized gain of $9 million after tax associated with the mark-to-market effect of non-managed hedges. This compares to a net loss of $195 million for the comparable period in 2002 which was the result of FPL Energy recording impairment and other charges totaling $295 million after tax. These impairment and other charges consisted of a goodwill impairment charge of $222 million after tax representing the cumulative effect of adopting FAS 142, "Goodwill and Other Intangible Assets" and restructuring and other charges totaling $73 million after tax due to unfavorable market conditions in the wholesale energy market. In addition, FPL Energy recorded a net unrealized gain of $4 million after tax associated with the mark-to-market effect of non-managed hedges.

FPL Energy's net income for the nine months ended September 30, 2003 benefited from project additions, primarily Seabrook, as well as wind and natural gas-fired assets that began operations subsequent to September 2002. These project additions, totaling more than 4,500 mw, contributed $79 million to net income for the first nine months of 2003. FPL Energy's operating revenues and operating expenses for the first nine months of 2003 increased $782 million and $574 million, respectively, primarily driven by project additions, with an offsetting effect from the restructuring charges that added $103 million to operating expenses in 2002. The balance of the portfolio also experienced increased revenues primarily as a result of higher energy prices in the ERCOT region and the Northeast due to increases in fuel costs partially offset by reduced generation from the hydro assets due to weather conditions in the Northeast. The balance of the portfolio also experienced increases in operating expenses, primarily fuel-related, due to rising natural gas and oil prices.

Earnings from investments in partnerships and joint ventures for the nine months ended September 30, 2003 increased $34 million from the prior year primarily due to a mark-to-market gain on a gas supply agreement, the settlement of a counterparty dispute and the settlement of disputed revenues in 2003, partly offset by lower earnings from a project in California. Also, equity in earnings in 2002 reflects a reserve against its investment in two wind projects and the settlement of disputed revenues in 2002.

FPL Energy's net income for the first nine months of 2003 also reflected higher interest expense of approximately $22 million associated with increasing debt balances due to growth in the business partially offset by the effects of lower average interest rates compared with the same period in 2002. FPL Energy's net income in 2002 also included the positive effects of a $10 million insurance settlement.

During the third quarter of 2003, FPL Energy placed into service 1,305 mw of generation including one 850 mw gas-fired plant located in the Central region, one 54 mw natural gas/oil-fired plant located in the Northeast region, 350 mw of wind in the West region and 51 mw of wind in the Central region. For the nine months ended September 30, 2003, FPL Energy placed into service three gas-fired plants, one 668 mw plant located in the Mid-Atlantic region and two 850 mw units in the Central region, one 54 mw natural gas/oil-fired plant located in the Northeast region, 350 mw of wind in the West region, 51 mw of wind in the Central region and 24 mw of wind in the Mid-Atlantic region for a total of 2,847 mw. For the remainder of 2003, FPL Energy expects to add approximately 517 mw of gas-fired generation and 411 mw of new wind generation. Construction is underway on another gas-fired power plant that will add approximately 744 mw in 2004. In October 2003, FPL Energy announced that it had entered into an agreement to acquire approximately 130 mw of California wind power generation projects from Enron Corp. (Enron) for $80 million. The transaction is expected to close by the first quarter of 2004 subject to acceptance at a bankruptcy auction, currently anticipated to occur in December 2003, and regulatory approvals. FPL Energy expects its future portfolio growth to come from a mix of wind development (assuming the extension of the production tax credits beyond 2003) and asset acquisitions.

FPL Energy's target is to have approximately 75% of its capacity under contract by the end of the year. As of September 30, 2003, FPL Energy's capacity under contract is as follows:

	Remainder of 2003		2004	
Asset Class	Available MW[a]	% MW Under Contract	Available MW[a]	% MW Under Contract
Wind	2,300	100%	2,576	100%
Non-wind assets under long-term contract	1,255	98%	1,255	98%
Merchants:				
Seabrook	1,024	89%	1,024	94%
NEPOOL/PJM/NYPP	1,576	34%[b]	1,968	22%[b]
ERCOT	3,073	79%[b]	3,009	43%[b]
Other (WECC/SERC)	839	60%[b]	1,345	59%[b]
Total portfolio	10,067	79%	11,177	66%

(a) Weighted to reflect in-service dates and planned maintenance.
(b) Represents on-peak mw hedged.

Corporate and Other – Corporate and Other is primarily comprised of FPL FiberNet and other corporate income and expenses such as interest income and interest expense. For the three and nine months ended September 30, 2002, losses at Corporate and Other reflect impairment and other charges totaling $94 million after tax as a result of declines in the telecommunications market and reserves against certain leveraged lease investments. These charges for the nine months ended September 30, 2002 were partially offset by a $30 million gain from an income tax settlement recorded in the first quarter of 2002. Results from Corporate and Other for the three and nine months ended September 30, 2003 compared to the same periods in 2002 reflect higher interest charges in both periods of 2003 and a gain on a sales-type lease of dark fiber in the second quarter of 2002.

Liquidity and Capital Resources

FPL Group and its subsidiaries, including FPL, require funds to support and to grow their businesses. These funds are used for working capital, capital expenditures, investments in or acquisitions of assets and businesses and, among other things, to redeem debt and preferred stock or pay maturing debt obligations. It is anticipated that these requirements will be satisfied through a combination of internally generated funds and the issuance, from time to time, of debt and equity securities, consistent with FPL Group's and FPL's objective of maintaining, on a long-term basis, a capital structure that will support a strong investment grade credit rating. Credit ratings can affect FPL Group's and FPL's ability to obtain short- and long-term financing, the cost of such financing and the execution of their financing strategies.

In October 2003, FPL and FPL Group Capital entered into new credit facilities which replaced the previous credit facilities. Bank lines of credit currently available to FPL Group and its subsidiaries aggregate approximately $3.0 billion ($2.0 billion for FPL Group Capital and $1.0 billion for FPL). Half of these facilities expire in October 2004 with a one-year term-out option. The other half expire in October 2006 and provide for the issuance of letters of credit of up to $500 million for FPL Group Capital and up to $250 million for FPL subject to the aggregate commitment ($1.0 billion for FPL Group Capital and $500 million for FPL) under the facilities. These facilities are available to support the companies' commercial paper programs and to provide additional liquidity in the event of a T&D property loss, as well as for general corporate purposes. Neither FPL Group Capital nor FPL had any outstanding borrowings under these credit facilities at September 30, 2003. In March 2003, FPL entered into a promissory note with a bank under which FPL may borrow up to $500 million. As of September 30, 2003, FPL had loans outstanding under this note totaling $40 million principal amount with a weighted-average annual interest rate of 1.35% and an average remaining term of 45 days. The proceeds of borrowings under the promissory note are used for general corporate purposes.

During the first nine months of 2003, FPL and FPL Group Capital issued long-term debt totaling approximately $594 million and $1.1 billion, respectively. The proceeds of the debt were used, by FPL, to repay a portion of short-term borrowings, redeem higher interest rate debt and for other corporate purposes and, by FPL Group Capital, to repay a portion of commercial paper issued to fund investments in independent power projects. In July 2003, FPL Group Capital entered into two variable interest rate swap agreements to protect $300 million of its outstanding fixed rate debentures against changes in fair value due to changes in interest rates.

Also, during the third quarter of 2003, subsidiaries of FPL Energy obtained debt financing totaling approximately $897 million, of which $780 million was drawn upon to fund the development, acquisition and/or construction of independent power projects. In August 2003, an FPL Energy subsidiary entered into an interest rate swap agreement to fix the interest rate on $200 million of its debt at 3.557%. FPL Group Capital has guaranteed certain obligations under these debt agreements.

In October 2003, FPL called for redemption in November 2003 the majority of its preferred stock outstanding. For further discussion of debt and preferred stock activity, see Note 8.

Securities of FPL Group and its subsidiaries are currently rated by Moody's Investors Service, Inc. (Moody's), Standard & Poor's Ratings Services (S&P) and Fitch Ratings (Fitch). At September 30, 2003, Moody's, S&P and Fitch had assigned the following credit ratings to FPL Group, FPL and FPL Group Capital:

	Moody's[a]	S&P[a]	Fitch[a]
FPL Group:			
Corporate credit rating	N/A	A	A
FPL:			
Corporate credit rating	A1	A/A-1	N/A
First mortgage bonds	Aa3	A	AA-
Pollution control, solid waste disposal and industrial development revenue bonds	Aa3/VMIG-1	A/A-1	A+
Preferred stock	A3	BBB+	A
Commercial paper	P-1	A-1	F1
FPL Group Capital:			
Corporate credit rating	N/A	A/A-1	N/A
Debentures	A2	A-	A
Commercial paper	P-1	A-1	F1

[a] A security rating is not a recommendation to buy, sell or hold securities and should be evaluated independently of any other rating. The rating is subject to revision or withdrawal at any time by the assigning rating organization.

The outlook indicated by Moody's for the ratings of FPL is stable, while the outlook for the ratings of FPL Group Capital is negative reflecting uncertainty in the wholesale generation market. In July 2003, Fitch initiated coverage of FPL Group, FPL and FPL Group Capital and indicated a stable outlook for each company. In October 2003, S&P affirmed the "A" corporate credit rating for FPL Group and subsidiaries and maintained a negative outlook.

FPL Group's and FPL's commitments at September 30, 2003 were as follows:

	2003	2004	2005	2006	2007	Thereafter	Total
				(millions)			
Long-term debt:							
FPL	$ -	$ -	$ 500	$ 135	$ -	$ 2,375	$ 3,010
FPL Energy	22	81	100	96	609	595	1,503
Corporate and Other	-	275	600	1,100	1,075	1,136	4,186
Standby letters of credit:							
FPL	-	4	-	-	-	-	4
FPL Energy	119	149	1	-	-	8	277
Corporate and Other	-	4	-	-	-	-	4
Guarantees:							
FPL	-	65	-	135	-	-	200
FPL Energy	103	34	45	-	-	247	429
Corporate and Other	-	-	2	-	-	1	3
Other commitments:							
FPL[a]	475	1,605	1,345	1,095	1,230	-	5,750
FPL Energy[b]	210	120	77	56	72	964	1,499
Total	$ 929	$ 2,337	$ 2,670	$ 2,617	$ 2,986	$ 5,326	$ 16,865

[a] Represents projected capital expenditures through 2007 to meet increased electricity usage and customer growth. Excludes minimum payments under purchased power and fuel contracts which are recoverable through various cost recovery clauses. See Note 9 – Contracts.

[b] Represents firm commitments in connection with, among other things, the acquisition, development and expansion of independent power projects.

In October 2003, a subsidiary of FPL Group Capital committed to lend up to $250 million under a secured loan to a third party, which matures no later than June 30, 2006. The initial draw under the loan was approximately $45 million.

FPL Energy has guaranteed certain performance obligations of a power plant owned by a wholly-owned subsidiary as part of a PPA that expires in 2027. Under the PPA, the subsidiary could incur market-based liquidated damages for failure to meet a stated mechanical availability and guaranteed average output. Based on past performance of similar projects and current forward prices, management believes that the exposure associated with this guarantee is not material.

FPL Group has guaranteed certain payment obligations of FPL Group Capital, including most of those under FPL Group Capital's debt, including all of its debentures and commercial paper issuances, as well as guarantees discussed above. At September 30, 2003, FPL had guaranteed amounts outstanding in conjunction with certain debt agreements with a VIE which are included in the table above. See Note 2 – FPL.

In January 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities." As a result, entities that are deemed to be VIEs in which FPL Group or FPL or one of their respective subsidiaries is considered to be the "primary beneficiary" were consolidated effective July 1, 2003. As a result of the consolidation of those VIEs, FPL Group's and FPL's assets increased by approximately $366 million and $1 million, respectively, and their liabilities increased by approximately $379 million and $1 million, respectively. In addition, FPL Group's equity decreased by approximately $7 million related to accumulated other comprehensive losses recorded by FPL Energy's SPE lessor mentioned in Note 2. The cumulative effect on FPL Group's net income of implementing FIN 46 is approximately a $3 million loss (net of taxes of $2 million) and zero for FPL. For further discussion of VIEs, see Note 2.

Accumulated Other Comprehensive Income

Total other comprehensive income (OCI) activity for the nine months ended September 30, 2003 was as follows:

	Accumulated Other Comprehensive Income		
	Net Unrealized Gains (Losses) On Cash Flow Hedges	Other	Total
	(millions)		
Balances, December 31, 2002	$ 19	$ (3)	$ 16
Commodities			
Effective portion of net unrealized gain:			
Consolidated subsidiaries (net of $11 tax expense)	17	-	17
Equity method investees (net of $6 tax expense)	10	-	10
Reclassification from OCI to net income:			
Consolidated subsidiaries (net of $17 tax benefit)	(27)	-	(27)
Equity method investees (net of $6 tax benefit)	(9)	-	(9)
Interest rate			
Effective portion of net unrealized loss (net of $3 tax benefit)	(5)	-	(5)
Net unrealized gain on available for sale securities (net of $6 tax expense)	-	9	9
Balances, September 30, 2003	$ 5	$ 6	$ 11

Energy Marketing and Trading and Market Risk Sensitivity

Energy Marketing and Trading – Certain of FPL Group's subsidiaries, including FPL and FPL Energy, use derivative instruments (primarily swaps, options, futures and forwards) to manage the commodity price risk inherent in fuel purchases and electricity sales, as well as to optimize the value of power generation assets. To a lesser extent, FPL Energy engages in limited energy trading activities to take advantage of expected future favorable price movements.

Derivative instruments are recorded on FPL Group's and FPL's balance sheets as either an asset or liability (in other current assets, other assets, other current liabilities and other liabilities) measured at fair value. At FPL, substantially all changes in fair value are deferred as a regulatory asset or liability until the contracts are settled. Upon settlement, any gains or losses are passed through the fuel clause and the capacity clause. For FPL Group's non-rate regulated operations, predominantly FPL Energy, changes in the derivatives' fair value are recognized net in operating revenues for trading and managed hedge activities and in equity in earnings of equity method investees and other – net for non-managed hedges in FPL Group's condensed consolidated statements of income unless hedge accounting is applied. Settlement gains and losses are included within the line items in the statements of income to which they relate. See Note 5.

The changes in the fair value of FPL Group's consolidated subsidiaries' energy contract derivative instruments were as follows:

	Proprietary Trading	Hedges on Owned Assets: Managed	Hedges on Owned Assets: Non-Managed	Hedges on Owned Assets: OCI	Cost Recovery Clause	FPL Group Total
			(millions)			
Three Months ended September 30, 2003						
Fair value of contracts outstanding at June 30, 2003	$ 4	$ 1	$ (7)	$ 46	$ 16	$ 60
Reclassification to realized at settlement of contracts	(2)	(1)	8	(16)	-	(11)
Fair value of new contracts when entered into	-	-	-	-	-	-
Effective portion of changes in fair value recorded in OCI	-	-	-	(18)	-	(18)
Ineffective portion of changes in fair value recorded in earnings	-	-	-	-	-	-
Changes in valuation assumptions	-	-	-	-	-	-
Changes in fair value excluding reclassification to realized	4	-	5	-	(34)	(25)
Fair value of contracts outstanding at September 30, 2003	6	-	6	12	(18)	6
Net option premium payment (receipts)	-	-	(5)	-	18	13
Total mark-to-market energy contract net assets at September 30, 2003	$ 6	$ -	$ 1	$ 12	$ -	$ 19[b]
Nine Months ended September 30, 2003						
Fair value of contracts outstanding at December 31, 2002	$ 4	$ -	$ 8	$ 28	$ 12	$ 52
Reclassification to realized at settlement of contracts	(6)	(1)	10	(44)	(22)	(63)
Fair value of new contracts when entered into	-	-	-	-	-	-
Effective portion of changes in fair value recorded in OCI	-	-	-	28	-	28
Ineffective portion of changes in fair value recorded in earnings	-	-	-	-	-	-
Changes in valuation assumptions	-	-	2	-	-	2[a]
Changes in fair value excluding reclassification to realized	8	1	(14)	-	(8)	(13)
Fair value of contracts outstanding at September 30, 2003	6	-	6	12	(18)	6
Net option premium payment (receipts)	-	-	(5)	-	18	13
Total mark-to-market energy contract net assets at September 30, 2003	$ 6	$ -	$ 1	$ 12	$ -	$ 19[b]

(a) Change in valuation assumption from applying volatility skewness (selection of an input assumption among alternatives based on the moneyness of the option) in option valuation.

(b) Includes FPL's mark-to-market energy contract net assets of less than $1 million at September 30, 2003.

FPL Group's total mark-to-market energy contract net assets at September 30, 2003 shown above are included in the condensed consolidated balance sheets as follows:

	September 30, 2003
	(millions)
Other current assets	$ 49
Other assets	21
Other current liabilities	(35)
Other liabilities	(16)
FPL Group's total mark-to-market energy contract net assets at September 30, 2003	$ 19

The sources of fair value estimates and maturity of energy contract derivative instruments at September 30, 2003 were as follows:

	Maturity						
	2003	2004	2005	2006	2007	Thereafter	Total
				(millions)			
Proprietary Trading:							
Actively quoted (i.e., exchange trade) prices	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prices provided by other external sources	-	2	-	-	-	-	2
Modeled	-	-	1	1	-	2	4
Total	-	2	1	1	-	2	6
Owned Assets – Managed:							
Actively quoted (i.e., exchange trade) prices	-	-	-	-	-	-	-
Prices provided by other external sources	-	-	-	-	-	-	-
Modeled	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
Owned Assets – Non-Managed:							
Actively quoted (i.e., exchange trade) prices	(2)	(2)	1	-	-	-	(3)
Prices provided by other external sources	-	-	-	-	-	-	-
Modeled	4	5	-	-	-	-	9
Total	2	3	1	-	-	-	6
Owned Assets – Hedges in OCI:							
Actively quoted (i.e., exchange trade) prices	13	(3)	(3)	-	-	-	7
Prices provided by other external sources	(1)	8	(1)	-	-	-	6
Modeled	-	-	-	-	(1)	-	(1)
Total	12	5	(4)	-	(1)	-	12
Owned Assets – Cost Recovery Clause:							
Actively quoted (i.e., exchange trade) prices	(10)	(7)	1	-	-	-	(16)
Prices provided by other external sources	-	-	-	-	-	-	-
Modeled	(1)	(1)	-	-	-	-	(2)
Total	(11)	(8)	1	-	-	-	(18)
Total sources of fair value	$ 3	$ 2	$ (1)	$ 1	$ (1)	$ 2	$ 6

Market Risk Sensitivity – Substantially all financial instruments and positions affecting the financial statements of FPL Group and FPL described below are held for purposes other than trading. Market risk is measured as the potential loss in fair value resulting from hypothetical reasonably possible changes in commodity prices, interest rates or equity prices over the next year. Management has established risk management policies to monitor and manage market risks. FPL Group's Exposure Management Committee (EMC), which is comprised of certain members of senior management, is responsible for the overall approval of market risk management policies and the delegation of approval and authorization levels. The EMC receives periodic updates on market positions and related exposures, credit exposures and overall risk management activities. FPL Group manages its interest rate exposure by monitoring current interest rates in relation to total capitalization.

FPL Group is also exposed to credit risk through its energy marketing and trading operations. Credit risk is the risk that a financial loss will be incurred if a counterparty to a transaction does not fulfill its financial obligation. FPL Group manages counterparty credit risk through established policies, including counterparty credit limits, and in some cases credit enhancements, such as cash prepayments, letters of credit and guarantees. Credit risk is managed through the use of master netting agreements. FPL Group's credit department monitors current and forward credit exposure to counterparties and their affiliates, both on an individual and an aggregate basis.

Commodity price risk – FPL Group uses a value-at-risk (VaR) model to measure market risk in its trading and mark-to-market portfolios. The VaR is the estimated nominal loss of market value based on a one-day holding period at a 95% confidence level using historical simulation methodology. As of September 30, 2003 and December 31, 2002, the VaR figures are as follows:

	Trading and Managed Hedges			Non-Managed Hedges and Hedges in OCI [a]			Total		
	FPL	FPL Energy	FPL Group	FPL	FPL Energy	FPL Group	FPL	FPL Energy	FPL Group
					(millions)				
December 31, 2002	$ -	$ -	$ -	$ 1	$ 3	$ 4	$ 1	$ 3	$ 4
September 30, 2003	$ -	$ -	$ -	$ 26[b]	$ 3	$ 27	$ 26[b]	$ 3	$ 26
Average for the period ended September 30, 2003	$ -	$ -	$ -	$ 7	$ 4	$ 9	$ 7	$ 4	$ 9

[a] Non-managed hedges are employed to reduce the market risk exposure to physical assets which are not marked to market. The VaR figures for the non-managed hedges and hedges in OCI category do not represent the economic exposure to commodity price movements.

[b] In 2003, FPL expanded its fuel hedge program.

Interest rate risk – The special use funds of FPL Group include restricted funds set aside to cover the cost of storm damage for FPL and for the decommissioning of FPL Group's and FPL's nuclear power plants. A portion of these funds is invested in fixed income debt securities carried at their market value of approximately $1.293 billion and $1.184 billion ($1.166 billion and $1.066 billion for FPL) at September 30, 2003 and December 31, 2002, respectively. Adjustments to market value result in a

corresponding adjustment to the related liability accounts based on current regulatory treatment for FPL. The market value adjustments of FPL Group's non-rate regulated operations result in a corresponding adjustment to OCI. Because the funds set aside by FPL for storm damage could be needed at any time, the related investments are generally more liquid and, therefore, are less sensitive to changes in interest rates. The nuclear decommissioning funds, in contrast, are generally invested in longer-term securities, as decommissioning activities are not expected to begin until at least 2012.

The following are estimates of the fair value of FPL's and FPL Group's long-term debt:

	September 30, 2003		December 31, 2002	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
	(millions)			
Long-term debt of FPL, including current maturities	$ 2,994	$ 3,135[a]	$ 2,434	$ 2,578[a]
Long-term debt of FPL Group, including current maturities	$ 8,674	$ 9,165[a]	$ 5,895	$ 6,222[a]

[a] Based on quoted market prices for these or similar issues.

FPL Group and its subsidiaries use a combination of fixed rate and variable rate debt. Interest rate swaps may be used to adjust exposure when deemed appropriate based upon market conditions.

An FPL Energy VIE has two identical interest rate swap agreements to fix the interest rate on a portion of $360 million in variable rate debt at 4.41%. The interest rate swap agreements expire in December 2007. Effective July 1, 2003, in accordance with FIN 46, FPL Energy began consolidating this debt. The debt proceeds were used to complete the acquisition, development and construction of a power generation plant. At September 30, 2003, these interest rate swaps with an aggregate notional amount of $105 million, designated as cash flow hedges, had an aggregate fair market value exposure of $5 million based on the present value difference between the contract and market rates at September 30, 2003. If these derivative instruments had been terminated at September 30, 2003, this estimated fair value represents the amount to be paid by the FPL Energy subsidiary to the counterparties.

In July 2003, FPL Group Capital entered into two $150 million variable interest rate swap agreements to protect $300 million of its 7 5/8% fixed rate debt maturing in September 2006 against changes in fair value due to changes in interest rates. Both of the swap agreements expire in September 2006. At September 30, 2003, these interest rate swaps, designated as fair value hedges, had an aggregate fair value of $2 million based on the present value difference between the contract and market rates at September 30, 2003. If these derivative instruments had been terminated at September 30, 2003, this estimated fair value represents the amount that would be paid by the counterparties to FPL Group Capital.

In August 2003, a subsidiary of FPL Energy entered into an interest rate swap agreement to fix the interest rate on $200 million of variable rate debt at 3.557%, which expires on November 15, 2007. The debt is a construction term facility to fund the construction of two gas-fired power projects. At September 30, 2003, these interest rate swaps with an aggregate notional amount of $200 million, designated as cash flow hedges, had an aggregate fair market value exposure of $3 million based on the present value difference between the contract and market rates at September 30, 2003. If these derivative instruments had been terminated at September 30, 2003, this estimated fair value represents the amount to be paid by the FPL Energy subsidiary to the counterparties.

Based upon a hypothetical 10% decrease in interest rates, which is a reasonable near-term market change, the net fair value of the net liabilities would increase by approximately $180 million ($65 million for FPL) at September 30, 2003.

Equity price risk – Included in the special use funds of FPL Group are marketable equity securities carried at their market value of approximately $824 million and $689 million ($697 million and $578 million for FPL) at September 30, 2003 and December 31, 2002, respectively. A hypothetical 10% decrease in the prices quoted by stock exchanges, which is a reasonable near-term market change, would result in a $82 million ($70 million for FPL) reduction in fair value and corresponding adjustments to the related liability accounts based on current regulatory treatment for FPL, or adjustments to OCI for FPL Group's non-rate regulated operations, at September 30, 2003.

Credit risk – For all derivative and contractual transactions, FPL Group's energy marketing and trading operations are exposed to losses in the event of nonperformance by counterparties to these transactions. Relevant considerations when assessing FPL Group's energy marketing and trading operations' credit risk exposure include:

- Operations are primarily concentrated in the energy industry.
- Trade receivables and other financial instruments are predominately with energy, utility and financial services related companies, as well as municipalities, cooperatives and other trading companies in the U.S.
- Overall credit risk is managed through established credit policies.
- Prospective and existing customers are reviewed for creditworthiness based upon established standards, with customers not meeting minimum standards providing various secured payment terms, including the posting of cash collateral.
- The use of master netting agreements to offset cash and non-cash gains and losses arising from derivative instruments with the same counterparty. FPL Group's policy is to have master netting agreements in place with significant counterparties.

Based on FPL Group's policies and risk exposures related to credit, FPL Group does not anticipate a material adverse effect on its financial position as a result of counterparty nonperformance. As of September 30, 2003, approximately 98% of FPL Group's energy marketing and trading counterparty credit risk exposure is associated with companies that have at least investment grade credit ratings.

New Accounting Rules and Interpretations

Accounting for Asset Retirement Obligations – Effective January 1, 2003, FPL Group and FPL adopted FAS 143, "Accounting for Asset Retirement Obligations." See Note 1.

Variable Interest Entities – In January 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities." See Note 2.

Derivative Instruments – Effective July 1, 2003 FPL Group and FPL adopted FAS 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." In August 2003, the EITF released EITF 03-11. In addition, the staff of the SEC recently indicated that the unrealized effects of derivative instruments not accounted for as hedges should be reported within the same caption on the statements of income. See Note 5.

Guarantees – Effective January 1, 2003, FPL Group and FPL adopted FIN 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others." See Note 9 – Commitments.

Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity – In May 2003, the FASB issued FAS 150 "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity," which was effective July 1, 2003. The primary change in accounting for FPL Group resulting from FAS 150 is the accounting treatment of mandatorily redeemable non-controlling interests in subsidiaries with finite lives. In October 2003, the FASB deferred the adoption of the FAS 150 provisions relating to mandatorily redeemable non-controlling interests in subsidiaries with finite lives. The remaining provisions of FAS 150 did not have a financial statement impact during the three months ended September 30, 2003. In addition, the FASB continues to address FAS 150 implementation issues, none of which affect FPL Group or FPL currently but may affect them in the future.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

See Management's Discussion – Energy Marketing and Trading and Market Risk Sensitivity – Market Risk Sensitivity.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

As of September 30, 2003, FPL Group and FPL performed an evaluation, under the supervision and with the participation of its management, including FPL Group's and FPL's chief executive officer and chief financial officer, of the effectiveness of the design and operation of the company's disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) or 15d-15(e)). Based upon that evaluation, the chief executive officer and chief financial officer of each of FPL Group and FPL concluded that the company's disclosure controls and procedures are effective in timely alerting them to material information relating to the company and its consolidated subsidiaries required to be included in the company's reports filed or submitted under the Exchange Act. Due to the inherent limitations of the effectiveness of any established disclosure controls and procedures, management of FPL Group and FPL cannot provide absolute assurance that the objectives of its disclosure controls and procedures will be met.

(b) Changes in Internal Controls

There has been no change in FPL Group's or FPL's internal control over financial reporting that occurred during FPL Group's and FPL's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, FPL Group's or FPL's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

Reference is made to Item 3. Legal Proceedings in the 2002 Form 10-K for FPL Group and FPL and Part II, Item 1. Legal Proceedings in the Quarterly Reports on Form 10-Q for each of the periods ended March 31, 2003 and June 30, 2003 for FPL Group and FPL.

With respect to the EPA suit relating to Scherer Unit No. 4, in August 2003, the proposed EPA rule regarding civil penalties was amended whereby the maximum penalty, or $32,500 per day for each violation, would become effective after publication of the final rule. In September 2003, the Eleventh Circuit denied the EPA's motion for rehearing in the TVA's separate Clean Air Act proceeding, and the EPA is now evaluating whether to seek review of the Eleventh Circuit decision by the U.S. Supreme Court.

With respect to the Thomas case, in August 2002, Hazel and Lamar Jenkins were substituted for Chester and Marie Jenkins as plaintiffs. In September 2003, FPL Group Capital and FPL Investments moved for summary judgment as to all claims asserted against them. Plaintiffs thereafter filed a Notice of Voluntary Dismissal, seeking to dismiss without prejudice FPL Group Capital and FPL Investments as defendants in the action. FPL Group Capital and FPL Investments have moved, among other things, for such dismissal to be entered with prejudice. Additionally, in October 2003, FPL Group moved for summary judgment as to all claims asserted against it. Defendants have also asked the court to set a schedule for resolution of whether the case will proceed as a class action.

On October 14, 2003, the U.S. Supreme Court denied FMPA's petition for review of the DC Circuit's decision. With respect to the crediting issue before the FERC, FPL estimates that through September 30, 2003 its maximum exposure to refunds, including interest, is approximately $66 million. FMPA's petition before the DC Circuit to order FERC to rule on the reserved issues is being held in abeyance at FMPA's request given FERC's acceptance of additional filings. FPL and FMPA have filed supplemental initial and reply briefs.

With respect to the issue surrounding the interpretation of the provisions of the LTIP pursuant to which the payments to eight current and former senior officers were calculated, FPL Group and the eight senior officers have entered into a binding Arbitration Agreement in order to resolve the issue.

On August 7, 2003, the plaintiff's attorney in the Klein lawsuit sent a letter to FPL Group's board of directors purporting to "withdraw" the May 2, 2003 Letter, the effect of which the special committee appointed by the board of directors is evaluating.

With respect to the Finestone suit, in September 2003, the court entered an order denying FPL's motion to dismiss. Following FPL's motion for reconsideration in the Blake and Lowe suit, discussed below, the court entered a similar order in the Finestone suit vacating its order denying the motion to dismiss the count for strict liability, and indicating it would reconsider that portion of its order.

With respect to the Blake and Lowe suit, in September 2003, FPL moved to dismiss the complaint. The court entered an order denying FPL's motion to dismiss. FPL moved for reconsideration of the court's order as to the count for strict liability. The court then entered an order vacating the order denying the motion to dismiss as to the count for strict liability, and is reconsidering that portion of the order.

In both the Bradstreet and Wooldridge suits, FPL has moved to dismiss the complaints.

In August 2003, Pedro C. and Emilia Roig brought an action on behalf of themselves and their son, Pedro Anthony Roig, in the Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida, which was removed in October 2003 to the U.S. District Court for the Southern District of Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies and FPL, alleging that their son has suffered toxic neurological effects from mercury poisoning. The allegations, counts and damages demanded in the complaint with respect to FPL are virtually identical to those contained in the Bradstreet and Wooldridge lawsuits. FPL will be moving to dismiss the complaint.

Item 5. Other Information

(a) Reference is made to Item 1. Business – FPL Operations – Competition in the 2002 Form 10-K for FPL Group and FPL.

In June 2003, the Florida Supreme Court dismissed the Public Counsel's appeal of the FPSC's approval of GridFlorida without prejudice. The FPSC has restored the GridFlorida docket to active status and held a technical conference with the FERC in September 2003. The FPSC staff intends to identify issues arising out of the technical conference at a workshop prior to updating the schedule for proceeding.

(b) Reference is made to Item 1. Business – FPL Operations – System Capability and Load in the 2002 Form 10-K for FPL Group and FPL.

On July 9, 2003, FPL set a record all-time summer energy peak of 19,668 mw. Adequate resources were available at the time of peak to meet customer demand.

In its Ten Year Site Plan, filed with the FPSC on April 1, 2003, FPL indicated that it needed additional power resources of approximately 1,100 mw beginning in June 2007. FPL plans to meet this need by either building a new natural gas-fired plant at its Turkey Point site or purchasing power from other companies. In August 2003, FPL issued a request for proposal (RFP) inviting others to propose a more cost-effective alternative for meeting this generation need. Responses to the RFP are being evaluated against the Turkey Point alternative. By mid-May 2004, FPL will select whichever alternative is the best and most cost-effective way to meet customers' needs.

(c) Reference is made to Item 1. Business – FPL Operations – Nuclear Operations in the 2002 Form 10-K for FPL Group and FPL.

In October 2003, visual and volumetric inspections of the reactor vessel head were performed during Turkey Point Unit No. 4's scheduled refueling outage, and no degradation was found. Also during the outage, visual inspections of the bottom mounted instrumentation penetrations were performed, and no evidence of leakage from these penetrations was noted.

In October 2003, the NRC extended the operating licenses for St. Lucie Units Nos. 1 and 2, which will allow operation of these units until 2036 and 2043, respectively. FPL has not yet decided whether to operate past the original license expiration dates of 2016 and 2023, although FPL is continuing to take actions to ensure the long-term viability of the units in order to preserve this option. This decision will be made by 2011. Any adjustment to depreciation and decommissioning rates would require FPSC approval.

(d) Reference is made to Item 1. Business – FPL Energy Operations – Employees in the 2002 Form 10-K for FPL Group and FPL.

In September 2003, the Utility Workers Union of America approved a new collective bargaining agreement with an FPL Energy subsidiary, which expires in September 2008.

(e) Reference is made to Item 1. Business – FPL Energy Operations – Portfolio by Category – Wind Assets in the 2002 Form 10-K for FPL Group and FPL.

In October 2003, FPL Energy announced that it had entered into an agreement to acquire 130 mw of California wind power generation projects from Enron for $80 million. The transaction is expected to close by the first quarter of 2004 subject to acceptance at a bankruptcy auction, currently anticipated to occur in December 2003, and regulatory approvals.

(f) Reference is made to Item 1. Business – FPL Energy Operations – Nuclear Operations in the 2002 Form 10-K for FPL Group and FPL.

In October 2003, visual inspections of the bottom mounted instrumentation penetrations were performed during Seabrook's scheduled refueling outage, and no evidence of leakage from these penetrations was noted.

(g) Reference is made to Item 2. Properties – Character of Ownership in the 2002 Form 10-K for FPL Group and FPL.

An FPL Energy gas-fired facility, that was consolidated on July 1, 2003 in connection with the implementation of FIN 46, is encumbered by liens against its assets securing certain lease financings entered into in June 2000.

In August 2003, a subsidiary of FPL Energy sold $117 million of 7.11% senior secured notes maturing in June 2020. In connection with this financing, two of FPL Energy's gas-fired facilities were encumbered by liens against their assets. See Note 8 – Long-term Debt.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit Number	Description	FPL Group	FPL
*4(a)	One Hundred Fourth Supplemental Indenture, dated as of October 1, 2003, between FPL and Deutsche Bank Trust Company Americas, Trustee (filed as Exhibit 4(l) to Post-Effective Amendment No. 2 to Form S-3, File No. 333-102172)	x	x
*4(b)	Officer's Certificate of FPL Group Capital, dated September 30, 2003, creating the Floating Rate Debentures, Series due March 30, 2005 (filed as Exhibit 4(ap) to Post-Effective Amendment No. 2 to Form S-3, File Nos. 333-102173, 333-102173-01, 333-102173-02 and 333-102173-03)	x	
*4(c)	Officer's Certificate of FPL Group Capital, dated September 30, 2003, creating the 1 7/8% Debentures, Series due March 30, 2005 (filed as Exhibit 4(aq) to Post-Effective Amendment No. 2 to Form S-3, File Nos. 333-102173, 333-102173-01, 333-102173-02 and 333-102173-03)	x	
10(a)	Amendment to Employment Agreement between FPL Group and Armando J. Olivera, dated as of October 17, 2003	x	x
12(a)	Computation of Ratio of Earnings to Fixed Charges	x	
12(b)	Computation of Ratios		x
31(a)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of FPL Group	x	
31(b)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of FPL Group	x	
31(c)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of FPL		x
31(d)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of FPL		x
32(a)	Section 1350 Certification of FPL Group	x	
32(b)	Section 1350 Certification of FPL		x

*Incorporated herein by reference

FPL Group and FPL agree to furnish to the SEC upon request any instrument with respect to long-term debt that FPL Group and FPL have not filed as an exhibit pursuant to the exemption provided by Item 601(b)(4)(iii)(A) of Regulation S-K.

(b) Reports on Form 8-K

A current report on Form 8-K was filed with the SEC on September 11, 2003 by FPL Group reporting one event under Item 5. Other Events and Regulation FD Disclosure.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

FPL GROUP, INC.
FLORIDA POWER & LIGHT COMPANY
(Registrants)

Date: November 11, 2003

K. MICHAEL DAVIS
K. Michael Davis
Controller and Chief Accounting Officer of FPL Group, Inc.
Vice President, Accounting, Controller and
Chief Accounting Officer of Florida Power & Light Company
(Principal Accounting Officer of the Registrants)

Exhibit 12(a)

FPL GROUP, INC. AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

	Nine Months Ended September 30, 2003 (millions of dollars)
Earnings, as defined:	
Income before cumulative effect of changes in accounting principles	$ 748
Income taxes	349
Fixed charges, included in the determination of net income, as below	281
Amortization of capitalized interest	3
Distribution of earnings from equity method investees	27
Less equity in earnings of equity method investees	85
Total earnings, as defined	$ 1,323
Fixed charges, as defined:	
Interest charges	$ 267
Rental interest factor	13
Fixed charges included in nuclear fuel cost	1
Fixed charges, included in the determination of net income	281
Capitalized interest	70
Total fixed charges, as defined	$ 351
Ratio of earnings to fixed charges	3.77

Exhibit 12(b)

FLORIDA POWER & LIGHT COMPANY
COMPUTATION OF RATIOS

	Nine Months Ended September 30, 2003 (millions of dollars)
RATIO OF EARNINGS TO FIXED CHARGES	
Earnings, as defined:	
Net income	$ 622
Income taxes	350
Fixed charges, as below	137
Total earnings, as defined	$ 1,109
Fixed charges, as defined:	
Interest charges	$ 128
Rental interest factor	6
Fixed charges included in nuclear fuel cost	1
Capitalized interest	2
Total fixed charges, as defined	$ 137
Ratio of earnings to fixed charges	8.09
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS	
Earnings, as defined:	
Net income	$ 622
Income taxes	350
Fixed charges, as below	137
Total earnings, as defined	$ 1,109
Fixed charges, as defined:	
Interest charges	$ 128
Rental interest factor	6
Fixed charges included in nuclear fuel cost	1
Capitalized interest	2
Total fixed charges, as defined	137
Non-tax deductible preferred stock dividends	11
Ratio of income before income taxes to net income	1.56
Preferred stock dividends before income taxes	17
Combined fixed charges and preferred stock dividends	$ 154
Ratio of earnings to combined fixed charges and preferred stock dividends	7.20

Exhibit 31(a)

Rule 13a-14(a)/15d-14(a) Certification

I, Lewis Hay III, Chief Executive Officer of FPL Group, Inc. (FPL Group), certify that:

1. I have reviewed the Form 10-Q for the quarterly period ended September 30, 2003 of FPL Group (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 11, 2003

LEWIS HAY III

Lewis Hay III
Chairman of the Board, President
and Chief Executive Officer

Exhibit 31(b)

Rule 13a-14(a)/15d-14(a) Certification

I, Moray P. Dewhurst, Chief Financial Officer of FPL Group, Inc. (FPL Group), certify that:

1. I have reviewed the Form 10-Q for the quarterly period ended September 30, 2003 of FPL Group, (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 11, 2003

MORAY P. DEWHURST

Moray P. Dewhurst
Vice President, Finance
and Chief Financial Officer

Exhibit 31(c)

Rule 13a-14(a)/15d-14(a) Certification

I, Lewis Hay III, Chief Executive Officer of Florida Power & Light Company (FPL), certify that:

1. I have reviewed the Form 10-Q for the quarterly period ended September 30, 2003 of FPL (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 11, 2003

LEWIS HAY III

Lewis Hay III
Chairman of the Board
and Chief Executive Officer

Exhibit 31(d)

Rule 13a-14(a)/15d-14(a) Certification

I, Moray P. Dewhurst, Chief Financial Officer of Florida Power & Light Company (FPL), certify that:

1. I have reviewed the Form 10-Q for the quarterly period ended September 30, 2003 of FPL (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 11, 2003

MORAY P. DEWHURST
Moray P. Dewhurst
Senior Vice President, Finance
and Chief Financial Officer

Exhibit 32(a)

Section 1350 Certification

We, Lewis Hay III, Chief Executive Officer of FPL Group, Inc. (FPL Group) and Moray P. Dewhurst, Chief Financial Officer of FPL Group certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of FPL Group for the quarterly period ended September 30, 2003 (Report) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of FPL Group.

Dated: November 11, 2003

LEWIS HAY III

Lewis Hay III
Chairman of the Board, President
and Chief Executive Officer

MORAY P. DEWHURST

Moray P. Dewhurst
Vice President, Finance
and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to FPL Group and will be retained by FPL Group and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of FPL Group under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit 32(b)

Section 1350 Certification

We, Lewis Hay III, Chief Executive Officer of Florida Power & Light Company (FPL) and Moray P. Dewhurst, Chief Financial Officer of FPL, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of FPL for the quarterly period ended September 30, 2003 (Report) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of FPL.

Dated: November 11, 2003

LEWIS HAY III
Lewis Hay III
Chairman of the Board
and Chief Executive Officer

MORAY P. DEWHURST
Moray P. Dewhurst
Senior Vice President, Finance
and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to FPL and will be retained by FPL and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of FPL under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit (c)-1F





UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended **December 31, 2003**

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number	Exact name of registrants as specified in their charters, address of principal executive offices and registrants' telephone number	IRS Employer Identification Number
1-8841	**FPL GROUP, INC.**	59-2449419
1-3545	**FLORIDA POWER & LIGHT COMPANY**	59-0247775
	700 Universe Boulevard Juno Beach, Florida 33408 (561) 694-4000	

State or other jurisdiction of incorporation or organization: Florida

		Name of exchange on which registered
Securities registered pursuant to Section 12(b) of the Act:		
FPL Group, Inc.:	Common Stock, $0.01 Par Value and Preferred Share Purchase Rights	New York Stock Exchange
	Corporate Units	New York Stock Exchange
	8% Corporate Units	New York Stock Exchange
Florida Power & Light Company: None		

Securities registered pursuant to Section 12(g) of the Act:

FPL Group, Inc.: None

Florida Power & Light Company: *Preferred Stock*, $100 Par Value

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) have been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrants' knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

Indicate by check mark whether FPL Group, Inc. is an accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes X No___

Indicate by check mark whether Florida Power & Light Company is an accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes ___ No X

Aggregate market value of the voting stock of FPL Group, Inc. held by non-affiliates as of June 30, 2003 (based on the closing market price on the Composite Tape on June 30, 2003) was $12,239,608,950 (determined by subtracting from the number of shares outstanding on that date the number of shares held by directors and officers of FPL Group, Inc.).

There was no voting stock of Florida Power & Light Company held by non-affiliates as of June 30, 2003.

The number of shares outstanding of FPL Group, Inc. common stock, as of the latest practicable date: Common Stock, $0.01 par value, outstanding at January 31, 2004: 184,362,113 shares.

As of January 31, 2004, there were issued and outstanding 1,000 shares of Florida Power & Light Company common stock, without par value, all of which were held, beneficially and of record, by FPL Group, Inc.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of FPL Group, Inc.'s Proxy Statement for the 2004 Annual Meeting of Shareholders are incorporated by reference in Part III hereof.

This combined Form 10-K represents separate filings by FPL Group, Inc. and Florida Power & Light Company. Information contained herein relating to an individual registrant is filed by that registrant on its own behalf. Florida Power & Light Company makes no representations as to the information relating to FPL Group, Inc.'s other operations.

DEFINITIONS

Acronyms and defined terms used in the text include the following:

Term	Meaning
AFUDC	allowance for funds used during construction
ASLB	Atomic Safety and Licensing Board
capacity clause	capacity cost recovery clause, as established by the FPSC
charter	restated articles of incorporation, as amended, of FPL Group or FPL, as the case may be
DOE	U.S. Department of Energy
EMF	electric and magnetic fields
EMT	Energy Marketing & Trading
environmental clause	environmental compliance cost recovery clause, as established by the FPSC
ERCOT	Electric Reliability Council of Texas
EPA	U.S. Environmental Protection Agency
FAS	Statement of Financial Accounting Standards No.
FASB	Financial Accounting Standards Board
FDEP	Florida Department of Environmental Protection
FERC	Federal Energy Regulatory Commission
FGT	Florida Gas Transmission Company
FIN	FASB Interpretation No.
FMPA	Florida Municipal Power Agency
FPL	Florida Power & Light Company
FPL Energy	FPL Energy, LLC
FPL FiberNet	FPL FiberNet, LLC
FPL Group	FPL Group, Inc.
FPL Group Capital	FPL Group Capital Inc
FPSC	Florida Public Service Commission
fuel clause	fuel and purchased power cost recovery clause, as established by the FPSC
GridFlorida	GridFlorida LLC
Gulfstream	Gulfstream Natural Gas System, L.L.C.
Holding Company Act	Public Utility Holding Company Act of 1935, as amended
IARC	International Agency for Research on Cancer
IRS	Internal Revenue Service
ISO	independent system operator
kv	kilovolt
kwh	kilowatt-hour
lbs/mwh	pounds per megawatt hour
LIBOR	London InterBank Offered Rate
MAIN	Mid-America Interconnected Network
Management's Discussion	Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations
MAPP	Mid-Continent Area Power Pool
mortgage	FPL's mortgage and deed of trust dated as of January 1, 1944, as supplemented and amended
mw	megawatt(s)
NEPOOL	New England Power Pool
NERC	North American Electric Reliability Council
Note ___	note ___ to consolidated financial statements
NRC	U.S. Nuclear Regulatory Commission
Nuclear Waste Policy Act	Nuclear Waste Policy Act of 1982
NYPP	New York Power Pool
O&M expenses	other operations and maintenance expenses in the consolidated statements of income
PFS	Private Fuel Storage, LLC
PJM	PJM Interconnection, L.L.C.
PMI	FPL Energy Power Marketing, Inc.
Public Counsel	State of Florida Office of Public Counsel
PURPA	Public Utility Regulatory Policies Act of 1978, as amended
qualifying facilities	non-utility power production facilities meeting the requirements of a qualifying facility under the PURPA
Reform Act	Private Securities Litigation Reform Act of 1995
RFP	request for proposal
ROE	return on common equity
RTOs	regional transmission organizations
Seabrook	Seabrook Station
SEC	U.S. Securities and Exchange Commission
SERC	Southeastern Electric Reliability Council
SPP	Southwest Power Pool
storm fund	storm and property insurance reserve fund
VIE	variable interest entity
WECC	Western Electricity Coordinating Council
White Paper	White Paper on Wholesale Power Market Platform

CAUTIONARY STATEMENTS AND RISK FACTORS THAT MAY AFFECT FUTURE RESULTS

In connection with the safe harbor provisions of the Reform Act, FPL Group and FPL are hereby filing cautionary statements identifying important factors that could cause FPL Group's or FPL's actual results to differ materially from those projected in forward-looking statements (as such term is defined in the Reform Act) made by or on behalf of FPL Group and FPL in this combined Form 10-K, in presentations, in response to questions or otherwise. Any statements that express, or involve discussions as to expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as will likely result, are expected to, will continue, is anticipated, believe, could, estimated, may, plan, potential, projection, target, outlook) are not statements of historical facts and may be forward-looking. Forward-looking statements involve estimates, assumptions and uncertainties. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the following important factors (in addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements) that could cause FPL Group's or FPL's actual results to differ materially from those contained in forward-looking statements made by or on behalf of FPL Group and FPL.

Any forward-looking statement speaks only as of the date on which such statement is made, and FPL Group and FPL undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for management to predict all of such factors, nor can it assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

The following are some important factors that could have a significant impact on FPL Group's and FPL's operations and financial results, and could cause FPL Group's and FPL's actual results or outcomes to differ materially from those discussed in the forward-looking statements:

- FPL Group and FPL are subject to changes in laws or regulations, including the PURPA, and the Holding Company Act, changing governmental policies and regulatory actions, including those of the FERC, the FPSC and the utility commissions of other states in which FPL Group has operations, and the NRC, with respect to, among other things, allowed rates of return, industry and rate structure, operation of nuclear power facilities, operation and construction of plant facilities, operation and construction of transmission facilities, acquisition, disposal, depreciation and amortization of assets and facilities, recovery of fuel and purchased power costs, decommissioning costs, return on common equity and equity ratio limits, and present or prospective wholesale and retail competition (including but not limited to retail wheeling and transmission costs). The FPSC has the authority to disallow recovery by FPL of costs that it considers excessive or imprudently incurred.

- The regulatory process generally restricts FPL's ability to grow earnings and does not provide any assurance as to achievement of earnings levels.

- FPL Group and FPL are subject to extensive federal, state and local environmental statutes, rules and regulations relating to air quality, water quality, waste management, wildlife mortality, natural resources and health and safety that could, among other things, restrict or limit the output of certain facilities or the use of certain fuels required for the production of electricity and/or increase costs. There are significant capital, operating and other costs associated with compliance with these environmental statutes, rules and regulations, and those costs could be even more significant in the future.

- FPL Group and FPL operate in a changing market environment influenced by various legislative and regulatory initiatives regarding deregulation, regulation or restructuring of the energy industry, including deregulation of the production and sale of electricity. FPL Group and its subsidiaries will need to adapt to these changes and may face increasing competitive pressure.

- FPL Group's and FPL's results of operations could be affected by their ability to renegotiate franchise agreements with municipalities and counties in Florida.

- The operation of power generation facilities involves many risks, including start up risks, breakdown or failure of equipment, transmission lines or pipelines, use of new technology, the dependence on a specific fuel source or the impact of unusual or adverse weather conditions (including natural disasters such as hurricanes), as well as the risk of performance below expected levels of output or efficiency. This could result in lost revenues and/or increased expenses. Insurance, warranties or performance guarantees may not cover any or all of the lost revenues or increased expenses, including the cost of replacement power. In addition to these risks, FPL Group's and FPL's nuclear units face certain risks that are unique to the nuclear industry including the ability to dispose of spent nuclear fuel, as well as additional regulatory actions up to and including shutdown of the units stemming from public safety concerns, whether at FPL Group's and FPL's plants, or at the plants of other nuclear operators. Breakdown or failure of an FPL Energy operating facility may prevent the facility from performing under applicable power sales agreements which, in certain situations, could result in termination of the agreement or incurring a liability for liquidated damages.

- FPL Group's and FPL's ability to successfully and timely complete their power generation facilities currently under construction, those projects yet to begin construction or capital improvements to existing facilities is contingent upon many variables and subject to substantial risks. Should any such efforts be unsuccessful, FPL Group and FPL could be subject to additional costs, termination payments under committed contracts, and/or the write-off of their investment in the project or improvement.

- FPL Group and FPL use derivative instruments, such as swaps, options, futures and forwards to manage their commodity and financial market risks, and to a lesser extent, engage in limited trading activities. FPL Group could recognize financial losses as a result of volatility in the market values of these contracts, or if a counterparty fails to perform. In the absence of actively quoted market prices and pricing information from external sources, the valuation of these derivative instruments involves management's judgment or use of estimates. As a result, changes in the underlying assumptions or use of alternative valuation methods could affect the reported fair value of these contracts. In addition, FPL's use of such instruments could be subject to prudency challenges and if found imprudent, cost recovery could be disallowed by the FPSC.

- There are other risks associated with FPL Group's non-rate regulated businesses, particularly FPL Energy. In addition to risks discussed elsewhere, risk factors specifically affecting FPL Energy's success in competitive wholesale markets include the ability to efficiently develop and operate generating assets, the successful and timely completion of project restructuring activities, maintenance of the qualifying facility status of certain projects, the price and supply of fuel, transmission constraints, competition from new sources of generation, excess generation capacity and demand for power. There can be significant volatility in market prices for fuel and electricity, and there are other financial, counterparty and market risks that are beyond the control of FPL Energy. FPL Energy's inability or failure to effectively hedge its assets or positions against changes in commodity prices, interest rates, counterparty credit risk or other risk measures could significantly impair its future financial results. In keeping with industry trends, a portion of FPL Energy's power generation facilities operate wholly or partially without long-term power purchase agreements. As a result, power from these facilities is sold on the spot market or on a short-term contractual basis, which may affect the volatility of FPL Group's financial results. In addition, FPL Energy's business depends upon transmission facilities owned and operated by others; if transmission is disrupted or capacity is inadequate or unavailable, FPL Energy's ability to sell and deliver its wholesale power may be limited.

- FPL Group is likely to encounter significant competition for acquisition opportunities that may become available as a result of the consolidation of the power industry. In addition, FPL Group may be unable to identify attractive acquisition opportunities at favorable prices and to successfully and timely complete and integrate them.

- FPL Group and FPL rely on access to capital markets as a significant source of liquidity for capital requirements not satisfied by operating cash flows. The inability of FPL Group and FPL to maintain their current credit ratings could affect their ability to raise capital on favorable terms, particularly during times of uncertainty in the capital markets which, in turn, could impact FPL Group's and FPL's ability to grow their businesses and would likely increase interest costs.

- FPL Group's and FPL's results of operations can be affected by changes in the weather. Weather conditions directly influence the demand for electricity and natural gas and affect the price of energy commodities, and can affect the production of electricity at wind and hydro-powered facilities. In addition, severe weather can be destructive, causing outages and/or property damage, which could require additional costs to be incurred.

- FPL Group and FPL are subject to costs and other effects of legal and administrative proceedings, settlements, investigations and claims, as well as the effect of new, or changes in, tax rates or policies, rates of inflation, accounting standards, securities laws or corporate governance requirements.

- FPL Group and FPL are subject to direct and indirect effects of terrorist threats and activities. Generation and transmission facilities, in general, have been identified as potential targets. The effects of terrorist threats and activities include, among other things, terrorist actions or responses to such actions or threats, the inability to generate, purchase or transmit power, the risk of a significant slowdown in growth or a decline in the U.S. economy, delay in economic recovery in the United States, and the increased cost and adequacy of security and insurance.

- FPL Group's and FPL's ability to obtain insurance, and the cost of and coverage provided by such insurance, could be affected by national events as well as company-specific events.

- FPL Group and FPL are subject to employee workforce factors, including loss or retirement of key executives, availability of qualified personnel, collective bargaining agreements with union employees or work stoppage.

The issues and associated risks and uncertainties described above are not the only ones FPL Group and FPL may face. Additional issues may arise or become material as the energy industry evolves. The risks and uncertainties associated with these additional issues could impair FPL Group's and FPL's businesses in the future.

PART I

Item 1. Business

FPL GROUP

FPL Group is a public utility holding company, as defined in the Holding Company Act, exempt from substantially all of the provisions of the Holding Company Act. It was incorporated in 1984 under the laws of Florida. FPL Group's principal subsidiary, FPL, is a rate-regulated utility engaged in the generation, transmission, distribution and sale of electric energy. FPL Group Capital, a wholly-owned subsidiary of FPL Group, holds the capital stock and provides funding for the operating subsidiaries other than FPL. The business activities of these operating subsidiaries primarily consist of FPL Energy's non-rate regulated power projects. For financial information regarding FPL Group's business segments, see Note 18. At December 31, 2003, FPL Group and its subsidiaries employed approximately 11,500 persons.

Website Access to SEC Filings. FPL Group and FPL make their annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports, available free of charge on the internet website, www.fplgroup.com, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC.

FPL OPERATIONS

General. FPL was incorporated under the laws of Florida in 1925 and is a wholly-owned subsidiary of FPL Group. FPL supplies electric service to a population of more than eight million throughout most of the east and lower west coasts of Florida. During 2003, FPL served approximately 4.1 million customer accounts. The percentage of FPL's operating revenues by customer class was as follows:

	Years Ended December 31,		
	2003	2002	2001
Residential	56%	55%	56%
Commercial	37	36	38
Industrial	3	3	3
Other, including the provision for retail rate refund and the net change in unbilled revenues	4	6	3
	100%	100%	100%

FPL currently holds 173 franchise agreements to provide electric service in various municipalities and counties in Florida with varying expiration dates through 2034. Of the 173 franchise agreements, one expires in August 2004, eight expire in 2005-2006 and 99 expire in 2007-2013. Ongoing negotiations are taking place to renew upcoming expirations. FPL considers its franchises to be adequate for the conduct of its business.

Regulation. FPL's retail operations provided approximately 99% of FPL's 2003 operating revenues. Retail operations are regulated by the FPSC which has jurisdiction over retail rates, service territory, issuances of securities, planning, siting and construction of facilities and other matters. FPL is also subject to regulation by the FERC in various respects, including the acquisition and disposition of facilities, interchange and transmission services and wholesale purchases and sales of electric energy.

FPL's nuclear power plants are subject to the jurisdiction of the NRC. NRC regulations govern the granting of licenses for the construction, operation and retirement of nuclear power plants and subject these plants to continuing review and regulation.

Environmental. Federal, state and local environmental laws and regulations cover air and water quality, land use, power plant and transmission line siting, EMF from power lines and substations, oil discharge from transformers, lead paint, asbestos, noise and aesthetics, solid waste, natural resources, wildlife mortality and other environmental matters. Compliance with these laws and regulations increases the cost of electric service by requiring, among other things, changes in the design and operation of existing facilities and changes or delays in the location, design, construction and operation of new facilities. During 2003, FPL spent approximately $23 million on capital additions to comply with environmental laws and regulations. FPL's capital expenditures to comply with environmental laws and regulations are estimated at $212 million for 2004 through 2006, including approximately $79 million in 2004, and are included in projected capital expenditures set forth in Capital Expenditures below. Environmental regulations are subject to change. The following is a discussion of emerging federal initiatives that could potentially affect FPL.

Climate Change – In 2002, President Bush announced new climate change initiatives for the United States, among which is a voluntary commitment to reduce the greenhouse gas intensity of United States' emissions by 18% by 2012. The Bush Administration is currently seeking commitments from various industrial sectors and individual companies to reach this goal. FPL Group has responded to the administration's request by becoming a charter signatory to the Administration's Climate Leaders Program. As a participant in this voluntary program, FPL Group has inventoried its greenhouse gas emission rates and has committed to a 2008 reduction target of 18% below a 2001 baseline emission rate. FPL Group believes that the planned operation of its generating portfolio, along with its current efficiency initiatives, greenhouse gas management efforts and increased use of renewable energy will allow it to achieve this target.

In addition to the voluntary initiative, the U.S. Congress is considering several legislative proposals that would establish new mandatory regulatory requirements and reduction targets for greenhouse gases. Based on reference data from government sources, FPL Group is among the lowest emitters of greenhouse gases measured by its rate of emissions to generation (lbs/mwh). However, these legislative proposals have differing methods of implementation and the impact on FPL Group's generating units and/or the financial impact to FPL Group and FPL could be material (either positive or negative), depending on the eventual structure of a mandatory program.

Multi-Pollutant Legislation – The U.S. Congress and the Bush Administration are considering several legislative proposals that would establish new regulatory requirements and reduction targets for sulfur dioxide, nitrogen oxide, mercury, and in some proposals, carbon dioxide. Based on reference data from government sources, FPL Group is among the lowest generators of these emissions when measured by its rate of emissions to generation (lbs/mwh). However, these multi-pollutant proposals have differing methods of implementation and the impact on FPL Group's generating units and/or the financial impact to FPL Group and FPL could be material (either positive or negative), depending on the eventual structure of any legislation enacted.

Retail Ratemaking. The underlying concept of utility ratemaking is to set rates at a level that allows the utility the opportunity to collect from customers total revenues (revenue requirements) equal to its cost of providing service, including a reasonable rate of return on invested capital. To accomplish this, the FPSC uses various ratemaking mechanisms.

The basic costs of providing electric service, other than fuel and certain other costs, are recovered through base rates, which are designed to recover the costs of constructing, operating and maintaining the utility system. These basic costs include O&M expenses, depreciation and taxes, as well as a return on FPL's investment in assets used and useful in providing electric service (rate base). The rate of return on rate base approximates FPL's weighted-average cost of capital, which includes its costs for debt and preferred stock and, typically, an allowed ROE. The FPSC monitors FPL's actual ROE through a surveillance report that is filed monthly by FPL with the FPSC. The FPSC does not provide assurance that an allowed ROE will be achieved. Base rates are determined in rate proceedings, which occur at irregular intervals at the initiative of FPL, the FPSC, Public Counsel or a substantially affected party.

In March 2002, the FPSC approved a new rate agreement regarding FPL's retail base rates, which became effective April 15, 2002 and expires December 31, 2005. The 2002-2005 rate agreement replaced a rate agreement that was effective April 15, 1999 through April 14, 2002. Both agreements include a revenue sharing mechanism for each of the twelve-month periods covered by the agreement, whereby revenues from retail base operations in excess of a stated threshold are required to be shared on the basis of two-thirds refunded to retail customers and one-third retained by FPL. Revenues from retail base operations in excess of a second threshold are required to be refunded 100% to retail customers.

The 1999-2002 rate agreement allowed FPL at its discretion to recover, as special depreciation, up to $100 million in each year of the three-year agreement period. The additional depreciation recovery was required to be applied to nuclear and/or fossil generating assets based on future depreciation studies. See Note 1 – Revenues and Rates and Electric Plant, Depreciation and Amortization. During the term of the agreement, FPL's ROE was from time to time outside the 10%-12% authorized range. However, the revenue sharing mechanism described above was specified as the appropriate and exclusive mechanism to address that circumstance. The agreement included provisions which limited depreciation rates and accruals for nuclear decommissioning and fossil dismantlement costs to the then approved levels and limited amounts recoverable under the environmental clause during the term of that agreement.

The 2002-2005 rate agreement provides for a $250 million annual reduction in retail base revenues allocated to all customers by reducing customers' base rates and service charges by approximately 7%. The revenue sharing thresholds specified in the 2002-2005 rate agreement are as follows:

	Years Ended December 31,			
	2002 [a]	2003	2004	2005
	(millions)			
66 2/3% to customers	$ 3,580	$ 3,680	$ 3,780	$ 3,880
100% to customers	$ 3,740	$ 3,840	$ 3,940	$ 4,040

[a] Refund was limited to 71.5% (representing the period April 15 through December 31, 2002) of the revenues from base rate operations exceeding the thresholds.

During the term of the 2002-2005 rate agreement, FPL will not have an authorized regulatory ROE range for the purpose of addressing earnings levels. However, FPL will continue to file monthly earnings surveillance reports with the FPSC and if the reported ROE falls below 10% during the term of the 2002-2005 rate agreement, FPL may petition the FPSC to amend its base rates. The 2002-2005 rate agreement would terminate on the effective date of any final order issued in a proceeding that changes FPL's base rates. See Note 1 – Revenues and Rates. Under the 2002-2005 rate agreement, depreciation will be reduced on FPL's plant in service by $125 million in each year 2002 through 2005. See Note 1 – Regulation and Electric Plant, Depreciation and Amortization.

In April 2002, the South Florida Hospital and Healthcare Association and certain hospitals filed a joint notice of administrative appeal with the FPSC and the Supreme Court of Florida appealing the FPSC's approval of the 2002-2005 rate agreement. The appellants contend that the FPSC rushed to judgment and approved the settlement without the benefit of any evidentiary record to support its actions, and requested that the Supreme Court remand the case to the FPSC for additional proceedings. In November 2003, the Florida Supreme Court heard oral arguments in the appeal. There is no specified time by which the Supreme Court of Florida must rule. FPL intends to continue to vigorously contest this appeal and believes that the FPSC's decision approving the 2002-2005 rate agreement will be upheld.

Fuel costs are recovered from customers through levelized charges per kwh established under the fuel clause. These charges are calculated annually based on estimated fuel costs and estimated customer usage for the following year, plus or minus a true-up adjustment to reflect the variance of actual costs and usage from the estimates used in setting the fuel adjustment charges for prior periods. An adjustment to the levelized charges may be approved during the course of a year to reflect a projected variance based on actual costs and usage. In 2003, approximately $3.3 billion of costs were recovered through the fuel clause. During 2003, the FPSC approved fuel adjustment increases of $347 million effective April 1, 2003 and $214 million effective July 31, 2003, both of which were recovered in 2003. These increases were due to higher than projected oil and natural gas prices. During 2002, the FPSC approved a risk management fuel procurement program which became effective January 1, 2003. The program is intended to reduce the risk of unexpected fuel price volatility by locking in fuel prices for a portion of FPL's fuel requirements. The results of the program are reviewed by the FPSC as part of the annual review of fuel costs. See Energy Marketing and Trading, Management's Discussion – Results of Operations, Note 1 – Regulation and Note 3.

Capacity payments to other utilities and generating companies for purchased power are recovered from customers through the capacity clause and base rates. In 2003, approximately $595 million of costs were recovered through the capacity clause. Costs associated with implementing energy conservation programs totaled approximately $169 million in 2003 and were recovered from customers through the energy conservation cost recovery clause. Costs of complying with federal, state and local environmental regulations enacted after April 1993 are recovered through the environmental clause to the extent not included in base rates. The 1999-2002 rate agreement limited recovery of costs through the environmental clause. There is no similar provision in the 2002-2005 rate agreement; consequently prudent environmental costs incurred during this period and not included in base rates are recoverable under the environmental clause. In 2003, approximately $18 million was recovered from customers through the environmental clause.

The FPSC has the authority to disallow recovery of costs that it considers excessive or imprudently incurred. Such costs may include, among others, O&M expenses, the cost of replacing power lost when fossil and nuclear units are unavailable and costs associated with the construction or acquisition of new facilities.

Competition. FPL currently faces competition from other suppliers of electrical energy to wholesale customers and from alternative energy sources and self-generation for other customer groups, primarily industrial customers. In 2003, operating revenues from wholesale and industrial customers combined represented approximately 4% of FPL's total operating revenues. Various states, other than Florida, have enacted legislation or have state commissions that have issued orders designed to allow retail customers to choose their electricity supplier. This regulatory restructuring is expected to result in a shift from cost-based rates to market-based rates for energy production and other services provided to retail customers. Although the legislation and initiatives vary substantially, common areas of focus include when market-based pricing will be available for wholesale and retail customers, what existing prudently incurred costs in excess of the market-based price will be recoverable and whether generating assets should be separated from transmission, distribution and other assets. It is generally believed transmission and distribution activities would remain regulated. Recently, these state restructuring efforts have diminished, and several states have delayed the implementation or reversed previously approved restructuring legislation and rules. Management believes it is unlikely there will be any state actions to restructure the electric industry in Florida in the near future.

The FPSC promotes competition for building major new steam generating capacity by requiring investor-owned electric utilities, such as FPL, to issue an RFP. The RFP process allows independent power producers and others to bid to supply the needed generating capacity. If a bidder has the most cost-effective alternative, meets other criteria such as financial viability and demonstrates adequate expertise and experience in building and/or operating generation capacity of the type proposed, the investor-owned electric utility would seek to negotiate a power purchase agreement with the selected bidder and request that the FPSC authorize the construction of the bidder's generation capacity under the terms of the power purchase agreement. In 2003, FPL issued an RFP for additional power resources of approximately 1,100 mw beginning in June 2007. In January 2004, after evaluating alternative proposals, FPL concluded that its plan to build a new natural gas-fired plant at its Turkey Point site was the best and most cost-effective option to provide the 1,100 mw. In March 2004, FPL plans to file a petition for approval of this alternative with the FPSC. A decision is expected by mid-2004. This alternative will also be subject to approval by a Siting Board (comprised of the governor and cabinet) under the Florida Electrical Power Plant Siting Act.

The FERC has jurisdiction over potential changes which could affect competition in wholesale transactions. In 1999, the FERC issued its final order on RTOs which, under a variety of structures, provides for the independent operation of transmission systems for a given geographic area. In March 2001, the FERC approved GridFlorida (FPL's, Progress Energy Florida, Inc.'s and Tampa Electric Company's proposed RTO) as the RTO for peninsular Florida. In December 2001, the FPSC determined that the RTO as proposed was not in the best interest of Florida customers and required the companies to develop a modified proposal. In March 2002, FPL, Progress Energy Florida, Inc. and Tampa Electric Company filed a modified RTO proposal with the FPSC changing the structure of GridFlorida from a for-profit transmission company to a non-profit ISO. Under the

proposal, FPL would continue to own its transmission lines and the ISO would manage them. In September 2002, the FPSC approved many of the aspects of the modified RTO proposal, allowing recovery of GridFlorida's incremental costs through the capacity clause. In October 2002, the Public Counsel filed a notice of administrative appeal with the Supreme Court of Florida seeking an appeal of the FPSC's order. In June 2003, the Florida Supreme Court dismissed the Public Counsel's appeal of the FPSC's approval of GridFlorida without prejudice concluding that the appeal was premature because the FPSC proceedings had not yet been completed and not all aspects of the FPSC's order on appeal were considered final agency action. The FPSC has restored the GridFlorida docket to active status and in December 2003 issued a procedural order establishing a series of workshops through 2004 to address GridFlorida issues.

In July 2002, the FERC issued a notice of proposed rulemaking to reform public utilities' transmission tariffs and implement a standardized design for electric markets in the United States. The proposed rule would, among other things, require FERC regulated entities, including FPL, that own, control or operate transmission facilities to hire an independent transmission provider, which can be an RTO such as GridFlorida for the operation of those facilities. The proposed rule also will require the independent transmission provider to administer various spot markets for the sale of electricity and ancillary services and to manage congestion on the transmission system using financial congestion rights. Legislators and regulators from the southeast and western states have expressed strong reservations about the FERC's proposal. In April 2003, the FERC issued a White Paper responding to comments on its proposed rule. The White Paper indicates that the FERC intends to be more flexible on how and when the final rule will be implemented, defer to regional state committees to address significant RTO/ISO features, require regulated utilities to join RTOs or ISOs and require RTOs to implement spot markets. While a moratorium on further action by the FERC was included in the proposed Energy Policy Act, the status of that legislation is uncertain. FPL is evaluating the proposed FERC rule and is currently unable to determine its effects, if any, on FPL's operations.

In the event the basis of regulation for some or all of FPL's business changes from cost-based regulation, existing regulatory assets and liabilities would be written off unless regulators specify an alternative means of recovery or refund. Further, other aspects of the business, such as generation assets and long-term power purchase commitments, would need to be reviewed to assess their recoverability in a changed regulatory environment. See Note 1 – Regulation.

System Capability and Load. During 2003, FPL completed the addition of two new gas-fired combustion turbines at its Fort Myers site and the repowering of Sanford Unit No. 4, totaling approximately 1,300 mw. In addition, FPL is constructing approximately 1,900 mw of natural gas combined cycle generation at its Martin and Manatee sites with a planned in-service date of June 2005. In January 2003, CPV Gulfcoast, Ltd. filed a notice of appeal with the Supreme Court of Florida challenging the FPSC's 2002 approval of the Martin and Manatee expansion and in April 2003, filed its initial brief. In May 2003, FPL filed its answer brief, which included a request for dismissal. The Supreme Court of Florida will not hold oral arguments. There is no specified time by which the Supreme Court of Florida must rule. See Competition regarding plans for an additional 1,100 mw beginning in June 2007.

As of December 31, 2003, FPL's resources for serving load consisted of 22,197 mw, of which 19,056 mw are from FPL-owned facilities (see Item 2. Properties – Generating Facilities) and 3,141 mw are obtained through purchased power contracts. See Note 17 – Contracts. FPL's projected reserve margin for the summer of 2004 is 20%. This reserve margin will be achieved through the combination of output from FPL's generating units, purchased power contracts and the capability to reduce peak demand through the implementation of load management, which was estimated to be 1,533 mw at December 31, 2003. Customer usage and operating revenues are typically higher during the summer months largely due to the prevalent use of air conditioning in FPL's service territory. FPL set an all-time record summer energy peak on July 9, 2003, of 19,668 mw. Occasionally, unusually cold temperatures during the winter months result in significant increases in electricity usage for short periods of time. The highest energy peak FPL has served to date was a winter peak of 20,190 mw, which occurred on January 24, 2003. FPL had adequate resources available at the time of these peaks to meet customer demand.

Capital Expenditures. Capital expenditures at FPL consist of the cost for construction or acquisition of additional facilities and equipment to meet customer demand, as well as capital improvements to and maintenance of existing facilities. FPL's capital expenditures totaled $1.4 billion in 2003 (including AFUDC of approximately $18 million), $1.3 billion in 2002 and $1.1 billion in 2001. Capital expenditures for 2004 through 2008 are estimated to be as follows:

	2004	2005	2006	2007	2008	Total
FPL:			(millions)			
Generation: [a]						
New [b]	$ 385	$ 290	$ 265	$ 105	$ -	$ 1,045
Existing	430	430	355	455	270	1,940
Transmission and distribution	605	700	690	700	715	3,410
Nuclear fuel	95	75	80	100	80	430
General and other	130	155	175	180	165	805
Total	$ 1,645	$ 1,650	$ 1,565	$ 1,540	$ 1,230	$ 7,630

[a] Includes AFUDC of approximately $61 million, $52 million, $39 million, $59 million and $71 million in 2004, 2005, 2006, 2007 and 2008, respectively.
[b] Includes generating structures, transmission interconnection and integration, licensing and AFUDC.

These estimates are subject to continuing review and adjustment and actual capital expenditures may vary from this estimate. See Management's Discussion – Liquidity and Capital Resources and Note 17 – Commitments.

Nuclear Operations. FPL owns and operates four nuclear units, two at Turkey Point and two at St. Lucie. The Turkey Point Units Nos. 3 and 4 received operating license extensions in 2002, which give FPL the option to operate these units until 2032 and 2033, respectively. The NRC extended the operating licenses for St. Lucie Units Nos. 1 and 2 during 2003, which give FPL the option to operate these units until 2036 and 2043, respectively. The original license expiration dates for Turkey Point Units Nos. 3 and 4 and St. Lucie Units Nos. 1 and 2 are 2012, 2013, 2016 and 2023, respectively. FPL has not yet decided to exercise the option to operate past the original license expiration dates, although FPL is continuing to take actions to ensure the long-term viability of the units in order to preserve this option. The decision will be made for Turkey Point Units Nos. 3 and 4 by 2007 and for St. Lucie Units Nos. 1 and 2 by 2011. Any adjustment to depreciation and decommissioning rates would require FPSC approval. The nuclear units are periodically removed from service to accommodate normal refueling and maintenance outages, repairs and certain other modifications. Scheduled nuclear refueling outages typically require the unit to be removed from service for approximately 30 days. Scheduled nuclear refueling outages by unit are as follows:

	Refueling Outage	
Unit	Most Recent	Next Scheduled
St. Lucie Unit No. 1	Fall 2002	Spring 2004
St. Lucie Unit No. 2	Spring 2003	Winter 2004
Turkey Point Unit No. 3	Spring 2003	Fall 2004 [a]
Turkey Point Unit No. 4	Fall 2003	Spring 2005 [a]

[a] FPL anticipates replacing the reactor vessel head during this outage, which will extend the amount of days the unit will be removed from service to approximately 65 days.

The NRC's regulations require FPL to submit a plan for decontamination and decommissioning five years prior to the projected end of plant operation. FPL's current plans, under the existing operating licenses, provide for prompt dismantlement of Turkey Point Units Nos. 3 and 4 with decommissioning activities commencing in 2012 and 2013, respectively. Current plans provide for St. Lucie Unit No. 1 to be mothballed beginning in 2016 with decommissioning activities to be integrated with the prompt dismantlement of St. Lucie Unit No. 2 beginning in 2023. See estimated decommissioning cost data in Note 1 – Decommissioning of Nuclear Plant.

In 2003, the NRC issued an order, subsequent to a previously issued NRC bulletin, requiring all pressurized water reactor licensees, including FPL, to perform visual and volumetric inspections of reactor vessel heads at each unit's scheduled refueling outage to identify if degradation such as cracking or corrosion has occurred. During the scheduled refueling outages for St. Lucie Unit No. 1 in October 2002, Turkey Point Unit No. 3 in March 2003 and Turkey Point Unit No. 4 in October 2003, FPL performed visual and volumetric inspections and found no degradation associated with the reactor vessel heads. In late April and early May 2003, while volumetric inspections of the reactor vessel head at St. Lucie Unit No. 2 were being performed during a scheduled refueling outage, two control rod drive mechanism (CRDM) nozzles were found with one small crack in each. Both cracks were less than 50% through the thickness of the CRDM nozzle. No leakage was observed and both cracks were repaired during the outage. Also during the St. Lucie Unit No. 2 scheduled refueling outage, the steam generators were inspected and more tubes had to be plugged than anticipated. The inspection results were evaluated and revised tube plugging projections developed. Management intends to replace the steam generators at St. Lucie Unit No. 2 in 2007 and will delay the reactor vessel head replacement for St. Lucie Unit No. 2 until 2007 to coincide with the steam generator replacement. FPL anticipates replacing the reactor vessel heads at Turkey Point Units Nos. 3 and 4 during their next scheduled refueling outage and at St. Lucie Unit No. 1 during a scheduled refueling outage in the fall of 2005. Reactor vessel head replacements for these three units are expected to add approximately 35 days to the number of days a unit is removed from service during a typical scheduled refueling outage. The cost for the reactor vessel heads and steam generators is included in FPL's estimated capital expenditures above.

In 2003, the NRC issued a bulletin recommending that utilities with bottom mounted instrumentation penetrations perform visual inspections. Visual inspections of the bottom mounted instrumentation penetrations were performed in 2003 during Turkey Point Unit No. 4's scheduled refueling outage, and no evidence of leakage from these penetrations was noted. A visual inspection of Turkey Point Unit No. 3's bottom mounted instrumentation penetrations will be performed at its next scheduled refueling outage in the fall of 2004. St. Lucie Units Nos. 1 and 2 do not have bottom mounted instrumentation penetrations.

Fuel. FPL's generating plants use a variety of fuels. See Item 2. Properties – Generating Facilities and Note 17 – Contracts. The diverse fuel options, along with purchased power, enable FPL to shift between sources of generation to achieve an economical fuel mix.

FPL has four firm transportation contracts in place with FGT and one firm transportation contract with Gulfstream that together will satisfy substantially all of the anticipated needs for natural gas transportation at its existing units and the units currently under construction. The four existing FGT contracts expire in 2015, 2021 and 2022, while the Gulfstream contract expires in 2028. Two of the contracts expiring in 2015 may each be extended by FPL until 2030. To the extent desirable, FPL can also purchase interruptible gas transportation service from FGT and Gulfstream based on pipeline availability. FPL has several short- and medium-term natural gas supply contracts to provide a portion of FPL's anticipated needs for natural gas. The remainder of FPL's gas requirements are purchased under other contracts and in the spot market.

FPL has, through its joint ownership interest in St. Johns River Power Park (SJRPP) Units Nos. 1 and 2, long-term coal supply and transportation contracts for a portion of the fuel needs for those units. All of the transportation requirements and a portion of the fuel supply needs for Scherer Unit No. 4 are covered by a series of annual and long-term contracts. The remaining fuel requirements will be obtained in the spot market. FPL's oil requirements are obtained under short-term contracts and in the spot market.

FPL leases nuclear fuel for all four of its nuclear units. See Note 1 – Nuclear Fuel. On July 1, 2003, FPL Group and FPL began consolidating the lessor entity in accordance with FIN 46, "Consolidation of Variable Interest Entities." See Note 10 – FPL. The contracts for the supply, conversion, enrichment and fabrication of FPL's nuclear fuel have expiration dates ranging from 2006 through 2013. Currently, FPL is storing spent fuel on site pending its removal by the DOE. Under the Nuclear Waste Policy Act, the DOE was required to construct permanent disposal facilities and take title to and provide transportation and disposal for spent nuclear fuel by January 31, 1998 for a specified fee based on current generation from nuclear power plants. Through December 2003, FPL has paid approximately $496 million in such fees to the DOE's nuclear waste fund. The DOE did not meet its statutory obligation for disposal of spent nuclear fuel under the Nuclear Waste Policy Act. In 1997, a court ruled, in response to petitions filed by utilities, state governments and utility commissions, that the DOE could not assert a claim that its delay was unavoidable in any defense against lawsuits by utilities seeking money damages arising out of the DOE's failure to perform its obligations. In 1998, FPL filed a lawsuit against the DOE seeking damages caused by the DOE's failure to dispose of spent nuclear fuel from FPL's nuclear power plants. The matter is pending. In the interim, FPL is investigating other alternatives to provide adequate storage capacity for all of its spent nuclear fuel. Based on current projections, FPL will lose its ability to store spent fuel on site for St. Lucie Unit No. 1 in 2005, St. Lucie Unit No. 2 in 2007, Turkey Point Unit No. 3 in 2007 and Turkey Point Unit No. 4 in 2009. In addition, degradation in a material used in the spent fuel pools at St. Lucie Unit No. 1 and Turkey Point Units Nos. 3 and 4 could result in implementation of alternative spent fuel storage options sooner than projected. FPL is pursuing various approaches to further expand spent fuel storage at the sites, including increasing rack space in its existing spent fuel pools and/or developing the capacity to store spent fuel in dry storage containers. FPL has submitted license amendment requests to the NRC for approval of additional storage racks. Approval of these requests is expected by May 2004. Once installed, these racks will extend the storage capacity such that the ability to store spent fuel will not be lost until 2008 at St. Lucie Unit No. 1, 2010 at St. Lucie Unit No. 2, 2010 at Turkey Point Unit No. 3 and 2012 at Turkey Point Unit No. 4. If approved, the dry storage containers could be located at FPL's nuclear plant sites and/or at a facility operated by PFS in Utah. PFS is a consortium of eight utilities seeking to license, construct and operate an independent spent fuel storage facility. FPL joined the consortium in May 2000. PFS has filed a license application with the NRC and hearings on the application have been completed. In March 2003, PFS requested that the NRC review the ASLB's decision that requires PFS to address the consequences of a hypothetical military aircraft accident into its proposed facility before such facility is licensed. PFS has also initiated further proceedings before the ASLB to address the consequences of such an accident. Licensing on other environmental issues litigated during the hearings remain pending before the ASLB. In addition, the State of Utah has appealed certain decisions of the ASLB.

In April 2002, the governor of Nevada submitted a Notice of Disapproval to Congress regarding President Bush's recommendation to develop Yucca Mountain as a nuclear waste depository. The Yucca Mountain site is the DOE's recommended location to store and dispose of spent nuclear fuel and high-level radioactive waste. During May and July 2002, Congress overrode the Notice of Disapproval through a majority vote of both houses. The President signed the joint resolution of Congress into law on July 23, 2002. The State of Nevada has initiated legal actions to attempt to block the project.

Energy Marketing and Trading. EMT, a division of FPL, buys and sells wholesale energy commodities, such as natural gas, oil and electric power. EMT procures natural gas and oil for FPL's use in power generation and sells excess gas and electric power. EMT also uses derivative instruments, such as swaps, options, futures and forwards to manage the commodity price risk inherent in fuel purchases and electricity sales and purchases. Substantially all of the results of EMT's activities are passed through to customers in the fuel or capacity clauses. See Retail Ratemaking, Management's Discussion – Energy Marketing and Trading and Market Risk Sensitivity and Note 3.

Electric and Magnetic Fields. In recent years, public, scientific and regulatory attention has been focused on possible adverse health effects of EMF. These fields are created whenever electricity flows through a power line or an appliance. Several epidemiological (i.e., statistical) studies have suggested a linkage between EMF and certain types of cancer, including childhood leukemia and adult lymphoma associated with occupational exposure; other studies have been inconclusive, contradicted earlier studies or have shown no such linkage. Neither these epidemiological studies nor clinical studies have produced any conclusive evidence that EMF does or does not cause adverse health effects. In 1999, the National Institute of Environmental Health Sciences, at the culmination of a five-year federally supported research effort, pronounced that the scientific support for an EMF-cancer link is marginal and concluded that the probability that EMF exposure is truly a health hazard is small but cannot be completely discounted. In 2001, the IARC conducted an evaluation of power frequency EMF and cancer; it classified power frequency magnetic fields as "possibly carcinogenic" based on an association with childhood leukemia reported in some epidemiology studies. The IARC did not conclude that power frequency EMF cause or contribute to the development of childhood leukemia or any other cancer.

In 2002, the California Department of Health Services submitted its EMF Risk Evaluation report to the California Public Utility Commission. The report concludes in part that "EMFs can cause some degree of increased risk of childhood leukemia, adult brain cancer, Lou Gehrig's Disease and miscarriage." The report also finds that the risk, while potentially low across the entire population, nonetheless may be sufficient to warrant regulatory attention.

Florida has had EMF regulations in place for many years, and FPL believes it is in compliance with the FDEP regulations regarding EMF levels within and at the edge of the rights of way for transmission lines. Future changes in the FDEP regulations could require additional capital expenditures by FPL for such things as increasing the width of right of way or relocating or reconfiguring transmission facilities. It is not presently known whether any such expenditures will be required. Currently, there are no such changes proposed to the FDEP regulations.

Employees. FPL had approximately 9,600 employees at December 31, 2003. Approximately 32% of the employees are represented by the International Brotherhood of Electrical Workers (IBEW) under a collective bargaining agreement with FPL that will expire on October 31, 2004.

FPL ENERGY OPERATIONS

General. FPL Energy, a wholly-owned subsidiary of FPL Group Capital, was formed in 1998 to aggregate FPL Group's existing non-rate regulated energy-related operations. It is a limited liability company organized under the laws of Delaware. FPL Energy owns, develops, constructs, manages and operates domestic electric-generating facilities in wholesale energy markets. FPL Energy manages or participates in the management of approximately 82% of its projects, which represent approximately 96% of the net generating capacity in which FPL Energy has an ownership interest. At December 31, 2003, FPL Energy had net generating capability totaling 11,041 mw, all of which consisted of ownership interests in operating independent power projects (see Item 2. Properties – Generating Facilities). Generation capacity spans various regions thereby reducing seasonal volatility on a portfolio basis. At December 31, 2003, the percentage of capacity by NERC region or power pool was:

NERC Region/Power Pool	Percentage of Generation Capacity
NEPOOL/NYPP	26%
MAPP/MAIN/SPP/ERCOT	38%
SERC/PJM	18%
WECC	18%

Fuel sources for these projects were as follows:

Fuel Source	Percentage of Generation Capacity
Natural Gas	55%
Wind	25%
Nuclear	9%
Oil	6%
Hydro	3%
Other	2%

FPL Energy's capital expenditures and investments totaled approximately $1.6 billion, $2.1 billion and $2.0 billion in 2003, 2002 and 2001, respectively. Capital expenditures for 2004 through 2008 are estimated to be as follows:

	2004	2005	2006	2007	2008	Total
			(millions)			
FPL Energy: [a]						
Gas	$ 140	$ 5	$ -	$ -	$ -	$ 145
Nuclear fuel and other	85	35	60	60	15	255
Total	$ 225	$ 40	$ 60	$ 60	$ 15	$ 400

[a] Estimated capital expenditures exclude estimates for the development of new wind projects pending the enactment of legislation reestablishing the production tax credits for new wind facilities.

FPL Energy is currently constructing a gas-fired power plant with a total capacity of approximately 744 mw. The plant is expected to be in operation in the second half of 2004. During 2002, FPL Energy was engaged in the development of various other natural gas projects. As a result of depressed economic conditions coupled with an oversupply of energy generating facilities in certain markets, projected profit margins for these projects declined and were not sufficient to cover the cost of capital. Therefore, FPL Energy made a strategic decision during 2002 to substantially exit the fossil-fueled greenfield merchant power plant development business for the foreseeable future. As a result, development costs associated with these abandoned projects were written off to expense. Furthermore, FPL Energy realigned its organizational structure during 2002 to lower general and administrative expenses and took other actions associated with the restructuring. See Management's Discussion – Results of Operations – FPL Energy and Note 6 – FPL Energy. FPL Energy expects its future portfolio capacity growth to come from a mix of asset acquisitions and wind development, assuming pending legislation reestablishing the production tax credits for new wind facilities is enacted, either of which would increase estimated capital expenditures.

Energy Marketing and Trading. PMI, a subsidiary of FPL Energy, buys and sells wholesale energy commodities, such as natural gas, oil and electric power. PMI procures natural gas and oil for FPL Energy's use in power generation and sells any excess gas. PMI also sells the output from FPL Energy's plants which has not been sold under long-term contracts and purchases replacement power. PMI uses derivative instruments, such as swaps, options, futures and forwards to manage the risk associated with fluctuating commodity prices and to optimize the value of FPL Energy's power generation assets. To a

lesser extent, PMI engages in limited energy trading activities to take advantage of expected future favorable price movements. The results of PMI's activities are recognized in FPL Energy's operating results. See Management's Discussion – Energy Marketing and Trading and Market Risk Sensitivity, Note 1 – Energy Trading and Note 3.

Employees. FPL Energy had approximately 1,800 employees at December 31, 2003. The IBEW and the Utility Workers Union of America (UWUA) represented approximately 5% and 12%, respectively, of FPL Energy's employees. The collective bargaining agreement between an FPL Energy subsidiary and the IBEW expires in February 2008 and the collective bargaining agreement between an FPL Energy subsidiary and the UWUA expires in September 2008.

Regulation. Currently, approximately 6% of FPL Energy's net generating capacity has qualifying facility status under PURPA. FPL Energy's qualifying facilities generate electricity from wind, solar, fossil fuels, biomass or waste-product combustion. Qualifying facility status exempts the projects from, among other things, the application of the Holding Company Act, many provisions of the Federal Power Act, and state laws and regulations relating to rates and financial or organizational regulation of electric utilities. FPL Energy also has ownership interests in operating independent power projects that have received exempt wholesale generator status as defined under the Holding Company Act, which represent approximately 94% of FPL Energy's net generating capacity. Exempt wholesale generators own or operate a facility exclusively to sell electricity to wholesale customers. They are barred from selling electricity directly to retail customers. FPL Energy's exempt wholesale generators produce electricity from wind, hydropower, fossil fuels and nuclear facilities. While projects with qualifying facility and exempt wholesale generator status are exempt from various restrictions, each project must still comply with other federal, state and local laws, including those regarding siting, construction, operation, licensing, pollution abatement and other environmental laws.

FPL Energy continues to evaluate the FERC's proposed rule on standard market design in areas where it is not already in effect. See FPL Operations – Competition. California is scheduled to implement standard market design in the first quarter of 2007. ERCOT is considering adopting standard market design, or portions thereof, with potential implementation as soon as 2006. In both markets, the final market design is not fully known at this time and FPL Energy is currently unable to determine the effects, if any, on its operation resulting from the implementation of standard market design.

Environmental. FPL Energy is subject to the same environmental laws and regulations and is affected by the same emerging issues included in the discussion of FPL's business. See FPL Operations – Environmental. During 2003, FPL Energy spent approximately $14 million on capital additions to comply with environmental laws and regulations. FPL Energy's capital additions to comply with environmental laws and regulations are estimated to total $25 million for 2004 through 2006, including approximately $4 million in 2004, and are included in estimated capital expenditures set forth in General above.

Competition. Competitive wholesale markets in the United States continue to evolve and vary by geographic region. Revenues from electricity sales in these markets will vary based on the prices obtainable for energy, capacity and other ancillary services. Some of the factors affecting success in these markets include the ability to operate generating assets efficiently and reliably, the price and supply of fuel, transmission constraints, wind and hydro resources (weather conditions), competition from new sources of generation, effective risk management, demand growth and exposure to legal and regulatory changes.

Expanded competition in a relaxed regulatory environment presents both opportunities and risks for FPL Energy. Opportunities exist for the selective acquisition of generation assets divested under deregulation plans and for the construction and operation of efficient plants that can sell power in competitive markets. Wholesale energy markets have experienced lower demand and lower wholesale electricity prices as a result of weather and economic conditions and the oversupply of generation in certain regions. FPL Energy seeks to reduce its market risk by having a diversified portfolio, by fuel type and location, as well as by contracting for the sale of a significant amount of the electricity output of its plants. As of December 31, 2003, FPL Energy had 74% of its on-peak capacity under contract for 2004. Over the last several years, contracting for the sale of electricity output has become more difficult, as a result of overcapacity in certain regions and diminished market liquidity due to fewer creditworthy counterparties. Given current market conditions, when FPL Energy's existing power sales agreements expire, more of the energy produced may be sold through shorter-term contracts and into competitive wholesale markets.

Portfolio by Category. FPL Energy's assets can be categorized into the following three groups: wind assets, non-wind assets under long-term contract and merchant assets.

As of December 31, 2003, FPL Energy's capacity under contract for 2004 was as follows:

Asset Class	Available MW [a]	% MW Under Contract
Wind	2,719	99%
Non-wind assets under long-term contract	1,255	98%
Merchant:		
Seabrook	1,024	97%
NEPOOL/PJM/NYPP	1,879	34% [b]
ERCOT	3,009	65% [b]
Other (WECC/SERC)	1,345	60% [b]
Total portfolio	11,231	74%

[a] Weighted to reflect in-service dates and planned maintenance.
[b] Represents on-peak mw under contract.

Wind Assets

During 2003, FPL Energy added 14 wind projects to its portfolio, totaling approximately 975 mw. Project additions also included the construction of 811 mw of new capacity and the acquisition of 164 mw of operating plants.

At December 31, 2003, FPL Energy had ownership interests in 42 operating wind plants, with a combined capacity of approximately 2,719 mw (net ownership). FPL Energy operates all but ten of these wind facilities. Approximately 88% of FPL Energy's net ownership in wind facilities has received exempt wholesale generator status as defined under the Holding Company Act. The remaining facilities have qualifying facility status under PURPA. These facilities are located in fifteen states, thereby reducing weather-related performance risk on a portfolio basis. In 2004, essentially all wind energy has been contracted with utilities and power marketers under fixed-price agreements with expiration dates ranging from 2011 to 2028.

Non-Wind Assets Under Long-Term Contract

At December 31, 2003, FPL Energy had 1,255 mw of non-wind assets under long-term contract. Essentially all of these non-wind assets were under long-term power sales contracts with utilities, with contract expiration dates ranging from 2008 to 2021 and have firm fuel and transportation agreements with expiration dates ranging from 2011 to 2017. Approximately 1,096 mw of this capacity is gas-fired generation. The remaining 159 mw uses a variety of fuels and technologies such as waste-to-energy, solar, coal and petroleum coke. Of these facilities 32% have qualifying facility status under PURPA and 68% have received exempt wholesale generator status under the Holding Company Act.

Merchant Assets

Merchant assets are plants that have not sold the majority of their output under long-term contracts. The output from these merchant plants is sold through a combination of short- to medium-term contracts and sales in wholesale markets. Beginning in 2003, FPL Energy began providing load-following services to distribution utilities in NEPOOL. Load-following services require the supplier of energy to vary the quantity delivered based on the load demand needs of the customer. The vast majority of the merchant assets have firm gas supply agreements or a combination of firm gas supply and transportation agreements to cover on-peak gas requirements. PMI uses derivative instruments (primarily swaps, options, futures and forwards) to lock in pricing and manage the commodity price risk inherent in power sales and fuel purchases.

At December 31, 2003, FPL Energy's portfolio of merchant assets includes 7,067 mw of owned nuclear, natural gas, oil and hydro generation of which 2,973 mw is located in ERCOT, 2,590 mw in NEPOOL, 839 mw in SERC, 507 mw in WECC and 158 mw in other regions. The merchant assets include 1,653 mw of peak generating facilities. In addition, there are approximately 744 mw of gas-fired generation under construction in PJM that are expected to be in operation in the second half of 2004.

Nuclear Operations. In November 2002, an FPL Energy subsidiary purchased an 88.23% undivided interest in Seabrook, located in New Hampshire. FPL Energy's net ownership interest in Seabrook's capacity consists of 1,024 mw of nuclear generation. FPL Energy is responsible for all plant operations. The current operating license for Seabrook expires in 2026. FPL Energy intends to seek approval from the NRC to extend the unit's license to recapture the period of non-operation from 1986 to 1990, in addition to a 20-year license extension. If granted, these approvals would extend the term of the NRC operating license for Seabrook to 2050. Preparations are in progress for a power uprate at Seabrook that is expected to increase plant capability by approximately 100 mw; the cost of which are included in FPL Energy's capital expenditure table above. This uprate will be implemented in two phases and requires approval by the NRC and the New England ISO. The main portion of the uprate is expected to be implemented in the spring of 2005 and the final portion in the fall of 2006. At the time of the Seabrook acquisition, FPL Energy assumed responsibility for the ultimate decommissioning of the plant, the cost of which will be shared on a pro-rata basis by the joint owners. See estimated decommissioning cost data in Note 1 – Decommissioning of Nuclear Plant.

In 2003, the NRC issued an order, subsequent to a previously issued NRC bulletin, requiring all pressurized water reactor licensees, including Seabrook, to perform visual and volumetric inspections of reactor vessel heads to identify if degradation such as cracking or corrosion has occurred. Seabrook will be required to perform 100% visual and volumetric inspections in 2006, and subsequently, visual inspections every third outage and volumetric inspections every fourth outage. In 2003, the NRC issued a bulletin recommending that utilities with bottom mounted instrumentation penetrations perform visual inspections. In October 2003, visual inspections of the bottom mounted instrumentation penetrations were performed during Seabrook's scheduled refueling outage, and no evidence of leakage from these penetrations was noted. The next refueling outage is scheduled to be performed in April 2005.

Seabrook has several contracts for the supply, conversion, enrichment and fabrication of nuclear fuel with expiration dates ranging from 2004 to 2014. See Note 17 – Contracts. Currently, Seabrook is storing spent fuel on site pending its removal by the DOE. Under the Nuclear Waste Policy Act, the DOE was required to construct permanent disposal facilities and take title to and provide transportation and disposal for spent nuclear fuel by January 31, 1998 for a specified fee based on current generation from nuclear power plants. From the time of the acquisition of Seabrook through December 2003, FPL Energy has paid approximately $8 million in such fees to the DOE's nuclear waste fund. For details on the current status of permanent fuel storage with the DOE see FPL Operations – Fuel. Based on current projections, FPL Energy will lose its ability to store spent fuel at Seabrook as early as 2009. FPL Energy is investigating other alternatives to expand its spent nuclear fuel storage capacity at Seabrook.

OTHER FPL GROUP OPERATIONS

FPL Group's Corporate and Other segment represents other business activities, primarily FPL FiberNet, that are not separately reportable. See Note 18.

FPL FiberNet. FPL FiberNet was formed in January 2000 to enhance the value of FPL Group's fiber-optic network assets that were originally built to support FPL operations. Accordingly, in January 2000, FPL's existing fiber-optic lines were transferred to FPL FiberNet. FPL FiberNet is a limited liability company organized under the laws of Delaware. FPL FiberNet leases wholesale fiber-optic network capacity and dark fiber to FPL and other new and existing customers, primarily telephone, internet and other telecommunications companies. Dark fiber in the metro market is also sold to third parties. FPL FiberNet's primary business focus is the Florida metro market. Metro networks cover Miami, Ft. Lauderdale, West Palm Beach, Tampa, St. Petersburg, Orlando and Jacksonville. FPL FiberNet also has a long-haul network within Florida that leases bandwidth at wholesale rates. At December 31, 2003, FPL FiberNet's network consisted of approximately 2,500 route miles, which interconnected major cities throughout Florida. During 2003, FPL FiberNet added the latest generation of Ethernet services which provides the option for its customers to upgrade their existing telecommunications network. Due to the changing telecommunications market, FPL FiberNet completed valuation studies to assess the recoverability of its assets and as a result, in 2002, wrote off some of these assets to expense. This write off represents an impairment charge related to property, plant and equipment, the fair value of which was determined based on a discounted cash flow analysis. Additionally, FPL FiberNet decided not to pursue the planned build-out of metro fiber rings in certain cities, and restructuring charges were recognized in 2002 related to the write-off of development costs and inventory. See Management's Discussion – Results of Operations – Corporate and Other and Note 6 – Corporate and Other.

At December 31, 2003, FPL Group's investment in FPL FiberNet totaled approximately $240 million. FPL FiberNet invested approximately $10 million during 2003 and plans to invest a total of $50 million over the next five years to sustain its fiber-optic network and meet customers specific requirements.

EXECUTIVE OFFICERS OF THE REGISTRANTS [a]

Name	Age	Position	Effective Date
Dennis P. Coyle	65	General Counsel and Secretary of FPL Group	June 1, 1991
		General Counsel and Secretary of FPL	July 1, 1991
Paul I. Cutler	44	Treasurer and Assistant Secretary of FPL Group	February 19, 2003
		Treasurer and Assistant Secretary of FPL	February 18, 2003
K. Michael Davis	57	Controller and Chief Accounting Officer of FPL Group	May 13, 1991
		Vice President, Accounting, Controller and Chief Accounting Officer of FPL	July 1, 1991
Moray P. Dewhurst	48	Vice President, Finance and Chief Financial Officer of FPL Group	July 17, 2001
		Senior Vice President, Finance and Chief Financial Officer of FPL	July 19, 2001
Lewis Hay III	48	President and Chief Executive Officer of FPL Group	June 11, 2001
		Chairman of the Board of FPL Group	January 1, 2002
		Chairman of the Board and Chief Executive Officer of FPL	January 1, 2002
Lawrence J. Kelleher	56	Vice President, Human Resources of FPL Group	May 13, 1991
		Senior Vice President, Human Resources and Corporate Services of FPL	July 1, 1999
Robert L. McGrath	50	Senior Vice President, Engineering and Construction of FPL	November 15, 2002
Armando J. Olivera	54	President of FPL	June 24, 2003
James L. Robo	41	President of FPL Energy	July 26, 2002
Antonio Rodriguez	61	Senior Vice President, Power Generation Division of FPL	July 1, 1999
John A. Stall	49	Senior Vice President, Nuclear Division of FPL	June 4, 2001

[a] Executive officers are elected annually by, and serve at the pleasure of, their respective boards of directors. Except as noted below, each officer has held his present position for five years or more and his employment history is continuous. The business experience of the executive officers is as follows: Mr. Cutler was assistant treasurer of FPL Group from May 1997 to May 1998 and from May 1999 to February 2003. He was assistant treasurer of FPL from May 1997 to February 2003. Mr. Cutler has served as assistant secretary of FPL Group and FPL since December 1997. Mr. Dewhurst was senior partner of Dean & Company, a management consulting and investment firm that he co-founded in 1993. Mr. Hay was president of FPL Energy from March 2000 to December 2001. From July 1999 to March 2000, he was vice president, finance and chief financial officer of FPL Group and senior vice president, finance and chief financial officer of FPL. From May 1999 to July 1999, Mr. Hay was president of LSME Acquisition Co., LLC, a specific purpose acquisition company. Prior to that, he was executive vice president and chief financial officer of U.S. Foodservice, Inc., a food service distributor. Mr. Kelleher was senior vice president, human resources of FPL from July 1991 to July 1999. Mr. McGrath was treasurer of FPL Group and FPL from January 2000 to November 2002. He was also vice president, finance and chief financial officer of FPL Energy from June 2000 to November 2002. Prior to that, Mr. McGrath was assistant treasurer of FPL Group and FPL. Mr. Olivera was senior vice president, power systems of FPL from July 1999 to June 2003. Prior to that Mr. Olivera was vice president, distribution of FPL from February 1997 to July 1999. Mr. Robo was vice president of corporate development and strategy of FPL Group from March 2002 to July 2002. He was president and CEO of TIP, a GE Capital Company that provides trailer and storage equipment services, and GE Capital Modular Space, a supplier of mobile and modular buildings, from December 1999 to March 2002. Prior to that, Mr. Robo was president and CEO of GE Mexico. Mr. Rodriguez was vice president, power delivery of FPL from February 1997 to July 1999. Mr. Stall was vice president of nuclear engineering of FPL from January 2000 to June 2001. Prior to that, he was plant vice president at St. Lucie.

Item 2. Properties

FPL Group and its subsidiaries maintain properties which are adequate for their operations. At December 31, 2003, the electric generating, transmission, distribution and general facilities of FPL represented approximately 44%, 12%, 36% and 8%, respectively, of FPL's gross investment in electric utility plant in service.

Generating Facilities. At December 31, 2003, FPL Group had the following generating facilities:

FPL Facilities	Location	No. of Units	Fuel	Net Capability (mw)[a]
Nuclear				
St. Lucie	Hutchinson Island, FL	2	Nuclear	1,553[b]
Turkey Point	Florida City, FL	2	Nuclear	1,386
Steam turbines				
Cape Canaveral	Cocoa, FL	2	Oil/Gas	814
Cutler	Miami, FL	2	Gas	206
Manatee	Parrish, FL	2	Oil/Gas	1,628
Martin	Indiantown, FL	2	Oil/Gas	1,649
Port Everglades	Port Everglades, FL	4	Oil/Gas	1,233
Riviera	Riviera Beach, FL	2	Oil/Gas	565
St. Johns River Power Park	Jacksonville, FL	2	Coal/Petroleum Coke	254[c]
Sanford	Lake Monroe, FL	1	Oil/Gas	138
Scherer	Monroe County, GA	1	Coal	658[d]
Turkey Point	Florida City, FL	2	Oil/Gas	807
Combined-cycle				
Fort Myers	Fort Myers, FL	1	Gas	1,423
Lauderdale	Dania, FL	2	Gas/Oil	859
Martin	Indiantown, FL	2	Gas	943
Putnam	Palatka, FL	2	Gas/Oil	498
Sanford	Lake Monroe, FL	2	Gas	1,880
Simple-cycle combustion turbines				
Fort Myers	Fort Myers, FL	1	Gas/Oil	328
Martin	Indiantown, FL	1	Gas/Oil	314
Gas turbines/diesels				
Fort Myers	Fort Myers, FL	12	Oil	648
Lauderdale	Dania, FL	24	Oil/Gas	840
Port Everglades	Port Everglades, FL	12	Oil/Gas	420
Turkey Point	Florida City, FL	5	Oil	12
TOTAL				19,056[e]

[a] Represents FPL's net ownership interest in plant capacity.

[b] Excludes Orlando Utilities Commission's and the FMPA's combined share of approximately 15% of St. Lucie Unit No. 2.

[c] Represents FPL's 20% ownership interest in each of St. Johns River Power Park Units Nos. 1 and 2, which are jointly owned with JEA.

[d] Represents FPL's approximately 76% ownership of Scherer Unit No. 4, which is jointly owned with JEA.

[e] Substantially all of FPL's properties are subject to the lien of FPL's mortgage. FPL expects to add 74 mw by mid-2004 as a result of performance efficiencies. After including the 74 mw, FPL's expected net capability to meet summer peak demand in 2004 will be 19,130 mw.

FPL Energy Facilities	Location	No. of Units	Fuel	Net Capability (mw)[a]
Wind				
Cabazon	Riverside County, CA	53	Wind	40
Cerro Gordo[b]	Cerro Gordo County, IA	55	Wind	41
Delaware Mountain	Culberson County, TX	40	Wind	30
Gray County	Gray County, KS	170	Wind	112
Green Mountain	Somerset County, PA	8	Wind	10
Green Power	Riverside County, CA	22	Wind	17
Hancock County[b]	Hancock County, IA	148	Wind	98
High Winds[b]	Solano County, CA	90	Wind	162
Indian Mesa	Upton County, TX	125	Wind	83
King Mountain	Upton County, TX	215	Wind	281
Lake Benton II[b]	Pipestone County, MN	138	Wind	104
Meyersdale	Somerset County, PA	40	Wind	30
Mill Run	Fayette County, PA	10	Wind	15
Montfort[b]	Iowa County, WI	20	Wind	30
Mountaineer	Preston & Tucker Counties, WV	44	Wind	66
New Mexico[b]	Quay & Debaca Counties, NM	136	Wind	204
North Dakota	LaMoure County, ND	41	Wind	62
Oklahoma / Sooner	Harper & Woodward Counties, OK	68	Wind	102
Sky River[b]	Kern County, CA	342	Wind	77
Somerset Wind Power	Somerset County, PA	6	Wind	9
South Dakota	Hyde County, SD	27	Wind	41
Southwest Mesa[b]	Upton & Crockett Counties, TX	107	Wind	75
Stateline[b]	Umatilla County, OR and Walla County, WA	454	Wind	300
Vansycle	Umatilla County, OR	38	Wind	25
Victory Garden	Kern County, CA	96	Wind	22
Waymart	Wayne County, PA	43	Wind	65
Woodward Mountain	Upton & Pecos Counties, TX	242	Wind	160
Wyoming	Uinta County, WY	80	Wind	144
Investments in joint ventures	Various	3,797	[c]	314
Total Wind				2,719
Non-Wind Under Long-Term Contract				
Doswell[b]	Ashland, VA	4	Gas/Oil	708
Investments in joint ventures	Various	13	[d]	547
Total Non-Wind Under Long-Term Contract				1,255
Merchant				
Bayswater[b]	Far Rockaway, NY	1	Gas	54
Blythe Energy	Blythe, CA	1	Gas	507
Calhoun[b]	Eastaboga, AL	4	Gas	668
Doswell - Expansion	Ashland, VA	1	Gas/Oil	171
Forney	Forney, TX	2	Gas	1,700
Jamaica Bay[b]	Far Rockaway, NY	1	Oil/Gas	54
Lamar Power Partners	Paris, TX	2	Gas	990
Maine	Various - ME	6	Oil	656[e]
Maine	Various - ME	83	Hydro	360
Marcus Hook 50	Marcus Hook, PA	1	Gas	50
RISEP[b]	Johnston, RI	1	Gas	550
Seabrook	Seabrook, NH	1	Nuclear	1,024[f]
Investment in joint venture	Cedar Creek, TX	2	Gas	283
Total Merchant				7,067
TOTAL				11,041

[a] Represents FPL Energy's net ownership interest in plant capacity.

[b] These consolidated generating facilities, as well as a 744 mw gas-fired plant under construction, are encumbered by liens against their assets securing various financings.

[c] Represents plants with no more than 50% ownership using wind technology.

[d] Represents plants with no more than 50% ownership using fuels and technologies such as gas, waste-to-energy, solar, coal and petroleum coke.

[e] Excludes 10 other energy-related partners' combined share of 38.22%.

[f] Excludes Massachusetts Municipal Wholesale Electric Company's, Taunton Municipal Lighting Plant's and Hudson Light & Power Department's combined share of 11.77%.

Transmission and Distribution. At December 31, 2003, FPL owned and operated 529 substations and the following electric transmission and distribution lines:

Nominal Voltage	Overhead Lines Pole Miles	Trench and Submarine Cables Miles
500 kv	1,105[a]	-
230 kv	2,350	31
138 kv	1,456	49
115 kv	671	-
69 kv	164	14
Less than 69 kv	40,897	22,217
Total	46,643	22,311

[a] Includes approximately 75 miles owned jointly with JEA.

Character of Ownership. Substantially all of FPL's properties are subject to the lien of FPL's mortgage, which secures most debt securities issued by FPL. The majority of FPL Group's principal properties are held by FPL in fee and are free from other encumbrances, subject to minor exceptions, none of which is of such a nature as to substantially impair the usefulness to FPL of such properties. Some of FPL's electric lines are located on land not owned in fee but are covered by necessary consents of governmental authorities or rights obtained from owners of private property. Several of FPL Energy's generating facilities are encumbered by liens against their assets securing various financings. See Generating Facilities and Note 1 – Electric Plant, Depreciation and Amortization.

Item 3. Legal Proceedings

In November 1999, the Attorney General of the United States, on behalf of the EPA, brought an action in the U.S. District Court for the Northern District of Georgia against Georgia Power Company and other subsidiaries of The Southern Company for certain alleged violations of the Prevention of Significant Deterioration (PSD) provisions and the New Source Performance Standards (NSPS) of the Clean Air Act. In May 2001, the EPA amended its complaint. The amended complaint alleges, among other things, that Georgia Power Company constructed and is continuing to operate Scherer Unit No. 4, in which FPL owns a 76% interest, without obtaining a PSD permit, without complying with NSPS requirements, and without applying best available control technology for nitrogen oxides, sulfur dioxides and particulate matter as required by the Clean Air Act. It also alleges that unspecified major modifications have been made at Scherer Unit No. 4 that require its compliance with the aforementioned Clean Air Act provisions. The EPA seeks injunctive relief requiring the installation of best available control technology and civil penalties of up to $25,000 per day for each violation from an unspecified date after June 1, 1975 through January 30, 1997 and $27,500 per day for each violation thereafter. Under a proposed EPA rule, the maximum penalty would increase to $32,500 per day for each violation after publication of the final rule. Georgia Power Company has answered the amended complaint, asserting that it has complied with all requirements of the Clean Air Act, denying the plaintiff's allegations of liability, denying that the plaintiff is entitled to any of the relief that it seeks and raising various other defenses. In June 2001, the federal district court stayed discovery and administratively closed the case pending resolution of the EPA's motion for consolidation of discovery in several Clean Air Act cases that was filed with a Multi-District Litigation (MDL) panel. In August 2001, the MDL panel denied the motion for consolidation. In September 2001, the EPA moved that the federal district court reopen this case for purposes of discovery. Georgia Power Company opposed that motion asking that the case remain closed until the Eleventh Circuit Court of Appeals rules on the Tennessee Valley Authority's (TVA) appeal of an EPA administrative compliance order relating to legal issues that are also central to this case. In August 2002, the federal district court denied without prejudice the EPA's motion to reopen. In June 2003, the Eleventh Circuit issued its order dismissing the TVA's appeal because it found the provision of the Clean Air Act allowing the EPA to issue binding administrative compliance orders was unconstitutional, and hence found that the TVA order was a non-final order that courts of appeal do not have jurisdiction to review. In September 2003, the Eleventh Circuit denied the EPA's motion for rehearing, and the EPA is now evaluating whether to seek review of the Eleventh Circuit decision by the U.S. Supreme Court. The EPA has not yet moved to reopen the Georgia Power Company case.

In November 2001, J. W. and Ernestine M. Thomas, Chester and Marie Jenkins, and Ray Norman and Jack Teague, as Co-Personal Representatives on behalf of the Estate of Robert L. Johns, served FPL Group, FPL, FPL FiberNet, FPL Group Capital and FPL Investments, Inc. (FPL Investments) as defendants in a civil action filed in the Circuit Court for Suwanee County, Florida. This action is purportedly on behalf of all property owners in Florida (excluding railroad and public rights of way) whose property is encumbered by easements in favor of FPL, and on whose property defendants have installed or intend to install fiber-optic cable which defendants currently lease, license or convey or intend to lease, license or convey for non-electric transmission or distribution purposes. The lawsuit alleges that FPL's easements do not permit the installation and use of fiber-optic cable for general communication purposes. The plaintiffs have asserted claims for unlawful detainer, unjust enrichment and constructive trust and seek injunctive relief and compensatory damages. In May 2002, plaintiffs filed an amended complaint, adding allegations regarding the installation of wireless communications equipment on some easements, and adding a claim for declaratory relief. In August 2002, Hazel and Lamar Jenkins were substituted for Chester and Marie Jenkins as plaintiffs. Defendants filed an answer and affirmative defenses to the amended complaint in August 2002. The parties are now pursuing discovery. In September 2003, FPL Group Capital and FPL Investments moved for summary judgment as to all claims asserted against them. Additionally, in October 2003, FPL Group moved for summary judgment as to all claims asserted against it. These motions have been granted and FPL Group, FPL Group Capital and FPL Investments have been dismissed from this lawsuit. The court is currently scheduled to hear argument on whether this case will proceed as a class action sometime in late June 2004.

In August 2001, FMPA filed with the U.S. Court of Appeals for the District of Columbia (DC Circuit) a petition for review asking the DC Circuit to reverse and remand orders of the FERC denying FMPA's request for credits for transmission facilities owned by FMPA members. The transmission credits sought by FMPA would offset the transmission charges that FPL bills FMPA for network transmission service to FMPA's member cities. FMPA member cities have been taking network transmission service under FPL's open access transmission tariff since 1996. In the orders appealed by FMPA, FERC ruled that FMPA would be entitled to credits for any FMPA facilities that were "integrated" with the FPL transmission system. Based on the evidence submitted, FERC concluded that none of the FMPA facilities met the integration test and, therefore, FMPA was not entitled to credits against FPL's charges for transmission service. In January 2003, the DC Circuit upheld FERC's order denying FMPA credits for its facilities; in March 2003, the DC Circuit denied FMPA's rehearing request of the DC Circuit's decision; and in October 2003, the U.S. Supreme Court denied FMPA's petition for review of the DC Circuit's decision. FMPA also has requested that FERC decide the crediting issue again in a separate FERC proceeding. That proceeding dates back to a filing by FPL in 1993 of a comprehensive restructuring of its then-existing tariff structure. All issues in that case are settled except

for three issues reserved by FMPA, one of which is the crediting issue. FPL previously estimated the exposure for the crediting issue at $65 million. With the passage of time, the exposure has grown to $71 million as of December 31, 2003. However, in December 2003, FERC issued a ruling on the three reserved issues. With respect to the crediting issue, FERC stated that it had previously determined that FMPA was not entitled to credits for its facilities in the related proceeding discussed above and saw no persuasive reason to revisit that determination in this proceeding. With respect to the second issue, FERC directed FPL to make a compliance filing of a proposed rate schedule that does not include those facilities of FPL that fail to meet the same integration test applied to the FMPA facilities. With respect to the third reserved issue, FERC affirmed its previous ruling against FMPA. In January 2004, FMPA requested a "conditional rehearing on the Commission's failure to order rate credits solely in the event that Commission does not adequately reduce FPL's rate base to achieve comparability." On January 30, 2004, FPL filed an answer to FMPA's request for rehearing, asking that the request be denied. Unless FERC accepts and responds favorably to FMPA's rehearing request, FPL's exposure will be limited to refunds arising from the exclusion of FPL facilities that fail to meet the integration test from its rate schedule.

In February 2003, Scott and Rebecca Finestone brought an action on behalf of themselves and their son Zachary Finestone in the U.S. District Court for the Southern District of Florida alleging that their son has developed cancer (neuroblastoma) as a result of the release and/or dissipation into the air, water, soil and underground areas of radioactive and non-radioactive hazardous materials, including strontium 90, and the release of other toxic materials from FPL's St. Lucie nuclear power plant. The complaint includes counts against FPL for strict liability for allegedly engaging in an ultra-hazardous activity and for alleged negligence in operating the plant in a manner that allowed emissions of the foregoing materials and failing to limit its release of nuclear fission products as prescribed by federal and state laws and regulations. The plaintiffs seek damages in excess of $1 million. FPL moved to dismiss the complaint. In September 2003, the court entered an order denying FPL's motion to dismiss. Following FPL's motion for reconsideration in the Blake and Lowe lawsuit, discussed below, the court entered a similar order vacating its order denying the motion to dismiss the count for strict liability, and upon reconsideration granted FPL's motion to dismiss the count for strict liability.

In May 2003, Tish Blake and John Lowe, as personal representatives of the Estate of Ashton Lowe, on behalf of the estate and themselves, as surviving parents, brought an action in the U.S. District Court for the Southern District of Florida alleging that their son developed cancer (medulo-blastoma) as a result of the release and/or dissipation into the air, water, soil and underground areas of radioactive and non-radioactive hazardous materials, including strontium 90, and the release of other toxic materials from FPL's St. Lucie nuclear power plant. The allegations, counts and damages demanded in the complaint are virtually identical to those contained in the Finestone lawsuit described above. FPL moved to dismiss the complaint. In September 2003, the court entered an order denying FPL's motion to dismiss. FPL moved for reconsideration of the court's order as to the count for strict liability. The court then entered an order vacating the order denying the motion to dismiss as to the count for strict liability, and upon reconsideration granted FPL's motion to dismiss the count for strict liability.

In March 2003, James J. and Lori Bradstreet brought an action on behalf of themselves and their son, Matthew Bradstreet, in the Circuit Court of the 18th Judicial Circuit in and for Brevard County, Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies, the American Dental Association, the Florida Dental Association, FPL and the Orlando Utilities Commission (OUC), alleging that their son has suffered toxic neurological effects from mercury poisoning. An amended complaint was filed in May 2003. The sources of mercury exposure are alleged to be vaccines containing a preservative called thimerosal that were allegedly manufactured and distributed by the drug companies, mercury amalgam dental fillings, and emissions from FPL and OUC power plants in Florida, including Brevard County. The complaint includes counts against all defendants for civil battery and against FPL for alleged negligence in operating the plants such that the son was exposed to mercury and other heavy metals emissions. The damages demanded from FPL are for injuries and losses allegedly suffered by the son as a result of his exposure to the plants' mercury emissions and the parents' alleged pain and suffering, medical expenses, loss of wages, and loss of their son's services and companionship. No amount of damages is specified. FPL has moved to dismiss the complaint. In July 2003, the Bradstreets brought an identical action in the same court on behalf of themselves and their daughter, Elizabeth Bradstreet. FPL has moved to dismiss the complaint.

In June 2003, Monty and Kathryn Wooldridge brought an action on behalf of themselves and their son, Kevin Allen Wooldridge, in the Circuit Court of the 9th Judicial Circuit in and for Orange County, Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies, the American Dental Association, the Florida Dental Association, FPL and the OUC, alleging that their son has suffered toxic neurological effects from mercury poisoning. The allegations, counts and damages demanded in the complaint are virtually identical to those contained in the Bradstreet lawsuits described above. FPL has moved to dismiss the complaint.

In August 2003, Pedro C. and Emilia Roig brought an action on behalf of themselves and their son, Pedro Anthony Roig, in the Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida (the state court), which was removed in October 2003 to the U.S. District Court for the Southern District of Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies and FPL, alleging that their son has suffered toxic neurological effects from mercury poisoning. The allegations, counts and damages demanded in the complaint with respect to FPL are virtually identical to those contained in the Bradstreet and Wooldridge lawsuits described above. The plaintiffs have moved to remand the action back to the state court. The motion has been briefed by both parties and is pending in the U.S. District Court, which has stayed all discovery in the action. FPL will be moving to dismiss the case once the remand motion is decided.

In December 2003, Edward and Janis Shiflett brought an action on behalf of themselves and their son, Phillip Benjamin Shiflett, in the Circuit Court of the 18th Judicial Circuit in and for Brevard County, Florida, against Aventis Pasteur and a

number of other named and unnamed drug manufacturing and distribution companies, FPL and the OUC, alleging that their son has suffered toxic neurological effects from mercury poisoning. The allegations, counts and damages demanded in the complaint with respect to FPL are virtually identical to those contained in the Bradstreet, Wooldridge and Roig lawsuits. FPL anticipates removing the action to the U.S. District Court for the Middle District of Florida, and will be moving to dismiss the case.

In January 2004, the Center For Biological Diversity, Inc. (Center) filed a lawsuit against FPL Group, FPL Energy and its subsidiaries ESI Bay Area GP, Inc., Green Ridge Power LLC and Altamont Power, LLC, as well as other defendants, in the U.S. District Court for the Northern District of California. The complaint alleges violations of certain sections of the California Business and Professions Code, unjust enrichment and certain violations of the Lanham Act. The complaint alleges that numerous birds have died as the result of collisions with wind turbines owned and operated by subsidiaries of FPL Energy in the Altamont area. The complaint requests injunctive relief, restitution, penalties, forfeiture of the wind turbines, disgorgement of profits and attorneys' fees. As of February 26, 2004, none of the FPL Group-related entities named in the lawsuit have been served with this complaint.

On February 13, 2004, Albert Litter Studios, Inc. instituted an action against FPL in the Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida, seeking damages on behalf of itself, and purportedly on behalf of all other similarly situated commercial entities in Florida. The plaintiff asserts that FPL's intentional use of allegedly defective thermal demand meters has resulted in overcharging it and certain other commercial customers millions of dollars and constitutes an unfair and/or deceptive practice in violation of the Florida Deceptive and Unfair Trade Practices Act, breach of an implied contract, and in breach of a duty of good faith and fair dealing. The complaint seeks damages in excess of $15,000, representing the amount of the alleged overcharges, interest, and such other relief as the court may order. FPL had determined in 2002 that, based on sample testing of the approximately 3,900 1V thermal demand meters in service, the demand component of its 1V meter population was exceeding allowable tolerance levels established by FPSC rules. In 2002, FPL proposed to replace and test all of the 1V meters in service and to issue refunds, as appropriate, within certain parameters. FPL was given administrative approval from the FPSC staff to proceed with the replacement of the 1V meters. By early 2003, all 1V meters had been replaced. Testing of all 1V meters disclosed that approximately 15% of the 3,900 meters were outside of allowed tolerances, with 10% under-registering and 5% over-registering electricity usage. In November 2003, the FPSC, as proposed agency action, approved a method for testing the meters and calculating refunds. On December 10, 2003, Southeastern Utility Services, Inc., on behalf of several commercial customers, filed a protest to the proposed agency action and requested a hearing. Southeastern Utility Services, Inc. alleges that, among other things, the proposed method for computing the amount of the refund is flawed. Discovery is proceeding and no hearing date has been set.

In the event that FPL Group and FPL do not prevail in these lawsuits, there may be a material adverse effect on their financial statements. However, FPL Group and FPL believe that they have meritorious defenses to the pending litigation discussed above and are vigorously defending the lawsuits. Management does not anticipate that the liabilities, if any, arising from the proceedings would have a material adverse effect on the financial statements.

In January 2002, Roy Oorbeek and Richard Berman filed suit in the U.S. District Court for the Southern District of Florida against FPL Group (as an individual and nominal defendant); all its current directors (except James L. Camaren, Michael H. Thaman and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Lewis Hay III, Dennis P. Coyle, Paul J. Evanson and Lawrence J. Kelleher. In March 2002, William M. Klein, by Stephen S. Klein under power of attorney, on behalf of himself and all others similarly situated, filed suit in the U.S. District Court for the Southern District of Florida against FPL Group (as nominal defendant); all its current directors (except James L. Camaren, Michael H. Thaman and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Paul J. Evanson, Lewis Hay III and Dennis P. Coyle. In February 2003, Donald E. and Judith B. Phillips, represented by the same attorneys who represent Klein, filed suit in the same court against the same defendants as the Klein lawsuit (plus Lawrence J. Kelleher). All three suits have been consolidated. In February 2004, by stipulation of the parties, FPL Group was removed as a defendant.

The lawsuits, taken together, allege that the proxy statements relating to shareholder approval of FPL Group's Long Term Incentive Plan (LTIP) and FPL Group's proposed, but unconsummated, merger with Entergy Corporation (Entergy) were false and misleading because they did not affirmatively state that payments made to certain officers under FPL Group's LTIP upon shareholder approval of the merger would be retained by the officers even if the merger with Entergy was not consummated and did not state that under some circumstances payments made pursuant to FPL Group's LTIP might not be deductible by FPL Group for federal income tax purposes. They also allege that FPL Group's LTIP required either consummation of the merger as a condition to the payments or the return of the payments if the transaction did not close, and that the actions of the director defendants in approving the proxy statements, causing the payments to be made, and failing to demand their return constitute corporate waste and a breach of fiduciary duties by those individual defendants. The plaintiffs seek to have the shareholder votes approving FPL Group's LTIP and the merger declared null and void, the return to FPL Group of $62 million of payments received by the officers, compensatory damages of $92 million (including the $62 million of payments received by the officers) from all defendants (except FPL Group) and attorneys' fees.

A special committee of non-management directors of FPL Group conducted an investigation of the claims made in the Oorbeek and Klein lawsuits and reported thereon to FPL Group's board of directors. The report concluded that pursuit of the claims is not in the best interest of FPL Group or its shareholders generally, and recommended that FPL Group seek dismissal of the lawsuits. After reviewing the special committee's report, FPL Group's board of directors (with only non-management

directors participating) concluded likewise and filed with the court a statement of position setting forth the special committee's and the board's conclusions and authorizing the filing of a motion to dismiss the lawsuits, which motion was filed in October 2002. Messrs. Zarb, Camaren and Thaman joined the board in August 2002, October 2002 and July 2003, respectively, and did not participate in the proceedings relating to the statement of position or the filing of the motion to dismiss. On January 20, 2004, the court issued an order denying FPL Group's motion to dismiss the lawsuits.

FPL Group's above-referenced statement of position reported that during the course of the special committee's investigation of the allegations in the lawsuits a separate question arose concerning the interpretation of the provisions of FPL Group's LTIP pursuant to which the payments to eight current and former senior officers were calculated. A change from the original interpretation could result in a repayment to FPL Group of up to approximately $9 million. FPL Group and the eight senior officers have entered into a binding arbitration agreement in order to resolve the issue.

In May 2003, the plaintiff's attorneys in the Klein lawsuit sent a new letter to FPL Group's board of directors (the May 2003 Letter) demanding, among other things, that the board take action (i) to recover from the persons who approved such payments and/or otherwise breached their fiduciary duties, all of the above-described $92 million of LTIP payments made to officers and employees of FPL Group, allegedly on the grounds that the payments constituted a breach of fiduciary duty, bad faith, corporate waste and other unspecified wrongs, (ii) to investigate whether the proposed merger with Entergy was a plan by FPL Group's officers and directors to enrich themselves at the expense of the company, (iii) to seek the return of certain LTIP awards made in replacement of accelerated LTIP awards, (iv) to take immediate actions to secure the return of up to approximately $9 million in LTIP payments which is subject to an interpretation question under the LTIP, (v) to investigate and seek the return of stock options and restricted stock paid to Mr. Broadhead in January 2002 in connection with a consulting agreement and his retirement from FPL Group in December 2001, and (vi) to investigate whether punitive damages may be sought. In July 2003, FPL Group's board of directors appointed a special committee, composed of James L. Camaren and Michael H. Thaman, to investigate the matters raised in the May 2003 Letter and to make a determination as to how FPL Group should respond to the matters raised therein. In August 2003, the plaintiff's attorney in the Klein lawsuit sent a letter to FPL Group's board of directors purporting to "withdraw" the May 2003 Letter.

In addition to those legal proceedings discussed herein, FPL Group and its subsidiaries, including FPL, are involved in a number of other legal proceedings and claims in the ordinary course of their businesses. In addition, generating plants in which FPL Group or FPL have an ownership interest are involved in legal proceedings and claims, the liabilities from which, if any, would be shared by FPL Group or FPL. While management is unable to predict with certainty the outcome of these other legal proceedings and claims, it is not expected that their ultimate resolution, individually or collectively, will have a material adverse effect on the financial statements.

Item 4. Submission of Matters to a Vote of Security Holders

None

PART II

Item 5. Market for the Registrants' Common Equity and Related Stockholder Matters

Common Stock Data. All of FPL's common stock is owned by FPL Group. FPL Group's common stock is traded on the New York Stock Exchange. The high and low sales prices for the common stock of FPL Group as reported in the consolidated transaction reporting system of the New York Stock Exchange for each quarter during the past two years are as follows:

	2003		2002	
Quarter	High	Low	High	Low
First	$ 63.77	$ 53.55	$ 60.10	$ 51.13
Second	$ 68.08	$ 57.74	$ 65.31	$ 56.30
Third	$ 67.66	$ 60.01	$ 60.08	$ 45.00
Fourth	$ 65.98	$ 62.65	$ 61.40	$ 48.35

Approximate Number of Stockholders. As of the close of business on January 30, 2004, there were 35,076 holders of record of FPL Group's common stock.

Dividends. Quarterly dividends have been paid on common stock of FPL Group during the past two years in the following amounts:

Quarter	2003	2002
First	$ 0.60	$ 0.58
Second	$ 0.60	$ 0.58
Third	$ 0.60	$ 0.58
Fourth	$ 0.60	$ 0.58

The amount and timing of dividends payable on FPL Group's common stock are within the sole discretion of FPL Group's board of directors. The board of directors reviews the dividend rate at least annually (in February) to determine its appropriateness in light of FPL Group's financial position and results of operations, legislative and regulatory developments affecting the electric utility industry in general and FPL in particular, competitive conditions and any other factors the board deems relevant. The ability of FPL Group to pay dividends on its common stock is dependent upon dividends paid to it by its subsidiaries, primarily FPL. In February 2004, FPL Group announced that it would increase its quarterly dividend on its common stock from $0.60 to $0.62 per share. There are no restrictions in effect that currently limit FPL's ability to pay dividends to FPL Group. See Management's Discussion – Liquidity and Capital Resources for a description of the dividend restrictions and Note 13 – Common Stock Dividend Restrictions regarding dividends paid by FPL to FPL Group.

Item 6. Selected Financial Data

	Years Ended December 31,				
	2003	2002	2001	2000	1999
SELECTED DATA OF FPL GROUP (millions, except per share amounts):					
Operating revenues	$ 9,630	$ 8,173	$ 8,217	$ 6,920	$ 6,438
Income before cumulative effect of changes in accounting principles	$ 893[a]	$ 695[b]	$ 781[c]	$ 704[d]	$ 697[e]
Cumulative effect of adopting FAS 142, net of income taxes of $143	$ -	$ (222)	$ -	$ -	$ -
Cumulative effect of adopting FIN 46, net of income taxes of $2	$ (3)	$ -	$ -	$ -	$ -
Net income	$ 890[f]	$ 473[g]	$ 781[c]	$ 704[d]	$ 697[e]
Earnings per share of common stock:					
Earnings per share before cumulative effect of changes in accounting principles	$ 5.03[a]	$ 4.02[b]	$ 4.63[c]	$ 4.14[d]	$ 4.07[e]
Cumulative effect of changes in accounting principles	$ (0.02)	$ (1.28)	$ -	$ -	$ -
Earnings per share	$ 5.01[f]	$ 2.74[g]	$ 4.63[c]	$ 4.14[d]	$ 4.07[e]
Earnings per share of common stock - assuming dilution:					
Earnings per share before cumulative effect of changes in accounting principles	$ 5.02[a]	$ 4.01[c]	$ 4.62[c]	$ 4.14[d]	$ 4.07[e]
Cumulative effect of changes in accounting principles	$ (0.02)	$ (1.28)	$ -	$ -	$ -
Earnings per share	$ 5.00[f]	$ 2.73[g]	$ 4.62[c]	$ 4.14[d]	$ 4.07[e]
Dividends paid per share of common stock	$ 2.40	$ 2.32	$ 2.24	$ 2.16	$ 2.08
Total assets [h][i]	$ 26,935	$ 23,185	$ 20,713	$ 18,355	$ 16,220
Long-term debt, excluding current maturities [h]	$ 8,723	$ 5,790	$ 4,858	$ 3,976	$ 3,478
Obligations of FPL under capital lease, excluding current maturities [h]	$ -	$ 140	$ 133	$ 127	$ 157
SELECTED DATA OF FPL (millions):					
Operating revenues	$ 8,293	$ 7,378	$ 7,477	$ 6,361	$ 6,057
Net income available to FPL Group	$ 733	$ 717	$ 679[d]	$ 607[d]	$ 576[e]
Total assets [h]	$ 17,817	$ 16,032	$ 15,174	$ 15,075	$ 13,387
Long-term debt, excluding current maturities [h]	$ 3,074	$ 2,364	$ 2,579	$ 2,577	$ 2,079
Energy sales (kwh)	103,202	98,605	93,488	91,969	88,067
Energy sales:					
Residential	51.8%	51.6%	50.9%	50.4%	50.2%
Commercial	40.1	40.6	40.6	40.2	40.3
Industrial	3.9	4.1	4.4	4.1	4.5
Interchange power sales	2.3	1.8	2.2	3.1	3.0
Other [j]	1.9	1.9	1.9	2.2	2.0
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Approximate 60-minute peak load (mw): [k]					
Summer season	19,668	19,219	18,754	17,808	17,615
Winter season	14,723	20,190	17,585	18,219	17,057
Average number of customer accounts (thousands):					
Residential	3,653	3,566	3,491	3,414	3,332
Commercial	445	435	427	415	405
Industrial	17	16	15	16	16
Other	2	3	2	3	3
Total	4,117	4,020	3,935	3,848	3,756
Average price per kwh (cents) [l]	7.95	7.32	8.05	6.86	6.87

[a] Includes net unrealized mark-to-market gains associated with non-qualifying hedges.
[b] Includes impairment and restructuring charges, charges related to certain wind projects and leveraged leases, a favorable settlement of litigation with the IRS and net unrealized mark-to-market gains associated with non-qualifying hedges.
[c] Includes merger-related expenses and net unrealized mark-to-market gains associated with non-qualifying hedges.
[d] Includes merger-related expenses.
[e] Includes effects of gains on divestiture of cable investments, impairment loss and litigation settlement.
[f] Includes the cumulative effect of an accounting change and net unrealized mark-to-market gains associated with non-qualifying hedges.
[g] Includes the cumulative effect of an accounting change, impairment and restructuring charges, charges related to certain wind projects and leveraged leases, a favorable settlement of litigation with the IRS and net unrealized mark-to-market gains associated with non-qualifying hedges.
[h] Reflects the adoption of FIN 46 in July 2003. See Note 10.
[i] Reflects the adoption of FAS 142 in January 2002. See Note 5.
[j] Includes the net change in unbilled sales.
[k] Winter season includes November and December of the current year and January to March of the following year.
[l] Excludes interchange power sales, net change in unbilled revenues, deferrals/recoveries under cost recovery clauses and a provision, if any, for retail rate refund.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion should be read in conjunction with the Notes to Consolidated Financial Statements contained herein. In the discussion of Results of Operations below, all comparisons are with the corresponding items in the prior year.

Results of Operations

Overview – FPL Group's net income for the years ended December 31, 2003, 2002 and 2001 was $890 million, $473 million and $781 million, respectively. See Note 18 for segment information. FPL obtains its operating revenues primarily from the retail sale of electricity and, in 2003, accounted for more than 80% of FPL Group's net income. FPL Energy derives the majority of its operating revenues through wholesale electricity sales and provided continued growth to FPL Group primarily due to the expansion of its diverse portfolio, industry leading position in wind generation and moderate risk approach. FPL Group's net income for the year ended December 31, 2003 benefited from improved results at both FPL and FPL Energy. FPL's results primarily improved as a result of strong revenue growth from retail base operations. FPL Energy's results improved due to over 3,900 mw of new generation capacity being added in 2003 and the absence of certain write-offs recorded in 2002. FPL Group's effective tax rate for the years ended December 31, 2003 and 2002 reflects production tax credits for wind projects at FPL Energy. The effective tax rate for the year ended December 31, 2002 was further reduced by the gain from an income tax settlement referenced below. Net income reflects the following items which increased (decreased) reported results:

	Years Ended December 31,		
	2003	2002	2001
		(millions)	
FPL:			
Merger-related costs	$ -	$ -	$ (16)
FPL Energy:			
Cumulative effect of changes in accounting principles	$ (3)	$ (222)	$ -
Restructuring and other charges	$ -	$ (73)	$ -
Unrealized gains from non-qualifying hedges	$ 22	$ 1	$ 8
Corporate and Other:			
Impairment, restructuring and other charges	$ -	$ (94)	$ -
Gain from income tax settlement	$ -	$ 30	$ -
Merger-related costs	$ -	$ -	$ (3)

FPL Group's management uses earnings excluding these items (adjusted earnings) internally for financial planning, for reporting of results to the Board of Directors and for FPL Group's employee incentive compensation plan. FPL Group also uses adjusted earnings when communicating its earnings outlook to analysts and investors. FPL Group's management believes adjusted earnings provide a more meaningful representation of the company's fundamental earnings power. Although the excluded items are properly included in the determination of net income in accordance with generally accepted accounting principles, both the size and nature of such items make period to period comparisons of operations difficult and potentially confusing.

Beginning in 2002, FPL Group segregated unrealized mark-to-market gains and losses on derivative transactions into two categories. Prior year amounts were reclassified into these categories. The first category, referred to as trading and managed hedge activities, represents the net unrealized effect of actively traded positions entered into to take advantage of market price movements and to optimize the value of generation assets and related contracts. The unrealized mark-to-market gains (losses) from trading and managed hedge activities were $(1) million, $8 million and $0 for the years ended December 31, 2003, 2002 and 2001, respectively, and are reported net in operating revenues. The second category, referred to as non-qualifying hedges, represents the net unrealized effect of derivative transactions entered into as economic hedges (but which do not qualify for hedge accounting under FAS 133, "Accounting for Derivatives and Hedging Activities," as amended, and do not qualify for the normal purchases and sales exception) and the ineffective portion of transactions accounted for as cash flow hedges. The unrealized gains from non-qualifying hedges were $37 million, $1 million and $12 million for the years ended December 31, 2003, 2002 and 2001, respectively, and are reported in the same line item as the related realized amounts in FPL Group's consolidated statements of income. These transactions have been entered into to reduce FPL Group's aggregate risk. Any position that is moved between non-qualifying hedge activity and trading and managed hedge activity is transferred at its fair value on the date of reclassification. For additional information regarding derivative instruments, see Critical Accounting Policies and Estimates – Accounting for Derivatives and Hedging Activities and Note 3.

In May 2003, FPL Group announced it would begin using the fair value based method of accounting for stock-based compensation beginning in 2004. Based on the stock options outstanding at December 31, 2003, the implementation of the fair value based method is expected to reduce FPL Group's net income by approximately $4 million in 2004. See Note 1 – Stock-Based Compensation.

FPL – FPL's net income available to FPL Group for 2003, 2002 and 2001 was $733 million, $717 million and $679 million, respectively. During 2003, FPL's net income benefited from higher revenues from retail base operations. However, higher O&M expenses, depreciation expense and property taxes partially offset these higher revenues. FPL's 2003 net income also reflects a loss related to the redemption of preferred stock, which was substantially offset by tax benefits related to the favorable settlement of tax audit issues with the IRS. During 2002, higher revenues from retail base operations and lower depreciation and interest charges were partially offset by higher O&M expenses. Also in 2001, FPL recorded merger-related expenses totaling $26 million ($16 million after tax). For additional information regarding merger-related expenses, see Note 7.

In March 2002, the FPSC approved a new rate agreement regarding FPL's retail base rates, which became effective April 15, 2002 and expires December 31, 2005. The 2002-2005 rate agreement replaced a rate agreement that was effective April 15, 1999 through April 14, 2002. Both agreements include a revenue sharing mechanism for each of the twelve-month periods covered by the agreements, whereby revenues from retail base operations in excess of a stated threshold are required to be shared on the basis of two-thirds refunded to retail customers and one-third retained by FPL. Revenues from retail base operations in excess of a second threshold are required to be refunded 100% to retail customers.

The 1999-2002 rate agreement allowed FPL at its discretion to recover, as special depreciation, up to $100 million in each year of the three-year agreement period. The additional depreciation recovery was required to be applied to nuclear and/or fossil generating assets based on future depreciation studies. See Note 1 – Revenues and Rates and Electric Plant, Depreciation and Amortization. During the term of the agreement, FPL's ROE was from time to time outside the 10%-12% authorized range. However, the revenue sharing mechanism described above was specified as the appropriate and exclusive mechanism to address that circumstance. The agreement included provisions which limited depreciation rates and accruals for nuclear decommissioning and fossil dismantlement costs to the then approved levels and limited amounts recoverable under the environmental clause during the term of that agreement.

The 2002-2005 rate agreement provides for a $250 million annual reduction in retail base revenues allocated to all customers by reducing customers' base rates and service charges by approximately 7%. The revenue sharing thresholds specified in the 2002-2005 rate agreement are as follows:

	Years Ended December 31,			
	2002[a]	2003	2004	2005
	(millions)			
66 2/3% to customers	$ 3,580	$ 3,680	$ 3,780	$ 3,880
100% to customers	$ 3,740	$ 3,840	$ 3,940	$ 4,040

[a] Refund was limited to 71.5% (representing the period April 15 through December 31, 2002) of the revenues from base rate operations exceeding the thresholds.

During the term of the 2002-2005 rate agreement, FPL will not have an authorized regulatory ROE range for the purpose of addressing earnings levels. However, FPL will continue to file monthly earnings surveillance reports with the FPSC and if the reported ROE falls below 10% during the term of the 2002-2005 rate agreement, FPL may petition the FPSC to amend its base rates. The 2002-2005 rate agreement would terminate on the effective date of any final order issued in a proceeding that changes FPL's base rates. See Note 1 – Revenues and Rates. In addition, depreciation rates will not be changed during the term of the agreement; however, FPL will reduce its recorded depreciation expense by $125 million annually. During 2002, FPL reclassified certain amounts that were previously classified within accumulated depreciation to a regulatory liability. The reclassifications were made as a result of the terms of the 2002-2005 rate agreement, as well as other FPSC actions with regard to accumulated nuclear amortization. The amounts reclassified included $170 million of special depreciation and $99 million of nuclear amortization. During 2003 and 2002, FPL credited depreciation expense for $125 million as permitted under the rate agreement. The $125 million annual credit to depreciation went first to offset the $170 million of special depreciation and the remainder to accumulated depreciation. The $99 million of nuclear amortization is being credited to depreciation expense ratably over the remaining life of the plants, based on the term of the existing operating licenses of the plants, at a rate of $7 million per year. The regulatory liability balances at December 31, 2003 and 2002 are included in other liabilities on FPL Group's and FPL's consolidated balance sheets. See Note 1 – Regulation and Electric Plant, Depreciation and Amortization.

In April 2002, the South Florida Hospital and Healthcare Association and certain hospitals filed a joint notice of administrative appeal with the FPSC and the Supreme Court of Florida appealing the FPSC's approval of the 2002-2005 rate agreement. The appellants contend that the FPSC rushed to judgment and approved the settlement without the benefit of any evidentiary record to support its actions, and requested that the Supreme Court remand the case to the FPSC for additional proceedings. In November 2003, the Florida Supreme Court heard oral arguments in the appeal. There is no specified time by which the Supreme Court of Florida must rule. FPL intends to continue to vigorously contest this appeal and believes that the FPSC's decision approving the 2002-2005 rate agreement will be upheld.

FPL's operating revenues consisted of the following:

	Years Ended December 31,		
	2003	2002	2001
		(millions)	
Retail base operations	$ 3,680	$ 3,603	$ 3,616
Revenue refund provision	(3)	(34)	(110)
Cost recovery clauses and other pass-through costs	4,558	3,793	3,955
Other	58	16	16
Total	$ 8,293	$ 7,378	$ 7,477

For the year ended December 31, 2003, the increase in retail base revenues was primarily due to an increase in customer accounts and an increase in usage per retail customer. The increase in 2003 was partially offset by the effect of the 7% base reduction in retail rates, or $62 million, pursuant to the 2002-2005 rate agreement that was effective in mid-April 2002. A 2.4%

increase in the number of retail customer accounts increased revenues by $85 million, while the balance of the increase, or $54 million, was primarily due to a 1.7% increase in usage per retail customer. Based upon econometric models, management estimates about half of the growth in usage for the year was associated with higher per capita income and the remainder is due to weather related usage and price elasticity associated with lower rates.

The increase in retail base revenues in 2002 (net of the revenue refund provision discussed above) was due to a 2.1% increase in retail customer accounts which contributed $78 million to revenues while the balance of the increase, or $112 million, was primarily due to a 3.5% increase in electricity usage per retail customer. The 7% rate reduction caused a $203 million reduction in retail base revenues.

Revenues from cost recovery clauses and other pass-through costs, such as franchise fees and revenue taxes, do not significantly affect net income; however, under- or over-recovery of such costs can significantly affect FPL Group's and FPL's operating cash flows. Fluctuations in these revenues, as well as in fuel, purchased power and interchange expense are primarily driven by changes in energy sales, fuel prices and capacity charges. Ordinarily, the fuel charge is set annually based on estimated fuel costs and estimated customer usage, plus or minus a true-up for prior period estimates. During 2003, the FPSC approved fuel adjustment increases of $347 million effective April 1, 2003 and $214 million effective July 31, 2003 both of which were recovered in 2003. These increases were due to higher than projected oil and natural gas prices. During 2002, the FPSC approved a risk management fuel procurement program which became effective January 1, 2003. The program is intended to reduce the risk of unexpected fuel price volatility by locking in fuel prices for a portion of FPL's fuel requirements. The results of the program are reviewed by the FPSC as part of the annual review of fuel costs. The increase in revenues from cost recovery clauses and other pass-through costs for the year ended December 31, 2003, was primarily due to higher fuel costs. Higher than projected fuel costs resulted in an underrecovery, which increased deferred clause expenses on FPL Group's and FPL's consolidated balance sheets and negatively affected FPL Group's and FPL's cash flows from operations for the twelve months ended December 31, 2003. During 2002, clause revenues (primarily fuel-related) declined due to lower fuel costs. FPL's annual fuel filing for 2001, as approved by the FPSC, included approximately $518 million of under-recovered fuel costs from 2000, of which one-half ($259 million) was recovered in 2001 and the balance was recovered in 2002. FPL agreed to this two-year recovery, rather than the typical one-year time frame, to ease the impact on customers' bills. FPL also agreed that, instead of receiving a return at the commercial paper rate through the fuel clause, the under-recovery would be included as a rate base regulatory asset over the two-year recovery period. See Note 1 – Regulation.

FPL's O&M expenses increased $25 million in 2003 primarily due to a $29 million increase in nuclear maintenance expenses associated with more comprehensive inspections of the reactor vessel heads at FPL's nuclear facilities as ordered by the NRC, as well as increased outage and plant maintenance costs. In 2003, the NRC issued an order, subsequent to a previously issued NRC bulletin, requiring all pressurized water reactor licensees, including FPL, to perform visual and volumetric inspections of reactor vessel heads at each unit's scheduled refueling outage to identify if degradation such as cracking or corrosion has occurred. During the scheduled refueling outages for St. Lucie Unit No. 1 in October 2002, Turkey Point Unit No. 3 in March 2003 and Turkey Point Unit No. 4 in October 2003, FPL performed visual and volumetric inspections and found no degradation associated with the reactor vessel heads. In late April and early May 2003, while volumetric inspections of the reactor vessel head at St. Lucie Unit No. 2 were being performed during a scheduled refueling outage, two CRDM nozzles were found with one small crack in each. Both cracks were less than 50% through the thickness of the CRDM nozzle. No leakage was observed and both cracks were repaired during the outage. Also during the St. Lucie Unit No. 2 scheduled refueling outage, the steam generators were inspected and more tubes had to be plugged than anticipated. The inspection results were evaluated and revised tube plugging projections developed. Management intends to replace the steam generators at St. Lucie Unit No. 2 in 2007 and will delay the reactor vessel head replacement for St. Lucie Unit No. 2 until 2007 to coincide with the steam generator replacement. FPL anticipates replacing the reactor vessel heads at Turkey Point Units Nos. 3 and 4 during their next scheduled refueling outage and at St. Lucie Unit No. 1 during a scheduled refueling outage in the fall of 2005. Reactor vessel head replacements for these three units are expected to add approximately 35 days to the number of days a unit is removed from service during a typical scheduled refueling outage. The cost for the reactor vessel heads and steam generators is estimated to be $525 million and is included in FPL's estimated capital expenditures. See Note 17 – Commitments. The cost of performing inspections and any necessary repairs until the reactor vessel heads are replaced is being recognized as expense on a levelized basis over a five-year period beginning in 2002, as authorized by the FPSC, and amounted to $13 million in each of 2003 and 2002.

In 2003, the NRC issued a bulletin recommending that utilities with bottom mounted instrumentation penetrations perform visual inspections. Visual inspections of the bottom mounted instrumentation penetrations were performed in 2003 during Turkey Point Unit No. 4's scheduled refueling outage, and no evidence of leakage from these penetrations was noted. A visual inspection of Turkey Point Unit No. 3's bottom mounted instrumentation penetrations will be performed at its next scheduled refueling outage in the fall of 2004. St. Lucie Units Nos. 1 and 2 do not have bottom mounted instrumentation penetrations.

In addition to the increase in nuclear O&M expenses in 2003, employee benefit costs, primarily medical-related, increased $17 million and property and liability insurance costs increased $17 million due to higher insurance premiums combined with lower refunds under nuclear insurance policies. These cost pressures are expected to continue in 2004. The 2003 cost increases were partially offset by the absence of the storm fund accrual of $35 million (discussed below) recorded in 2002, as well as productivity improvements in other areas. FPL's O&M expenses increased $143 million in 2002. Approximately $42 million was attributable to higher nuclear costs associated with more comprehensive inspections of the reactor vessel heads at FPL's nuclear facilities. In addition to the increase in nuclear O&M expenses in 2002, employee benefit costs increased $15 million and property insurance costs increased $9 million. Also in December 2002, the FPSC approved a one-time $35 million

addition to the storm fund reserve. The balance of the increase in 2002 O&M expenses primarily related to costs associated with work force reductions, overhaul of fossil plants and system reliability efforts.

Depreciation and amortization expense increased from $831 million in 2002 to $898 million in 2003 primarily due to FPL's investment in generation and distribution expansion to support customer growth and demand which included the completion of the Fort Myers and Sanford repowering projects. The decrease in depreciation expense during 2002 reflects the $125 million credit to depreciation expense authorized under the 2002-2005 rate agreement. This credit was partially offset by higher depreciation expense associated with the amortization of a regulatory asset recorded as a result of a litigation settlement. The amortization approximates $44 million annually and is being recovered over a 5-year period, beginning in January 2002, through the fuel and capacity clauses.

The Turkey Point Units Nos. 3 and 4 received operating license extensions in 2002, which give FPL the option to operate these units until 2032 and 2033, respectively. The NRC extended the operating licenses for St. Lucie Units Nos. 1 and 2 during 2003, which give FPL the option to operate these units until 2036 and 2043, respectively. The original license expiration dates for Turkey Point Units Nos. 3 and 4 and for St. Lucie Units Nos. 1 and 2 are 2012, 2013, 2016 and 2023, respectively. FPL has not yet decided to exercise the option to operate past the original license expiration dates, although FPL is continuing to take actions to ensure the long-term viability of the units in order to preserve this option. The decision will be made for Turkey Point Units Nos. 3 and 4 by 2007 and for St. Lucie Units Nos. 1 and 2 by 2011. Any adjustment to depreciation and decommissioning rates would require FPSC approval.

Interest charges for 2003 increased primarily due to higher average debt balances used to fund increased investment in generation, transmission and distribution expansion and under-recovery of fuel costs. This increase was partially offset by a decline in average interest rates of approximately 80 basis points in 2003 as compared to 2002. In 2002, the decrease in interest charges was primarily due to lower average interest rates, as well as lower average debt balances as a result of the recovery of previously under-recovered fuel costs.

FPL currently faces competition from other suppliers of electrical energy to wholesale customers and from alternative energy sources and self-generation for other customer groups, primarily industrial customers. In 2003, operating revenues from wholesale and industrial customers combined represented approximately 4% of FPL's total operating revenues. Various states, other than Florida, have enacted legislation or have state commissions that have issued orders designed to allow retail customers to choose their electricity supplier. This regulatory restructuring is expected to result in a shift from cost-based rates to market-based rates for energy production and other services provided to retail customers. Although the legislation and initiatives vary substantially, common areas of focus include when market-based pricing will be available for wholesale and retail customers, what existing prudently incurred costs in excess of the market-based price will be recoverable and whether generating assets should be separated from transmission, distribution and other assets. It is generally believed transmission and distribution activities would remain regulated. Recently, these state restructuring efforts have diminished, and several states have delayed the implementation or reversed previously approved restructuring legislation and rules. Management believes it is unlikely there will be any state actions to restructure the electric industry in Florida in the near future.

The FPSC promotes competition for building major new steam generating capacity by requiring investor-owned electric utilities, such as FPL, to issue an RFP. The RFP process allows independent power producers and others to bid to supply the needed generating capacity. If a bidder has the most cost-effective alternative, meets other criteria such as financial viability and demonstrates adequate expertise and experience in building and/or operating generation capacity of the type proposed, the investor-owned electric utility would seek to negotiate a power purchase agreement with the selected bidder and request that the FPSC authorize the construction of the bidder's generation capacity under the terms of the power purchase agreement. In 2003, FPL issued an RFP for additional power resources of approximately 1,100 mw beginning in June 2007. In January 2004, after evaluating alternative proposals, FPL concluded that its plan to build a new natural gas-fired plant at its Turkey Point site was the best and most cost-effective option to provide the 1,100 mw. In March 2004, FPL plans to file a petition for approval of this alternative with the FPSC. A decision is expected by mid-2004. This alternative will also be subject to approval by a Siting Board (comprised of the governor and cabinet) under the Florida Electrical Power Plant Siting Act.

The FERC has jurisdiction over potential changes which could affect competition in wholesale transactions. In 1999, the FERC issued its final order on RTOs which, under a variety of structures, provides for the independent operation of transmission systems for a given geographic area. In March 2001, the FERC approved GridFlorida (FPL's, Progress Energy Florida, Inc.'s and Tampa Electric Company's proposed RTO) as the RTO for peninsular Florida. In December 2001, the FPSC determined that the RTO as proposed was not in the best interest of Florida customers and required the companies to develop a modified proposal. In March 2002, FPL, Progress Energy Florida, Inc. and Tampa Electric Company filed a modified RTO proposal with the FPSC changing the structure of GridFlorida from a for-profit transmission company to a non-profit ISO. Under the proposal, FPL would continue to own its transmission lines and the ISO would manage them. In September 2002, the FPSC approved many of the aspects of the modified RTO proposal, allowing recovery of GridFlorida's incremental costs through the capacity clause. In October 2002, the Public Counsel filed a notice of administrative appeal with the Supreme Court of Florida seeking an appeal of the FPSC's order. In June 2003, the Florida Supreme Court dismissed the Public Counsel's appeal of the FPSC's approval of GridFlorida without prejudice concluding that the appeal was premature because the FPSC proceedings had not yet been completed and not all aspects of the FPSC's order on appeal were considered final agency action. The FPSC has restored the GridFlorida docket to active status and in December 2003 issued a procedural order establishing a series of workshops through 2004 to address GridFlorida issues.

In July 2002, the FERC issued a notice of proposed rulemaking to reform public utilities' transmission tariffs and implement a standardized design for electric markets in the United States. The proposed rule would, among other things, require FERC regulated entities, including FPL, that own, control or operate transmission facilities to hire an independent transmission provider, which can be an RTO such as GridFlorida for the operation of those facilities. The proposed rule also will require the independent transmission provider to administer various spot markets for the sale of electricity and ancillary services and to manage congestion on the transmission system using financial congestion rights. Legislators and regulators from the southeast and western states have expressed strong reservations about the FERC's proposal. In April 2003, the FERC issued a White Paper responding to comments on its proposed rule. The White Paper indicates that the FERC intends to be more flexible on how and when the final rule will be implemented, defer to regional state committees to address significant RTO/ISO features, require regulated utilities to join RTOs or ISOs and require RTOs to implement spot markets. While a moratorium on further action by the FERC was included in the proposed Energy Policy Act, the status of that legislation is uncertain. FPL is evaluating the proposed FERC rule and is currently unable to determine its effects, if any, on FPL's operations.

In the event the basis of regulation for some or all of FPL's business changes from cost-based regulation, existing regulatory assets and liabilities would be written off unless regulators specify an alternative means of recovery or refund. Further, other aspects of the business, such as generation assets and long-term power purchase commitments, would need to be reviewed to assess their recoverability in a changed regulatory environment. See Note 1 – Regulation.

In addition, FPL is constructing approximately 1,900 mw of natural gas combined cycle generation at its Martin and Manatee sites with a planned in-service date of June 2005. In January 2003, CPV Gulfcoast, Ltd. filed a notice of appeal with the Supreme Court of Florida challenging the FPSC's 2002 approval of the Martin and Manatee expansion and in April 2003, filed its initial brief. In May 2003, FPL filed its answer brief, which included a request for dismissal. The Supreme Court of Florida will not hold oral arguments. There is no specified time by which the Supreme Court of Florida must rule.

FPL Energy – FPL Energy's net income (loss) for 2003, 2002 and 2001 was $194 million, $(169) million and $113 million, respectively. FPL Energy's net income has become a greater portion of FPL Group's consolidated net income increasing from 1% in 1997 to 22% in 2003. Net income reflects the following items which increased (decreased) reported results:

	Years Ended December 31,		
	2003	2002	2001
		(millions)	
Cumulative effect of changes in accounting principles	$ (3)	$ (222)	$ -
Restructuring and other charges	$ -	$ (73)	$ -
Unrealized gains from non-qualifying hedges	$ 22	$ 1	$ 8

Net income for 2003 included a charge of $3 million after tax due to a change in accounting principle (see Note 10) and a net unrealized gain of $22 million after tax associated with the mark-to-market effect of non-qualifying hedges. The net loss for 2002 was the result of FPL Energy recording impairment and other charges totaling $485 million ($295 million after tax). The impairment and other charges consisted of a goodwill impairment charge of $365 million ($222 million after tax) representing the cumulative effect of adopting FAS 142, "Goodwill and Other Intangible Assets," and restructuring and other charges totaling $120 million ($73 million after tax) due to the unfavorable market conditions in the wholesale energy market. For further discussion of FAS 142, see Note 5, and for the restructuring and other charges, see below. In addition, during 2002, FPL Energy recorded less than $1 million of after-tax net unrealized mark-to-market gains from non-qualifying hedges compared to gains of $8 million during 2001. For further discussion of derivative instruments, see Note 3.

In 2002, as a result of depressed economic conditions coupled with an oversupply of energy generating facilities in certain markets, projected profit margins for certain natural gas projects had declined and were not sufficient to cover the cost of capital. Therefore, FPL Energy made a strategic decision during 2002 to substantially exit the fossil-fueled greenfield merchant power plant development business for the foreseeable future and, as a result, recorded restructuring and impairment charges in FPL Group's consolidated statements of income totaling $103 million ($63 million after tax). See Note 6 – FPL Energy.

Also in 2002, FPL Energy recorded a charge of approximately $17 million ($10 million after tax) against its investment in two wind projects due to regulatory issues associated with another investor in the projects. The resulting expense is included in equity in earnings of equity method investees in FPL Group's consolidated statements of income. After resolving the regulatory issues, in December 2003, FPL Energy purchased the remaining interests in these wind projects and began consolidating their operations.

FPL Energy's 2003 net income benefited from the full year effect of 2,235 mw of generation added in 2002, the majority of which was added in the fourth quarter of 2002, as well as 3,904 mw added in 2003. The 2002 additions include the purchase of an 88.23% interest in Seabrook as well as wind and natural gas-fired assets. During 2003, FPL Energy added 975 mw of wind generation and 2,929 mw of natural gas-fired assets. In aggregate, 2002 and 2003 project additions contributed $82 million to 2003 net income. FPL Energy's operating revenues and operating expenses for the year ended 2003 increased $561 million and $352 million, respectively, primarily driven by project additions. In addition, restructuring and impairment charges discussed above added $103 million to operating expenses in 2002. Operating revenues net of operating expenses, primarily fuel, were essentially flat in the balance of the portfolio. Both the ERCOT and NEPOOL regions experienced higher energy prices offset by lower generation and higher fuel costs. Construction is underway on another gas-fired power plant that will add 744 mw of generation in PJM in the last half of 2004. FPL Energy expects its future portfolio growth to come from a mix of

asset acquisitions and wind development, assuming pending legislation reestablishing the production tax credits for new wind facilities is enacted.

Earnings from investments in partnerships and joint ventures for the twelve months ended December 31, 2003, presented as equity in earnings of equity method investees, increased $13 million from the prior year reflecting an increase in unrealized gains associated with the mark-to-market effect of non-qualifying hedges and a $17 million charge against its investment in two wind projects recorded in 2002 (discussed above). In addition, equity in earnings of equity method investees reflects lower gains from contract restructurings and lower earnings from a project in California, as well as lower project earnings due to higher fuel prices in the ERCOT and NEPOOL regions.

FPL Energy's net income for the year ended 2003 also reflected higher interest expense of approximately $38 million associated with increasing average debt balances due to growth in the business partially offset by a decline in average interest rates of approximately 30 basis points compared with same period in 2002. FPL Energy's net income in 2002 also included the positive effects of a $10 million insurance settlement.

In 2003, the NRC issued an order, subsequent to a previously issued NRC bulletin, requiring all pressurized water reactor licensees, including Seabrook, to perform visual and volumetric inspections of reactor vessel heads to identify if degradation such as cracking or corrosion has occurred. Seabrook will be required to perform 100% visual and volumetric inspections in 2006, and subsequently, visual inspections every third outage and volumetric inspections every fourth outage. In 2003, the NRC issued a bulletin recommending that utilities with bottom mounted instrumentation penetrations perform visual inspections. In October 2003, visual inspections of the bottom mounted instrumentation penetrations were performed during Seabrook's scheduled refueling outage, and no evidence of leakage from these penetrations was noted. The next refueling outage is scheduled to be performed in April 2005.

FPL Energy's 2002 net income benefited from project additions, primarily wind assets in the central and western regions of the United States, and the purchase of an 88.23% interest in Seabrook in November 2002, as well as a natural gas-fired power plant that began operations during the fourth quarter of 2002. Project additions totaling more than 1,000 mw in 2001 and more than 2,200 mw in 2002 contributed $41 million to 2002 net income, $22 million coming from the full-year effect of new wind projects that came on line in the second half of 2001 and 324 mw of new wind generation added in 2002, and the balance from earnings from other project additions, including Seabrook. For additional information concerning the Seabrook acquisition, see Note 9 – FPL Energy. FPL Energy's operating revenues and operating expenses for 2002 increased $80 million and $220 million, respectively, primarily driven by project additions coupled with the previously discussed restructuring charges that added $103 million to operating expenses in 2002. Increased revenues from project additions were partially offset by lower revenues from the balance of the consolidated portfolio primarily due to reduced energy prices driven by new entrants in the market, as well as mild weather in the Northeast, including drought conditions which had a negative impact on the performance of the hydro assets.

Earnings from investments in partnerships and joint ventures, presented as equity in earnings of equity method investees, declined $5 million in 2002 reflecting the $17 million charge recorded against investments in two wind projects discussed above and a gain of $23 million on the restructuring of a gas supply contract that was renegotiated to yield lower fuel costs and is expected to improve future cash flows, as well as improve equity in earnings from the project. In addition, equity in earnings of equity method investees in 2001 included a gain of $34 million resulting from the sale of a partnership interest in a geothermal project. This gain was almost entirely offset by the write-off of affiliate debt associated with the partnership interest, which was included in other – net. The remaining increase in 2002 equity in earnings is primarily due to increased contract prices, as the majority of the output of the projects was sold under long-term contracts.

Interest charges increased $12 million during 2002 associated with higher debt balances due to growth in the business, partly offset by lower average interest rates. Interest income in 2002 declined approximately $14 million and includes, in 2001, interest from a favorable settlement with the IRS. In addition, the decline in interest income reflects lower interest rates in 2002.

Over the last several years, there has been a general decline in the wholesale energy market, including deterioration in forward prices and reduced liquidity, as well as increasing credit concerns that have limited the number of counterparties with which FPL Energy does business. These market conditions have made it more difficult for FPL Energy to manage the risk associated with fluctuating commodity prices, to optimize the value of its assets and to contract the output of its plants. Any uncontracted output from the plants has been and will be sold into the market place at prevailing prices when economical. Given current market conditions, when FPL Energy's existing power sales agreements expire, more of the energy produced may be sold through shorter-term contracts and into competitive wholesale markets.

Competitive wholesale markets in the United States continue to evolve and vary by geographic region. Expanded competition in a relaxed regulatory environment presents both opportunities and risks for FPL Energy. Some of the factors affecting success in these markets are the ability to operate generating assets efficiently and reliably, the price and supply of fuel, transmission constraints, wind and hydro resources (weather conditions), competition from new sources of generation, effective risk management, demand growth and exposure to legal and regulatory changes. Opportunities exist for the selective acquisition of generation assets divested under deregulation plans and for the construction and operation of efficient plants that can sell power in competitive markets. Wholesale energy markets have experienced lower demand and lower wholesale electricity prices as a result of weather and economic conditions and the oversupply of generation in certain regions. FPL Energy seeks to reduce its market risk by having a diversified portfolio, by fuel type and location, as well as by contracting for the sale of a significant amount of the electricity output of its plants.

FPL Energy's 2004 earnings are subject to variability due to, among other things, commodity price exposure, counterparty performance, weather conditions and project restructuring activities. FPL Energy's exposure to commodity price risk is reduced by the high degree of contract coverage obtained for 2004. As of December 31, 2003, FPL Energy's capacity under contract for 2004 is as follows:

Asset Class	Available MW [a]	% MW Under Contract
Wind	2,719	99%
Non-wind assets under long-term contract	1,255	98%
Merchants:		
Seabrook	1,024	97%
NEPOOL/PJM/NYPP	1,879	34% [b]
ERCOT	3,009	65% [b]
Other (WECC/SERC)	1,345	60% [b]
Total portfolio	11,231	74%

[a] Weighted to reflect in-service dates and planned maintenance.
[b] Represents on-peak mw under contract.

FPL Energy's results are affected by natural fluctuations in weather. In addition to the effect of temperature, which is reflected in commodity prices and demand, changes in weather affect the wind portfolio as well as the hydro units in Maine. In managing its exposure to commodity prices, FPL Energy is dependent upon its counterparties to perform under their contractual obligations. FPL Energy actively manages the trade-off between market risk and credit risk, as well as exposure with individual counterparties as a function of their creditworthiness. Substantially all of FPL Energy's 2004 contracted revenues are with investment grade counterparties.

Corporate and Other – Corporate and Other's net loss for 2003, 2002 and 2001 was $37 million, $75 million and $11 million, respectively. Net loss reflects the following items which increased (decreased) reported results:

	Years Ended December 31,		
	2003	2002	2001
		(millions)	
Impairment, restructuring and other charges	$ -	$ (94)	$ -
Gain from income tax settlement	$ -	$ 30	$ -
Merger-related costs	$ -	$ -	$ (3)

Corporate and Other is primarily comprised of FPL FiberNet and other corporate income and expenses, such as interest income and interest expense. Results from Corporate and Other for 2003 primarily reflect higher interest charges and the absence of restructuring and impairment charges recorded in 2002. For the year ended December 31, 2002, losses at Corporate and Other reflect impairment and other charges totaling $94 million after tax as a result of declines in the telecommunications market (see Note 6 – Corporate and Other) and reserves against certain leveraged lease investments (see Note 17 – Other Contingencies). These charges were partially offset by a $30 million gain in the first quarter of 2002 from the resolution of an income tax matter. The impairment and other charges were recorded as a result of declines in the telecommunications market. FPL FiberNet completed valuation studies to assess the recoverability of its assets and as a result, in 2002, recorded charges of approximately $104 million ($64 million after tax). Of this amount, $85 million ($52 million after tax) represents an impairment charge related to property, plant and equipment, the fair value of which was determined based on a discounted cash flow analysis. Additionally, FPL FiberNet decided not to pursue the planned build-out of metro fiber rings in certain cities, and restructuring charges of $19 million ($12 million after tax) were recognized related to the write-off of development costs and inventory. These charges are included in restructuring and impairment charges in FPL Group's consolidated statements of income.

Although the demand for telecommunication capacity continues to grow, many telecommunication companies have filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code (Chapter 11) as market conditions deteriorated. This has caused customer credit to become a primary focus for the industry as credit downgrades have increased. Most of FPL FiberNet's customers are required to pay in advance and past due amounts are closely monitored and actively pursued. Several of FPL FiberNet's customers have filed for bankruptcy protection under Chapter 11 and reserves for any prepetition receivables due to FPL FiberNet have been established. As a result of this deterioration and general economic conditions, FPL FiberNet has experienced a slowdown in its longhaul (intercity transport) business. FPL FiberNet's metropolitan network continues to benefit from an expanding customer base and increasing use of FPL FiberNet's network by its existing customers. FPL FiberNet's capital expenditure forecast for 2004-2008 is approximately $50 million.

Subsidiaries of FPL Group, other than FPL, have investments in several leveraged leases, two of which are with MCI Telecommunications Corporation (MCI). In July 2002, MCI filed for bankruptcy protection under Chapter 11. Due to the uncertainty of collectibility associated with these leveraged leases, FPL Group recorded reserves totaling approximately $48 million ($30 million after tax) in the third quarter of 2002. At December 31, 2003, investments in leveraged leases with MCI totaled approximately $15 million and related deferred tax liabilities totaled approximately $11 million. An agreement has been reached with MCI that will consolidate and amend the leases upon the effective date of MCI's reorganization plan. On

September 2, 2003, MCI was authorized by the bankruptcy court to assume the consolidated and amended lease, cure any prepetition arrearages and take all further action necessary or appropriate to effectuate the amended lease upon the effective date of MCI's reorganization plan. The amended lease would be classified as an operating lease and is not expected to have a significant effect on FPL Group's financial statements. In October 2003, the bankruptcy court approved MCI's reorganization plan which is expected to become effective in early 2004.

In connection with the redemption in 1999 of its one-third ownership interest in Olympus Communications, L.P. (Olympus), an indirect subsidiary of FPL Group holds a note receivable from a limited partnership, of which Olympus is a general partner. The note receivable is secured by a pledge of the redeemed ownership interest. Olympus is an indirect subsidiary of Adelphia Communications Corp. (Adelphia). In June 2002, Adelphia and a number of its subsidiaries, including Olympus, filed for bankruptcy protection under Chapter 11. The note receivable plus accrued interest totaled approximately $127 million at December 31, 2003 and are included in other investments on FPL Group's consolidated balance sheets. The note was due on July 1, 2002 and is currently in default.

Based on the most recent publicly available financial information set forth in Olympus' Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2001, total assets of Olympus exceeded liabilities by approximately $3.6 billion and Olympus served 1,787,000 basic subscribers. Olympus has not filed its Annual Report on Form 10-K for the fiscal year ended December 31, 2001 or any subsequent Quarterly Reports on Form 10-Q or Annual Reports on Form 10-K with the SEC, and consequently the September 30, 2001 financial information may not be indicative of Olympus' current financial position. Olympus has stated publicly that it expects to restate its financial statements for the years ended December 31, 2000 and 1999, and its interim financial statements for 2001 and possibly other periods. In addition, current management of Olympus believes that other public information provided by the Rigas family, which controlled Adelphia, was unreliable. In July 2002, the SEC filed suit against Adelphia and certain of its officers alleging that Adelphia fraudulently excluded billions of dollars of debt from its financial statements, misstated its financial and operating results and concealed rampant self-dealing by the Rigas family. In October 2003, Olympus filed certain limited financial information as required by orders of the bankruptcy court. However, such information was not useful to FPL Group in its evaluation of the collectibility of the note receivable. In January 2004, the FPL Group subsidiary filed its proof of claims with the bankruptcy court.

In August 2002, an affidavit was filed in the bankruptcy court proceedings by a director of Lazard Freres & Co. LLC stating that, based on his analysis, the market value of FPL Group's secured interest in Olympus exceeded the carrying value of the note receivable plus accrued interest. In February 2003, FPL Group obtained an evaluation of the Olympus assets from an independent third party. The results of the evaluation, which was based on the limited information available, indicated that there was no impairment.

On February 25, 2004, Adelphia and certain of its affiliates and subsidiaries, including Olympus, filed a disclosure statement (Disclosure Statement) and plan of reorganization (Plan). The Disclosure Statement provides for the "deemed consolidation" of the Adelphia debtors into ten separate groups for purposes of voting, confirmation and distribution under the Plan. The note receivable has been classified under the Plan by the Adelphia debtors as one of those groups and, under the proposed treatment under the Plan, the note receivable will be satisfied with shares of common stock of a reorganized Adelphia.

FPL Group believes that the Disclosure Statement and the Plan have misclassified the note receivable and anticipates filing appropriate objections. FPL Group cannot predict whether its objection to the Plan will result in changes to the Plan or whether the Plan will be approved. As such, the ultimate collectibility of the note receivable cannot be assured.

Liquidity and Capital Resources

FPL Group and its subsidiaries, including FPL, require funds to support and grow their businesses. These funds are used for working capital, capital expenditures, investments in or acquisitions of assets and businesses, to pay maturing debt obligations and, from time to time, to redeem outstanding debt and preferred stock. It is anticipated that these requirements will be satisfied through a combination of internally generated funds and the issuance, from time to time, of debt and equity securities, consistent with FPL Group's and FPL's objective of maintaining, on a long-term basis, a capital structure that will support a strong investment grade credit rating. Credit ratings can affect FPL Group's and FPL's ability to obtain short- and long-term financing, the cost of such financing and the execution of their financing strategies. Absent new investment opportunities in 2004, management expects cash to be available to FPL Group in excess of needs that are presently identified.

FPL Group and its subsidiaries, including FPL, have $3.0 billion ($2.0 billion for FPL Group Capital and $1.0 billion for FPL) of bank lines of credit currently available. Half of these credit facilities expire in October 2004 with a one-year term-out option. The other half of the credit facilities expire in October 2006 and provide for the issuance of letters of credit of up to $500 million for FPL Group Capital and up to $250 million for FPL subject to the aggregate commitment ($1.0 billion for FPL Group Capital and $500 million for FPL) under the applicable facility. These credit facilities are available to support the companies' commercial paper programs and to provide additional liquidity in the event of a Transmission and Distribution property loss (in the case of FPL), as well as for general corporate purposes. At December 31, 2003, letters of credit totaling $85 million and $0 were outstanding under the FPL Group Capital and FPL credit facilities, respectively. In addition, FPL Group Capital and FPL each have a promissory note with a bank under which they may borrow up to $200 million and $500 million, respectively. Borrowings under both promissory notes may be used for general corporate purposes. As of December 31, 2003, FPL Group Capital had $200 million outstanding under its promissory note and is included in notes payable on FPL Group's consolidated balance sheets. FPL had no amounts outstanding under its promissory note. FPL Group (which guarantees payment of FPL Group Capital's credit facilities and promissory note) is required to maintain a minimum ratio of funded debt to capitalization

and a minimum interest coverage ratio under the terms of FPL Group Capital's credit facilities. FPL is required to maintain a minimum ratio of funded debt to capitalization under FPL's credit facilities. At December 31, 2003, FPL Group and FPL were in compliance with their respective ratios.

During 2003, FPL Group and its subsidiaries obtained debt financing totaling approximately $3.1 billion; approximately $894 million at FPL, $1.1 billion at FPL Group Capital and $1.1 billion at FPL Energy. During 2003, FPL Group also raised approximately $73 million of equity through its dividend reinvestment plan and employee thrift plans. The proceeds from FPL's debt were used to repay a portion of short-term borrowings, redeem higher interest rate debt and for other corporate purposes. In addition, FPL redeemed preferred stock with an aggregate par value of $221 million during 2003. FPL Group Capital's debt proceeds were used to repay a portion of commercial paper issued to fund investments in independent power projects. Subsidiaries of FPL Energy that issued debt used the proceeds to either fund, or return to FPL Energy a portion of the indirect investment it made for the development, acquisition and/or construction of independent power projects, as well as to fund operations and debt service.

In addition, effective July 1, 2003, FPL Group and FPL consolidated certain VIEs in accordance with FIN 46. FPL consolidated $135 million of 2.34% senior secured notes maturing in June 2006. The notes were issued by a VIE in June 2003 and the proceeds were used by the VIE to refinance its existing debt and for the procurement of nuclear fuel and related general corporate purposes. In 2003, this consolidated VIE also established a $65 million senior secured revolving credit facility which expires in June 2004 to provide backup support to the VIE's commercial paper program. FPL has provided an unconditional guarantee of the payment obligations of the VIE under the notes and credit facility, which are included in the table of commitments below. At December 31, 2003, the VIE had no outstanding borrowings under the revolving credit facility and approximately $19 million under the commercial paper program. In addition, FPL Energy consolidated approximately $360 million variable rate notes payable issued by a VIE in June 2002 and maturing in December 2007. At December 31, 2003, the balance of the notes payable was approximately $356 million. The proceeds of the notes were used by the VIE to complete the acquisition, development and construction of a power generation plant. FPL Group Capital has guaranteed certain obligations under the debt agreement. This VIE also entered into two identical interest rate swap agreements in 2002 with an aggregate original notional amount of $106 million to fix the interest rate on a portion of this debt at 4.41%. The interest rate swap agreements expire in December 2007. Quarterly principal payments on the notes began in March 2003. For further discussion of VIEs, see Note 10.

FPL Group and its subsidiaries also entered into five interest rate swap agreements during 2003. The swaps consisted of three variable interest rate swap agreements at FPL Group Capital to protect $475 million of its outstanding fixed rate debentures (with interest rates ranging from 6 7/8% to 7 5/8%) against changes in fair value due to changes in interest rates and two interest rate swap agreements at FPL Energy to fix the interest rates at rates ranging from 3.557% to 4.245% in order to limit cash flow exposure on a total of $294 million of variable rate debt.

In January 2004, FPL sold 200,000 shares of $100 par value 4 1/2% Series V preferred stock to FPL Group and issued $240 million of 5.65% first mortgage bonds maturing in 2035. Also in January 2004, FPL Group Capital entered into a variable interest rate swap agreement to protect $200 million of its outstanding 1 7/8% fixed rate debentures against changes in fair value due to changes in interest rates. For further discussion of preferred stock and debt activity, see Notes 14 and 15, respectively.

The following provides various metrics regarding FPL Group and FPL's outstanding debt:

	FPL Group		FPL	
	December 31,		December 31,	
	2003	2002	2003	2002
Weighted average annual interest rate	4.9%	5.5%	4.5%	5.3%
Weighted average life (years) [a]	7.3	6.0	13.6	10.1
Annual average of floating rate debt to total debt	31%	29%	33%	34%

[a] For comparability purposes, 2002 reflects debt related to VIEs consolidated July 1, 2003.

FPL Group's charter does not limit the dividends that may be paid on its common stock. As a practical matter, the ability of FPL Group to pay dividends on its common stock is dependent upon dividends paid to it by its subsidiaries, primarily FPL. In February 2004, FPL Group announced that it would increase its quarterly dividend on its common stock from $0.60 to $0.62 per share. In 2003, 2002 and 2001, FPL paid, as dividends to FPL Group, its net income available to FPL Group on a one-month lag basis. In addition in 2002, FPL paid special dividends totaling $375 million to FPL Group. FPL Group made capital contributions in 2003, 2002 and 2001 to FPL of $600 million, $350 million and $400 million, respectively. FPL's charter and mortgage contain provisions which, under certain conditions, restrict the payment of dividends to FPL Group and the issuance of additional unsecured debt, preferred stock and first mortgage bonds. In light of FPL's current financial condition and level of earnings, management does not expect that planned financing activities or dividends would be affected by these limitations.

Under FPL's charter, dividends may be paid on FPL's common stock only after payment or provision for payment of dividends which are then accrued and owing on FPL's preferred stock, and only to the extent that the payment of such common stock dividends would not cause the common stock equity to be less than 25% of total capitalization of FPL or, if the common stock equity would be less than 20% or 25%, as the case may be, of the total capitalization of FPL, then such dividends may not exceed 50% or 75%, respectively, of the net income of FPL for the preceding 12 months available for dividends on the

common stock. Under this test, FPL could have paid dividends in excess of $3 billion at December 31, 2003 after giving effect to the January 2004 issuances of the 200,000 shares of $100 par value 4 1/2% Series V preferred stock and the $240 million 5.65% first mortgage bonds maturing in 2035. Under the mortgage securing FPL's first mortgage bonds, in some cases, the mortgage restricts the amount of retained earnings that FPL can use to pay cash dividends on its common stock. The restricted amount may change based on factors set out in the mortgage. Other than this restriction on the payment of common stock dividends, the mortgage does not restrict FPL's use of retained earnings. As of December 31, 2003, no retained earnings were restricted by these provisions of the mortgage.

While FPL's preferred stock remains outstanding, FPL's charter limits the amount of its unsecured indebtedness (without the consent of the preferred shareholders), for purposes other than (a) the refunding of outstanding unsecured indebtedness; (b) the reacquisition, redemption or other retirement of any indebtedness issued or assumed by FPL; or (c) the reacquisition, redemption or other retirement of all outstanding shares of FPL's outstanding preferred stock and all outstanding shares of any other class or series of stock ranking on a parity with the outstanding preferred stock. For other purposes, the allowed aggregate principal amount of unsecured indebtedness is 20% of the aggregate of the total principal amount of all bonds or other securities representing secured indebtedness issued or assumed by FPL and the capital and surplus of FPL. Under this test after giving effect to the January 2004 issuance of $240 million 5.65% first mortgage bonds maturing in 2035, FPL could have issued in excess of $450 million of additional unsecured debt at December 31, 2003 for purposes other than those described above.

Under FPL's charter, the issuance of additional shares of FPL preferred stock (except junior preferred) is prohibited unless (a) net income available for payment of dividends on all the preferred stock including the shares to be issued for a period of 12 consecutive months within the last 15 months immediately preceding the issuance is at least twice the annual dividend requirements on all the preferred stock including the shares to be issued; and (b) gross income (after depreciation and taxes) for a period of 12 consecutive months within the 15 months immediately prior to such issuance shall have been at least 1.5 times the sum of annual interest charges on all indebtedness and annual dividend requirements on all the preferred stock (including the shares to be issued). Currently, the gross income test is the more restrictive of the two tests, and under that test, after giving effect to the January 2004 issuances of the 200,000 shares of $100 par value 4 1/2% Series V preferred stock and the $240 million 5.65% first mortgage bonds maturing in 2035, coverage for the 12 months ended December 31, 2003 would have been in excess of 4 times the sum of annual interest charges on all indebtedness and annual dividend requirements on all the preferred stock.

FPL may issue first mortgage bonds under its mortgage subject to its meeting an adjusted net earnings test set forth in the mortgage, which generally requires adjusted net earnings to be at least twice the annual interest requirements on, or at least 10% of the aggregate principal amount of, FPL's first mortgage bonds including those to be issued and any other non-junior FPL indebtedness. As of December 31, 2003, after giving effect to the January 2004 issuance of the $240 million 5.65% first mortgage bonds maturing in 2035, coverage for the 12 months ended December 31, 2003, would have been in excess of 9 times the annual interest requirements and in excess of 5 times the aggregate principal requirements. New first mortgage bonds are also limited to an amount equal to the sum of 60% of unfunded property additions after adjustments to offset retirements, the amount of retired first mortgage bonds or qualified lien bonds and the amount of cash on deposit with the mortgage trustee. As of December 31, 2003, after giving effect to the issuance in January 2004 of the $240 million of 5.65% first mortgage bonds maturing in 2035, FPL could have issued in excess of $4.5 billion of additional first mortgage bonds based on the unfunded property additions and in excess of $5.5 billion based on retired first mortgage bonds. As of December 31, 2003, no cash was deposited with the mortgage trustee for these purposes.

FPL Group and its subsidiaries, including FPL, have no credit rating downgrade triggers that would accelerate the maturity dates of debt outstanding. A change in ratings is not an event of default under applicable debt instruments, and while there are conditions to drawing on the credit facilities maintained by FPL Group Capital and FPL, the maintenance of a specific minimum level of credit rating is not a condition to drawing upon those credit facilities. However, commitment fees and interest rates on loans under the credit facilities agreements are tied to credit ratings and would increase or decrease when ratings are changed. A ratings downgrade also could reduce the accessibility and increase the cost of commercial paper issuances and additional or replacement credit facilities, and could result in the requirement that FPL Group subsidiaries, including FPL, post collateral under certain power purchase and other agreements. FPL Group subsidiaries, including FPL, are regularly required to post collateral in excess of collateral threshold amounts when FPL Group's exposure to the counterparty under the applicable trading agreement exceeds such threshold.

Securities of FPL Group and its subsidiaries are currently rated by Moody's Investors Service, Inc. (Moody's), Standard & Poor's Ratings Services (S&P) and Fitch Ratings (Fitch). At February 26, 2004, Moody's, S&P and Fitch had assigned the following credit ratings to FPL Group, FPL and FPL Group Capital:

	Moody's [a]	S&P [a]	Fitch [a]
FPL Group:			
Corporate credit rating	N/A	A	A
FPL:			
Corporate credit rating	A1	A/A-1	N/A
First mortgage bonds	Aa3	A	AA-
Pollution control, solid waste disposal and industrial development revenue bonds	Aa3/VMIG-1	A/A-1	A+
Preferred stock	A3	BBB+	A
Commercial paper	P-1	A-1	F1
FPL Group Capital:			
Corporate credit rating	N/A	A/A-1	N/A
Debentures	A2	A-	A
Commercial paper	P-1	A-1	F1

[a] A security rating is not a recommendation to buy, sell or hold securities and should be evaluated independently of any other rating. The rating is subject to revision or withdrawal at any time by the assigning rating organization.

The outlook indicated by Moody's for the ratings of FPL is stable, while the outlook for the ratings of FPL Group Capital is negative reflecting uncertainty in the wholesale generation market. In July 2003, Fitch initiated coverage of FPL Group, FPL and FPL Group Capital and indicated a stable outlook for each company. In October 2003, S&P affirmed the "A" corporate credit rating for FPL Group and subsidiaries and maintained a negative outlook.

FPL Group's commitments by segment at December 31, 2003 were as follows:

	2004	2005	2006	2007	2008	Thereafter	Total
				(millions)			
Long-term debt:							
FPL	$ -	$ 500	$ 135	$ -	$ 200	$ 2,258	$ 3,093
FPL Energy	91	119	116	418	315	705	1,764
Corporate and Other	276	675	1,100	1,075	506	630	4,262
Standby letters of credit:							
FPL	11	-	-	-	-	-	11
FPL Energy	291	-	-	-	-	-	291
Corporate and Other	4	-	-	-	-	-	4
Guarantees:							
FPL	-	-	-	-	-	-	-
FPL Energy	62	95	-	17	-	220	394
Corporate and Other	-	2	-	-	-	-	2
Other commitments:							
FPL [a]	1,645	1,650	1,565	1,540	1,230	-	7,630
FPL Energy [b]	171	69	49	64	47	717	1,117
Corporate and Other [c]	157	46	-	-	-	-	203
Total	$ 2,708	$ 3,156	$ 2,965	$ 3,114	$ 2,298	$ 4,530	$ 18,771

[a] Represents estimated capital expenditures through 2008 to meet increased electricity usage and customer growth, as well as capital improvements to and maintenance of existing facilities. Excludes capacity payments under purchased power and fuel contracts which are recoverable through various cost recovery clauses.

[b] Represents firm commitments primarily in connection with natural gas transportation and storage, firm transmission service, nuclear fuel and a portion of its capital expenditures.

[c] See Note 17 – Commitments.

FPL Group Capital has guaranteed certain debt and other obligations of FPL Energy and its subsidiaries. FPL Group has guaranteed certain payment obligations of FPL Group Capital, including most of those under FPL Group Capital's debt, including all of its debentures and commercial paper issuances, as well as most of its guarantees. See guarantees in table above.

FPL Energy has guaranteed certain performance obligations of a power plant owned by a wholly-owned subsidiary as part of a power purchase agreement (PPA) that expires in 2027. Under the PPA, the subsidiary could incur market-based liquidated damages for failure to meet contractual minimum outputs. In addition, certain subsidiaries of FPL Energy have contracts that require certain projects to meet annual minimum generation amounts. Failure to meet the annual minimum generation amounts would result in the FPL Energy subsidiary incurring specified liquidated damages. Based on past performance of these and similar projects and current forward prices, management believes that the exposure associated with these guarantees is not material.

FPL self-insures for damage to certain transmission and distribution properties and maintains a funded storm and property

insurance reserve to reduce the financial impact of storm losses. The balance of the storm fund reserve at December 31, 2003 was approximately $327 million, representing the amount in the storm fund (approximately $200 million) plus related deferred income taxes (approximately $127 million). The FPSC has indicated that it would consider future storm losses in excess of the funded reserve for possible recovery from customers. FPL's bank lines of credit discussed above are also available if needed to provide cash for storm restoration costs.

New Accounting Rules and Interpretations

Accounting for Asset Retirement Obligations – Effective January 1, 2003, FPL Group and FPL adopted FAS 143, "Accounting for Asset Retirement Obligations." See Note 16.

Variable Interest Entities – In January 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities," which was subsequently revised. See Note 10.

Derivative Instruments – Effective July 1, 2003, FPL Group and FPL adopted FAS 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." There was no financial statement impact upon adoption of FAS 149. However, the statement could have a significant future impact on the number of contracts that will be marked to market through earnings. Effective October 1, 2003, FPL Group and FPL adopted Emerging Issues Task Force Issue No. (EITF) 03-11, which provides guidance on whether to report realized gains or losses on physically settled derivative contracts not held for trading purposes on a gross or net basis and requires realized gains or losses on derivative contracts that net settle to be reported on a net basis. In addition, effective October 1, 2003, FPL Group and FPL adopted the SEC staff guidance requiring the realized and unrealized effects of derivative instruments not accounted for as hedges to be reported within the same caption on the statements of income. See Critical Accounting Policies and Estimates – Accounting for Derivatives and Hedging Activities and Note 3.

Guarantees – Effective January 1, 2003, FPL Group and FPL adopted FIN 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others." See Note 17 – Commitments.

Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity – In May 2003, the FASB issued FAS 150 "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity," which was effective July 1, 2003. The primary change in accounting for FPL Group resulting from FAS 150 is the accounting treatment of mandatorily redeemable non-controlling interests in subsidiaries with finite lives. In October 2003, the FASB deferred indefinitely the adoption of the FAS 150 provisions relating to mandatorily redeemable non-controlling interests in subsidiaries with finite lives. The remaining provisions of FAS 150 did not have a financial statement impact for the year ended December 31, 2003. In addition, the FASB continues to address other FAS 150 implementation issues, none of which affect FPL Group or FPL currently but may affect them in the future.

Pensions and Other Postretirement Benefits – In December 2003, the FASB issued FAS 132 (revised 2003), "Employers' Disclosures about Pensions and Other Postretirement Benefits," which expanded disclosures related to FPL Group's pension and postretirement plans. In January 2004, the FASB issued Staff Position FAS 106-1, "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003." See Note 2.

Critical Accounting Policies and Estimates

The preparation of financial statements and related disclosures in conformity with generally accepted accounting principles requires management to exercise judgment and make estimates and assumptions where amounts are not subject to precise measurement or are dependent on future events.

Critical accounting policies and estimates, which are important to the portrayal of both FPL Group's and FPL's financial condition and results of operations and which require complex, subjective judgments are as follows:

Accounting for Derivatives and Hedging Activities – On January 1, 2001, FPL Group and FPL adopted FAS 133, "Accounting for Derivatives and Hedging Activities," as amended. FPL Group and FPL use derivative instruments (primarily forward purchases and sales, swaps, options and futures) to manage the commodity price risk inherent in fuel and electricity contracts, as well as to optimize the value of power generation assets and related contracts. To a lesser extent, FPL Group also engages in limited energy trading activities to take advantage of expected favorable price movements. These accounting pronouncements, which require the use of fair value accounting if certain conditions are met, apply not only to traditional financial derivative instruments, but to any contract having the accounting characteristics of a derivative.

FAS 133 requires that derivative instruments be recorded on the balance sheet at fair value. Fair values for some of the longer-term contracts where liquid markets are not available are based on internally developed models. The estimation of fair value for long-term contracts requires the use of internally developed models based on the forward prices for electricity and fuel. Forward prices represent the price at which a buyer or seller could contract today to purchase or sell a commodity at a future date. In general, the models estimate the fair value of a contract by calculating the present value of the difference between the prices in the contract and the forward prices. The market for electricity in the first one to three years of a contract is generally liquid and therefore the prices in the early years of the forward curves reflect observable market quotes. However, in the later years, the market is much less liquid and forward price curves must be developed. Factors used in developing forward curves for electricity include the forward prices for the commodities used as fuel to generate electricity, the expected system heat rate (which measures the efficiency of power plants in converting fuel to electricity) in the region where the

purchase or sale takes place, and a fundamental forecast of expected spot prices based on modeled supply and demand in the region. The assumptions in these models are critical since any changes therein could have a significant impact on the fair value of the contract. Substantially all changes in the fair value of derivatives held by FPL are deferred as a regulatory asset or liability until the contracts are settled. Upon settlement, any gains or losses will be passed through the fuel and capacity clauses. In the non-rate regulated operations, predominantly FPL Energy, changes in the derivatives' fair values are recognized in current earnings, unless certain hedge accounting criteria are met. For those transactions for which hedge accounting can be applied, much of the effects of changes in fair value are reflected in other comprehensive income (OCI), a component of shareholders' equity, rather than being recognized in current earnings.

Since FAS 133 became effective in 2001, the FASB has discussed and, from time to time, issued implementation guidance related to FAS 133. In particular, much of the interpretive guidance affects when certain contracts for the purchase and sale of power and certain fuel supply contracts can be excluded from the provisions of FAS 133. Despite the large volume of implementation guidance, FAS 133 and the supplemental guidance does not provide specific guidance on all contract issues. As a result, significant judgment must be used in applying FAS 133 and its interpretations. The interpretation of FAS 133 continues to evolve. One possible result of changes in interpretation could be that certain contracts would have to be recorded on the balance sheet at fair value, with changes in fair value recorded in the income statement.

During the fourth quarter of 2003, FPL Group and its subsidiaries adopted EITF 03-11, which precluded certain economic hedging transactions at FPL Energy from qualifying for hedge accounting treatment. Those transactions will now be marked to market and reported in the non-qualifying hedge category and are likely to result in more volatility in the non-qualifying hedge category in the future. The ongoing changes in accounting guidance relating to derivatives confirm management's belief in the importance of segregating the effects of the unrealized mark-to-market impact of non-qualifying hedges. Without any change in FPL Group's economic positions or the timing or amounts of future cash flows, a small change in classification of particular transactions can result in significant changes in net income. This could be significant to FPL Energy's results because the economic offset to the positions which are required to be marked to market (the physical assets themselves) are not marked to market. As a consequence, net income reflects only the movement in one part of economically linked transactions. Because of this, FPL Group's management continues to view results expressed excluding the unrealized mark- to-market impact of the non-qualifying hedges as a meaningful measure of current period performance. For additional information regarding derivative instruments, see Note 3.

Accounting for Pensions and Other Post Employment Benefits – FPL Group sponsors a noncontributory defined benefit pension plan for substantially all employees of FPL Group and its subsidiaries. In addition, FPL Group sponsors a substantially contributory postretirement plan for health care and life insurance benefits (other benefits) for retirees of FPL Group and its subsidiaries meeting certain eligibility requirements who elect participation at the time of retirement. The pension plan has a fully funded trust dedicated to providing the benefits. The other benefits plan has a partially funded trust dedicated to providing benefits related to life insurance.

FPL Group's pension income net of the cost of other benefits was approximately $84 million, $82 million and $84 million for the years ended December 31, 2003, 2002 and 2001, respectively. The corresponding amounts allocated to FPL were $64 million, $73 million and $77 million, respectively. Pension income and the cost of other benefits are included in O&M expenses, and are calculated using a number of actuarial assumptions. Those assumptions include an expected long-term rate of return on qualified plan assets of 7.75% for all years, assumed increases in future compensation levels of 4.5% for 2003 and 5.5% for 2002 and 2001, and a weighted-average discount rate of 6.00%, 6.25% and 6.75% for 2003, 2002 and 2001, respectively. Based on current health care costs (as related to other benefits), the projected 2004 trend assumptions used to measure the expected cost of benefits covered by the plans are 9.5% for all age groups. The rate is assumed to decrease over the next nine years to the ultimate trend rate of 5% for all age groups and remain at that level thereafter. In developing these assumptions, FPL Group evaluated input from its actuaries, as well as information available in the market place. For the expected long-term rate of return on fund assets, FPL Group considered 10-year and 20-year historical median returns for a portfolio with a 50/50 equity/bond asset mix similar to its funds. FPL Group also considered its funds' historical compounded returns. FPL Group believes that 7.75% is a reasonable long-term rate of return on its plans' assets. FPL Group will continue to evaluate all of its actuarial assumptions, including its expected rate of return, at least annually, and will adjust them as necessary.

FPL Group bases its determination of pension and other benefits expense or income on a market-related valuation of assets, which reduces year-to-year volatility. This market-related valuation recognizes investment gains or losses over a five-year period from the year in which they occur. Investment gains or losses for this purpose are the difference between the expected return calculated using the market-related value of assets and the actual return realized on those assets. Since the market-related value of assets recognizes gains or losses over a five-year period, the future value of assets will be affected as previously deferred gains or losses are recognized. Such gains and losses together with other differences between actual results and the estimates used in the actuarial valuations are deferred and recognized in determining pension and other benefits expense and income only when they exceed 10% of the greater of projected benefit obligations or the market-related value of assets.

Lowering the expected long-term rate of return on plan assets by 0.5% (from 7.75% to 7.25%) would have reduced FPL Group's net income for 2003 by approximately $14 million ($12 million for FPL). Lowering the discount rate assumption by 0.5% would have decreased FPL Group's net income for 2003 by approximately $6 million ($5 million for FPL). Raising the salary increase assumption by 0.5% would have decreased FPL Group's net income for 2003 by approximately $2 million ($2 million for FPL). Assumed health care cost trend rates can have a significant effect on the amounts reported for the health

care plans. An increase or decrease of 1% in assumed health care cost trend rates would have a corresponding effect on the service and interest cost components and the accumulated obligation of other benefits of approximately $1 million and $9 million, respectively.

The fair value of plan assets has increased from $2.4 billion at September 30, 2002 to $2.7 billion at September 30, 2003 for the pension plan and from $45 million at September 30, 2002 to $54 million at September 30, 2003 for other benefits. Management believes that, based on the actuarial assumptions and the well funded status of the pension plan, FPL Group will not be required to make any cash contributions to the pension plan in the near future. FPL Group anticipates making cash contributions of approximately $27 million to the postretirement plan during 2004 and is studying the feasibility of transferring pension plan assets to fund claims associated with retiree medical benefits, as allowed by current tax law. See Note 2.

Carrying Value of Long-Lived Assets – FPL Group evaluates on an ongoing basis the recoverability of its assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable as described in FAS 144, "Accounting for the Impairment or Disposal of Long-Lived Assets."

Under that standard, an impairment loss is required to be recognized if the carrying value of the asset exceeds the undiscounted future net cash flows associated with that asset. The impairment loss to be recognized is the amount by which the carrying value of the long-lived asset exceeds the asset's fair value. In most instances, the fair value is determined by discounting estimated future cash flows using an appropriate interest rate.

The amount of future net cash flows, the timing of the cash flows and the determination of an appropriate interest rate all involve estimates and judgments about future events. In particular, the aggregate amount of cash flows determines whether an impairment exists, and the timing of the cash flows is critical in determining fair value. Because each assessment is based on the facts and circumstances associated with each long-lived asset, the effects of changes in assumptions cannot be generalized.

Nuclear Decommissioning and Fossil Dismantlement – For ratemaking purposes, FPL accrues and funds for nuclear decommissioning costs over the expected service life of each unit based on studies that are filed with the FPSC at least every five years. The most recent studies, which became effective May 2002, indicate that FPL's portion of the future cost of decommissioning its four nuclear units, including spent fuel storage, is $6.4 billion, or $2.1 billion in 2003 dollars. Beginning January 1, 2003, FPL began recognizing nuclear decommissioning liabilities in accordance with FAS 143, which requires that a liability for the fair value of an asset retirement obligation (ARO) be recognized in the period in which it is incurred with the offsetting associated asset retirement cost capitalized as part of the carrying amount of the long-lived asset. At December 31, 2003, $2,009 million was accrued for nuclear decommissioning, of which $1,907 million was recorded as an ARO, $222 million was recorded as a capitalized net asset related to the ARO, $181 million was recorded as a regulatory liability and $143 million was included in accrued asset removal costs. See Note 1 – Decommissioning of Nuclear Plant and Dismantlement of Fossil Plant and Note 16.

FPL accrues the cost of dismantling its fossil plants over the expected service life of each unit based on studies filed with the FPSC at least every four years. Unlike nuclear decommissioning, fossil dismantlement costs are not funded. The most recent studies, which became effective January 1, 2003, indicated that FPL's portion of the ultimate cost to dismantle its fossil units is $668 million. The majority of the dismantlement costs are not considered an ARO under FAS 143. At December 31, 2003, the provision for fossil dismantlement was approximately $274 million and is included in accrued asset removal costs.

FPL Energy records a liability for the present value of Seabrook's expected decommissioning costs in accordance with FAS 143. Comprehensive studies are filed with the New Hampshire Nuclear Decommissioning Financing Committee every four years, with updates provided annually. These studies indicate that FPL Energy's 88.23% portion of the ultimate cost of decommissioning Seabrook, including costs associated with spent fuel storage, is $1.5 billion, or $553 million in 2003 dollars. At December 31, 2003, the ARO for Seabrook's nuclear decommissioning totaled approximately $163 million. See Note 1 – Decommissioning of Nuclear Plant and Dismantlement of Fossil Plant and Note 16.

The calculation of the future cost of retiring long-lived assets, including nuclear decommissioning and fossil dismantlement costs, involves the use of estimates and judgments concerning the amount and timing of future expenditures and whether or not such costs are considered a legal obligation under FAS 143. FPL Group and FPL also make interest rate, rate of return and inflation projections to determine funding requirements related to decommissioning. Periodically, FPL Group and FPL will be required to update their estimates and projections which can affect the annual expense amounts recognized, the liabilities recorded and the annual funding requirements for nuclear decommissioning costs.

Regulatory Accounting – FPL follows the accounting practices set forth in FAS 71, "Accounting for the Effects of Certain Types of Regulation." FAS 71 indicates that regulators can create assets and impose liabilities that would not be recorded by non-rate regulated entities. Regulatory assets and liabilities represent probable future revenues that will be recovered from or refunded to customers through the ratemaking process. If FPL were no longer subject to cost-based rate regulation, the existing regulatory assets and liabilities would be written off unless regulators specify an alternative means of recovery or refund. In addition, the FPSC has the authority to disallow recovery of costs that it considers excessive or imprudently incurred. Such costs may include, among others, O&M expenses, the cost of replacing power lost when fossil and nuclear units are unavailable and costs associated with the construction or acquisition of new facilities. The continued applicability of FAS 71 is assessed at each reporting period. See Note 1 – Regulation.

See Note 1 for a discussion of FPL Group's and FPL's other significant accounting policies.

Energy Marketing and Trading and Market Risk Sensitivity

Energy Marketing and Trading – Certain of FPL Group's subsidiaries, including FPL and FPL Energy, use derivative instruments (primarily forward purchases and sales, swaps, options and futures) to manage the commodity price risk inherent in fuel and electricity contracts, as well as to optimize the value of power generation assets. To a lesser extent, FPL Energy engages in limited energy trading activities to take advantage of expected future favorable price movements.

Derivative instruments are recorded on FPL Group's and FPL's consolidated balance sheets as either an asset or liability (in derivative assets, other assets, other current liabilities and other liabilities) measured at fair value. At FPL, substantially all changes in fair value are deferred as a regulatory asset or liability until the contracts are settled. Upon settlement, any gains or losses are passed through the fuel clause and the capacity clause. For FPL Group's non-rate regulated operations, predominantly FPL Energy, changes in the derivatives' fair value are recognized net in operating revenues for trading and managed hedge activities and in the same line item as the stated realized amounts for non-qualifying hedges in FPL Group's consolidated statements of income unless hedge accounting is applied. Settlement gains and losses are included within the line items in the statements of income to which they relate. See Note 3.

The changes in the fair value of FPL Group's consolidated subsidiaries' energy contract derivative instruments for the year ended December 31, 2003 were as follows:

		Hedges on Owned Assets				
	Proprietary Trading	Managed	Non-Qualifying	OCI	FPL Cost Recovery Clauses	FPL Group Total
			(millions)			
Fair value of contracts outstanding at December 31, 2002	$ 4	$ -	$ 8	$ 28	$ 12	$ 52
Reclassification to realized at settlement of contracts	(9)	(1)	12	(57)	(3)	(58)
Effective portion of changes in fair value recorded in OCI	-	-	-	18	-	18
Changes in valuation assumptions	-	-	2	-	-	2[a]
Changes in fair value excluding reclassification to realized	12	2	(1)	-	85	98
Fair value of contracts outstanding at December 31, 2003	7	1	21	(11)	94	112
Net option premium payment (receipts)	-	-	(12)	-	35	23
Total mark-to-market energy contract net assets at December 31, 2003	$ 7	$ 1	$ 9	$ (11)	$ 129	$ 135

[a] Change in valuation assumption from applying volatility skewness (selection of an input assumption among alternatives based on the projected moneyness of the option) in option valuation.

FPL Group's total mark-to-market energy contract net assets at December 31, 2003 shown above are included in the consolidated balance sheets as follows:

	December 31, 2003
	(millions)
Derivative assets	$ 187
Other assets	17
Other current liabilities	(44)
Other liabilities	(25)
FPL Group's total mark-to-market energy contract net assets at December 31, 2003	$ 135

The sources of fair value estimates and maturity of energy contract derivative instruments at December 31, 2003 were as follows:

	Maturity						
	2004	2005	2006	2007	2008	Thereafter	Total
				(millions)			
Proprietary Trading:							
Actively quoted (i.e., exchange trade) prices	$ 1	$ -	$ -	$ -	$ -	$ -	$ 1
Prices provided by other external sources	2	-	-	-	-	-	2
Modeled	-	1	1	-	-	2	4
Total	3	1	1	-	-	2	7
Owned Assets – Managed:							
Actively quoted (i.e., exchange trade) prices	1	-	-	-	-	-	1
Prices provided by other external sources	-	-	-	-	-	-	-
Modeled	-	-	-	-	-	-	-
Total	1	-	-	-	-	-	1
Owned Assets – Non-Qualifying:							
Actively quoted (i.e., exchange trade) prices	-	1	-	-	-	-	1
Prices provided by other external sources	30	-	-	-	-	-	30
Modeled	(9)	(1)	-	-	-	-	(10)
Total	21	-	-	-	-	-	21
Owned Assets – OCI:							
Actively quoted (i.e., exchange trade) prices	9	(3)	-	-	-	-	6
Prices provided by other external sources	(8)	(2)	(1)	-	-	-	(11)
Modeled	(1)	(1)	(1)	(2)	(1)	-	(6)
Total	-	(6)	(2)	(2)	(1)	-	(11)
Owned Assets – FPL Cost Recovery Clauses:							
Actively quoted (i.e., exchange trade) prices	53	-	-	-	-	-	53
Prices provided by other external sources	21	1	-	-	-	-	22
Modeled	18	-	1	-	-	-	19
Total	92	1	1	-	-	-	94
Total sources of fair value	$ 117	$ (4)	$ -	$ (2)	$ (1)	$ 2	$ 112

Market Risk Sensitivity – Substantially all financial instruments and positions affecting the financial statements of FPL Group and FPL described below are held for purposes other than trading. Market risk is measured as the potential loss in fair value resulting from hypothetical reasonably possible changes in commodity prices, interest rates or equity prices over the next year. Management has established risk management policies to monitor and manage market risks. FPL Group's Exposure Management Committee (EMC), which is comprised of certain members of senior management, is responsible for the overall approval of market risk management policies and the delegation of approval and authorization levels. The EMC receives periodic updates on market positions and related exposures, credit exposures and overall risk management activities. FPL Group and FPL manage their interest rate exposure by monitoring current interest rates and adjusting their variable rate debt in relation to total capitalization.

FPL Group and its subsidiaries are also exposed to credit risk through their energy marketing and trading operations. Credit risk is the risk that a financial loss will be incurred if a counterparty to a transaction does not fulfill its financial obligation. FPL Group manages counterparty credit risk for its subsidiaries with energy marketing and trading operations through established policies, including counterparty credit limits, and in some cases credit enhancements, such as cash prepayments, letters of credit, cash and other collateral and guarantees. Credit risk is also managed through the use of master netting agreements. FPL Group's credit department monitors current and forward credit exposure to counterparties and their affiliates, both on an individual and an aggregate basis.

Commodity price risk – FPL Group uses a value-at-risk (VaR) model to measure market risk in its trading and mark-to-market portfolios. The VaR is the estimated nominal loss of market value based on a one-day holding period at a 95% confidence level using historical simulation methodology. As of December 31, 2003 and 2002, the VaR figures are as follows:

	Trading and Managed Hedges			Non-Qualifying Hedges and Hedges in OCI [a]			Total		
	FPL	FPL Energy	FPL Group	FPL	FPL Energy	FPL Group	FPL	FPL Energy	FPL Group
					(millions)				
December 31, 2002	$ -	$ -	$ -	$ 1	$ 3	$ 4	$ 1	$ 3	$ 4
December 31, 2003	$ -	$ -	$ -	$ 25 [b]	$ 5	$ 26	$ 25 [b]	$ 4	$ 26
Average for the period ended December 31, 2003	$ -	$ -	$ -	$ 11	$ 4	$ 13	$ 11	$ 3	$ 13

[a] Non-qualifying hedges are employed to reduce the market risk exposure to physical assets which are not marked to market. The VaR figures for the non-qualifying hedges and hedges in OCI category do not represent the economic exposure to commodity price movements.

[b] In 2003, FPL expanded its fuel hedge program.

Interest rate risk – FPL Group and FPL are exposed to risk resulting from changes in interest rates as a result of their issuances of debt, investments in special use funds and interest rate swaps. FPL Group and FPL manage their interest rate exposure by monitoring current interest rates and adjusting their variable rate debt in relation to total capitalization.

The following are estimates of the fair value of FPL Group's and FPL's financial instruments:

	December 31, 2003		December 31, 2002	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
	(millions)			
FPL Group:				
Long-term debt, including current maturities	$ 9,090	$ 9,548[a]	$ 5,895	$ 6,222[a]
Fixed income securities:				
Special Use Funds	$ 1,316	$ 1,316[a]	$ 1,184	$ 1,184[a]
Other investments	$ 57	$ 57[a]	$ 41	$ 41[a]
Interest rate swaps – net unrealized loss	$ (10)	$ (10)[b]	$ -	$ -
FPL:				
Long-term debt, including current maturities	$ 3,074	$ 3,193[a]	$ 2,434	$ 2,578[a]
Fixed income securities – Special Use Funds	$ 1,188	$ 1,188[a]	$ 1,066	$ 1,066[a]

[a] Based on quoted market prices for these or similar issues.
[b] Based on market prices provided by external sources or modeled internally.

The special use funds of FPL Group include restricted funds set aside to cover the cost of storm damage for FPL and for the decommissioning of FPL Group's and FPL's nuclear power plants. A portion of these funds is invested in fixed income debt securities carried at their market value. Adjustments to market value result in a corresponding adjustment to the related liability accounts based on current regulatory treatment for FPL. The market value adjustments of FPL Group's non-rate regulated operations result in a corresponding adjustment to OCI. Because the funds set aside by FPL for storm damage could be needed at any time, the related investments are generally more liquid and, therefore, are less sensitive to changes in interest rates. The nuclear decommissioning funds, in contrast, are generally invested in longer-term securities, as decommissioning activities are not expected to begin until at least 2012. See Note 11.

FPL Group and its subsidiaries use a combination of fixed rate and variable rate debt to manage interest rate exposure. Interest rate swaps are used to adjust and mitigate interest rate exposure when deemed appropriate based upon market conditions or when required by financing agreements. At December 31, 2003, FPL Group had the following interest rate swaps:

Notional Amount	Effective Date	Maturity Date	Rate Paid	Rate Received	Estimated Fair Value
(millions)					(millions)
Fair value hedges – FPL Group Capital:					
$ 150	July 2003	September 2006	variable[a]	7.625%	$ (2)
$ 150	July 2003	September 2006	variable[b]	7.625%	(2)
$ 175	December 2003	June 2004	variable[c]	6.875%	1
Total fair value hedges					(3)
Cash flow hedges – FPL Energy:					
$ 103	July 2002	December 2007	4.41%	variable[d]	(4)
$ 200	August 2003	November 2007	3.557%	variable[d]	(2)
$ 94	December 2003	December 2017	4.245%	variable[e]	(1)
Total cash flow hedges					(7)
Total interest rate hedges					$ (10)

[a] Six-month LIBOR plus 4.9900%
[b] Six-month LIBOR plus 4.9925%
[c] Six-month LIBOR plus 4.8921%
[d] Three-month LIBOR
[e] One-month LIBOR

Based upon a hypothetical 10% decrease in interest rates, which is a reasonable near-term market change, the net fair value of FPL Group's net liabilities would increase by approximately $212 million ($89 million for FPL) at December 31, 2003.

Equity price risk – Included in the special use funds of FPL Group are marketable equity securities carried at their market value of approximately $926 million and $689 million ($781 million and $578 million for FPL) at December 31, 2003 and 2002, respectively. A hypothetical 10% decrease in the prices quoted by stock exchanges, which is a reasonable near-term market change, would result in a $93 million ($78 million for FPL) reduction in fair value and corresponding adjustments to the related liability accounts based on current regulatory treatment for FPL, or adjustments to OCI for FPL Group's non-rate regulated operations, at December 31, 2003.

Credit risk – For all derivative and contractual transactions, FPL Group and its subsidiaries' energy marketing and trading operations are exposed to losses in the event of nonperformance by counterparties to these transactions. Relevant considerations when assessing FPL Group and its subsidiaries' energy marketing and trading operations' credit risk exposure include:

- Operations are primarily concentrated in the energy industry.
- Trade receivables and other financial instruments are predominately with energy, utility and financial services related companies, as well as municipalities, cooperatives and other trading companies in the United States.
- Overall credit risk is managed through established credit policies.
- Prospective and existing customers are reviewed for creditworthiness based upon established standards, with customers not meeting minimum standards providing various credit enhancements or secured payment terms, such as letters of credit or the posting of cash collateral.
- The use of master netting agreements to offset cash and non-cash gains and losses arising from derivative instruments with the same counterparty. FPL Group's policy is to have master netting agreements in place with significant counterparties.

Based on FPL Group's policies and risk exposures related to credit, FPL Group and FPL do not anticipate a material adverse effect on their financial positions as a result of counterparty nonperformance. As of December 31, 2003, approximately 99% of FPL Group's and 98% of FPL's energy marketing and trading counterparty credit risk exposure is associated with companies that have at least investment grade credit ratings.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

See Management's Discussion – Energy Marketing and Trading and Market Risk Sensitivity – Market Risk Sensitivity.

Item 8. Financial Statements and Supplementary Data

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS AND SHAREHOLDERS,
FPL GROUP, INC. AND FLORIDA POWER & LIGHT COMPANY:

We have audited the accompanying consolidated balance sheets of FPL Group, Inc. and subsidiaries and the separate consolidated balance sheets of Florida Power & Light Company and subsidiaries as of December 31, 2003 and 2002, and the related consolidated statements of income, shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2003. These financial statements are the responsibility of the respective company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of FPL Group, Inc. and subsidiaries and the financial position of Florida Power & Light Company and subsidiaries at December 31, 2003 and 2002, and the respective results of their operations and their cash flows for each of the three years in the period ended December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 10 to the consolidated financial statements, in 2003 FPL Group, Inc. and subsidiaries and Florida Power & Light Company and subsidiaries changed their method of accounting for special-purpose entities to conform to FASB Interpretation No. 46, as revised. Also as discussed in Note 16 to the consolidated financial statements, in 2003 FPL Group, Inc. and subsidiaries and Florida Power & Light Company and subsidiaries changed their method of accounting for asset retirement obligations to conform to Statement of Financial Accounting Standards No. 143.

As discussed in Note 5 to the consolidated financial statements, in 2002 FPL Group, Inc. and subsidiaries changed their method of accounting for goodwill to conform to Statement of Financial Accounting Standards No. 142.

DELOITTE & TOUCHE LLP
Certified Public Accountants

Miami, Florida
February 26, 2004

FPL GROUP, INC.
CONSOLIDATED STATEMENTS OF INCOME
(millions, except per share amounts)

	Years Ended December 31,		
	2003	2002	2001
OPERATING REVENUES	$ 9,630	$ 8,173	$ 8,217
OPERATING EXPENSES			
Fuel, purchased power and interchange	4,539	3,576	3,759
Other operations and maintenance	1,626	1,492	1,325
Restructuring and impairment charges	-	207	-
Merger-related	-	-	30
Depreciation and amortization	1,105	952	983
Taxes other than income taxes	829	721	711
Total operating expenses	8,099	6,948	6,808
OPERATING INCOME	1,531	1,225	1,409
OTHER INCOME (DEDUCTIONS)			
Interest charges	(379)	(311)	(324)
Preferred stock dividends – FPL	(13)	(15)	(15)
Loss on redemption of preferred stock – FPL	(9)	-	-
Reserve for leveraged leases	-	(48)	-
Equity in earnings of equity method investees	89	76	81
Other – net	42	12	9
Total other deductions – net	(270)	(286)	(249)
INCOME FROM OPERATIONS BEFORE INCOME TAXES AND CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES	1,261	939	1,160
INCOME TAXES	368	244	379
INCOME BEFORE CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES	893	695	781
CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES			
FAS 142, "Goodwill and Other Intangible Assets," net of income taxes of $143	-	(222)	-
FASB Interpretation No. 46, "Consolidation of Variable Interest Entities," net of income taxes of $2	(3)	-	-
NET INCOME	$ 890	$ 473	$ 781
Earnings per share of common stock:			
Earnings per share before cumulative effect of changes in accounting principles	$ 5.03	$ 4.02	$ 4.63
Cumulative effect of changes in accounting principles	$ (0.02)	$ (1.28)	$ -
Earnings per share	$ 5.01	$ 2.74	$ 4.63
Earnings per share of common stock – assuming dilution:			
Earnings per share before cumulative effect of changes in accounting principles	$ 5.02	$ 4.01	$ 4.62
Cumulative effect of changes in accounting principles	$ (0.02)	$ (1.28)	$ -
Earnings per share	$ 5.00	$ 2.73	$ 4.62
Dividends per share of common stock	$ 2.40	$ 2.32	$ 2.24
Weighted-average number of common shares outstanding:			
Basic	177.5	172.9	168.7
Assuming dilution	178.2	173.3	168.9

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

FPL GROUP, INC.
CONSOLIDATED BALANCE SHEETS
(millions)

	December 31, 2003	December 31, 2002
PROPERTY, PLANT AND EQUIPMENT		
Electric utility plant in service and other property	$ 28,445	$ 23,664
Nuclear fuel	463	202
Construction work in progress	1,364	2,639
Less accumulated depreciation and amortization	(9,975)	(8,805)
Total property, plant and equipment – net	20,297	17,700
CURRENT ASSETS		
Cash and cash equivalents	129	266
Customer receivables, net of allowances of $25 and $26, respectively	816	642
Other receivables	371	223
Materials, supplies and fossil fuel inventory – at average cost	458	448
Deferred clause expenses	348	131
Derivative assets	188	88
Other	160	110
Total current assets	2,470	1,908
OTHER ASSETS		
Special use funds	2,248	1,921
Other investments	810	697
Other	1,110	959
Total other assets	4,168	3,577
TOTAL ASSETS	$ 26,935	$ 23,185
CAPITALIZATION		
Common shareholders' equity	$ 6,967	$ 6,390
Preferred stock of FPL without sinking fund requirements	5	226
Long-term debt	8,723	5,790
Total capitalization	15,695	12,406
CURRENT LIABILITIES		
Commercial paper	708	1,822
Notes payable	212	375
Current maturities of long-term debt	367	105
Accounts payable	542	458
Customers' deposits	357	316
Accrued interest and taxes	226	169
Deferred clause revenues	48	62
Other	893	604
Total current liabilities	3,353	3,911
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	2,086	-
Accrued asset removal costs	1,902	3,560
Accumulated deferred income taxes	2,155	1,547
Storm and property insurance reserve	327	298
Other	1,417	1,463
Total other liabilities and deferred credits	7,887	6,868
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	$ 26,935	$ 23,185

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

FPL GROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)

	Years Ended December 31,		
	2003	2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 890	$ 473	$ 781
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	1,060	908	983
Nuclear fuel amortization	58	-	-
Cumulative effect of changes in accounting principles	5	365	-
Restructuring and impairment charges	-	207	-
Deferred income taxes and related regulatory credit	588	219	(91)
Cost recovery clauses	(186)	135	411
Equity in earnings of equity method investees	(89)	(76)	(102)
Distribution of earnings from equity method investees	68	96	62
Changes in operating assets and liabilities:			
Restricted cash	(22)	232	(260)
Customer receivables	(168)	(6)	6
Other receivables	(133)	(79)	102
Material, supplies and fossil fuel inventory	1	(56)	19
Other current assets	(18)	(86)	(32)
Deferred pension cost	(123)	(63)	(110)
Accounts payable	104	(15)	(91)
Customers' deposits	41	31	31
Accrued interest and taxes	57	9	58
Other current liabilities	90	2	55
Other liabilities	9	(26)	98
Other – net	22	68	22
Net cash provided by operating activities	2,254	2,338	1,942
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures of FPL	(1,383)	(1,256)	(1,154)
Independent power investments	(1,461)	(2,103)	(1,977)
Nuclear fuel purchases	(42)	-	-
Capital expenditures of FPL FiberNet, LLC	(8)	(21)	(128)
Contributions to special use funds	(173)	(86)	(77)
Other – net	(22)	199	67
Net cash used in investing activities	(3,089)	(3,267)	(3,269)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuances of long-term debt	2,995	1,770	920
Retirements of long-term debt	(431)	(797)	(87)
Retirements of preferred stock – FPL	(228)	-	-
Net change in short-term debt	(1,238)	214	824
Issuances of common stock	73	378	-
Dividends on common stock	(425)	(400)	(377)
Other – net	(48)	(52)	-
Net cash provided by financing activities	698	1,113	1,280
Net increase (decrease) in cash and cash equivalents	(137)	184	(47)
Cash and cash equivalents at beginning of year	266	82	129
Cash and cash equivalents at end of year	$ 129	$ 266	$ 82
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Cash paid for interest (net of amount capitalized)	$ 342	$ 311	$ 373
Cash paid for income taxes (net of refunds totaling $85 and $256 in 2003 and 2002, respectively)	$ (77)	$ (9)	$ 433
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES			
Additions to capital lease obligations	$ 41	$ 74	$ 70
Accrual for premium on publicly-traded equity units known as Corporate Units	$ -	$ 111	$ -
Additions to debt through the adoption of FIN 46	$ 515	$ -	$ -
Additions to property, plant and equipment – net through the adoption of FIN 46	$ 346	$ -	$ -

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

FPL GROUP, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(millions)

	Common Stock [a]						
	Shares	Aggregate Par Value	Additional Paid-In Capital	Unearned Compensation	Accumulated Other Comprehensive Income (Loss) [b]	Retained Earnings	Common Shareholders' Equity
Balances, December 31, 2000	176	$ 2	$ 3,008	$ (220)	$ -	$ 2,803	
Net income	-	-	-	-	-	781	
Dividends on common stock	-	-	-	-	-	(377)	
Earned compensation under ESOP	-	-	15	15	-	-	
Other comprehensive loss	-	-	-	-	(8)	-	
Other	-	-	2	(6)	-	-	
Balances, December 31, 2001	176 [c]	2	3,025	(211)	(8)	3,207	$ 6,015
Net income	-	-	-	-	-	473	
Issuances of common stock, net of issuance cost of $10	7	-	378	-	-	-	
Dividends on common stock	-	-	-	-	-	(400)	
Earned compensation under ESOP	-	-	16	16	-	-	
Premium on publicly-traded equity units known as Corporate Units	-	-	(111)	-	-	-	
Unamortized issuance cost on publicly-traded equity units known as Corporate Units	-	-	(29)	-	-	-	
Other comprehensive income	-	-	-	-	24	-	
Other	-	-	5	3	-	-	
Balances, December 31, 2002	183 [c]	2	3,284	(192)	16	3,280	$ 6,390
Net income	-	-	-	-	-	890	
Issuances of common stock, net of issuance cost of less than $1	1	-	73	-	-	-	
Dividends on common stock	-	-	-	-	-	(425)	
Earned compensation under ESOP	-	-	18	16	-	-	
Other comprehensive loss	-	-	-	-	(12)	-	
Other	-	-	22	(5)	-	-	
Balances, December 31, 2003	184 [c]	$ 2	$ 3,397	$ (181)	$ 4	$ 3,745	$ 6,967

[a] $0.01 par value, authorized – 300,000,000 shares; outstanding 184,264,127, 182,754,905 and 175,854,056 at December 31, 2003, 2002 and 2001, respectively.

[b] Comprehensive income, which includes net income and other comprehensive income (loss), totaled approximately $878 million, $497 million and $773 million for 2003, 2002 and 2001, respectively.

[c] Outstanding and unallocated shares held by the Employee Stock Ownership Plan Trust totaled approximately 6 million, 6 million and 7 million at December 31, 2003, 2002 and 2001, respectively.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

FLORIDA POWER & LIGHT COMPANY
CONSOLIDATED STATEMENTS OF INCOME
(millions)

	Years Ended December 31,		
	2003	2002	2001
OPERATING REVENUES	$ 8,293	$ 7,378	$ 7,477
OPERATING EXPENSES			
Fuel, purchased power and interchange	4,047	3,306	3,495
Other operations and maintenance	1,250	1,225	1,082
Merger-related	-	-	26
Depreciation and amortization	898	831	898
Taxes other than income taxes	769	690	699
Total operating expenses	6,964	6,052	6,200
OPERATING INCOME	1,329	1,326	1,277
OTHER INCOME (DEDUCTIONS)			
Interest charges	(173)	(166)	(187)
Other – net	2	(15)	(13)
Total other deductions – net	(171)	(181)	(200)
INCOME BEFORE INCOME TAXES	1,158	1,145	1,077
INCOME TAXES	403	413	383
NET INCOME	755	732	694
PREFERRED STOCK DIVIDENDS	13	15	15
LOSS ON REDEMPTION OF PREFERRED STOCK	9	-	-
NET INCOME AVAILABLE TO FPL GROUP, INC.	$ 733	$ 717	$ 679

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

FLORIDA POWER & LIGHT COMPANY
CONSOLIDATED BALANCE SHEETS
(millions)

	December 31, 2003	December 31, 2002
ELECTRIC UTILITY PLANT		
Plant in service	$ 21,368	$ 19,864
Nuclear fuel	380	140
Construction work in progress	741	757
Less accumulated depreciation and amortization	(9,237)	(8,446)
Electric utility plant – net	13,252	12,315
CURRENT ASSETS		
Cash and cash equivalents	4	-
Customer receivables, net of allowances of $11 and $9, respectively	636	503
Other receivables	151	125
Materials, supplies and fossil fuel inventory – at average cost	355	349
Deferred clause expenses	348	131
Derivative assets	130	16
Other	49	41
Total current assets	1,673	1,165
OTHER ASSETS		
Special use funds	1,974	1,693
Other	918	859
Total other assets	2,892	2,552
TOTAL ASSETS	$ 17,817	$ 16,032
CAPITALIZATION		
Common shareholder's equity	$ 6,004	$ 5,382
Preferred stock without sinking fund requirements	5	226
Long-term debt	3,074	2,364
Total capitalization	9,083	7,972
CURRENT LIABILITIES		
Commercial paper	630	722
Current maturities of long-term debt	-	70
Accounts payable	435	369
Customers' deposits	346	316
Accrued interest and taxes	160	175
Deferred clause revenues	48	62
Other	516	297
Total current liabilities	2,135	2,011
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	1,908	-
Accrued asset removal costs	1,902	3,396
Accumulated deferred income taxes	1,415	1,215
Storm and property insurance reserve	327	298
Other	1,047	1,140
Total other liabilities and deferred credits	6,599	6,049
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	$ 17,817	$ 16,032

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

FLORIDA POWER & LIGHT COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)

	Years Ended December 31,		
	2003	2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 755	$ 732	$ 694
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	853	787	898
Nuclear fuel amortization	33	-	-
Deferred income taxes and related regulatory credit	172	330	(233)
Cost recovery clauses	(186)	135	411
Changes in operating assets and liabilities:			
Customer receivables	(132)	43	(58)
Other receivables	(10)	(64)	61
Material, supplies and fossil fuel inventory	(6)	(84)	48
Other current assets	(10)	(2)	-
Deferred pension cost	(99)	(100)	(102)
Accounts payable	84	(61)	(50)
Customers' deposits	30	31	31
Accrued interest and taxes	(15)	(32)	105
Other current liabilities	74	(41)	11
Other liabilities	37	132	56
Other – net	(23)	-	(46)
Net cash provided by operating activities	1,557	1,806	1,826
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures	(1,383)	(1,256)	(1,154)
Nuclear fuel purchases	(26)	-	-
Contributions to special use funds	(157)	(84)	(77)
Other – net	1	7	16
Net cash used in investing activities	(1,565)	(1,333)	(1,215)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuances of long-term debt	877	593	-
Retirements of long-term debt	(388)	(765)	(66)
Retirements of preferred stock	(228)	-	-
Net change in short-term debt	(121)	490	(328)
Capital contributions from FPL Group, Inc.	600	350	400
Dividends	(728)	(1,142)	(682)
Net cash provided by (used in) financing activities	12	(474)	(676)
Net increase (decrease) in cash and cash equivalents	4	(1)	(65)
Cash and cash equivalents at beginning of year	-	1	66
Cash and cash equivalents at end of year	$ 4	$ -	$ 1
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Cash paid for interest (net of amount capitalized)	$ 155	$ 174	$ 185
Cash paid for income taxes (net of refunds totaling $283 in 2002)	$ 292	$ 188	$ 543
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES			
Additions to capital lease obligations	$ 41	$ 74	$ 70
Additions to debt through the adoption of FIN 46	$ 164	$ -	$ -

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

FLORIDA POWER & LIGHT COMPANY
CONSOLIDATED STATEMENTS OF SHAREHOLDER'S EQUITY
(millions)

	Common Stock [a]	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss) [b]	Retained Earnings	Common Shareholder's Equity
Balances, December 31, 2000	$ 1,373	$ 2,966	$ -	$ 693	
Net income available to FPL Group, Inc.	-	-	-	679	
Capital contributions from FPL Group, Inc.	-	400	-	-	
Dividends to FPL Group, Inc.	-	-	-	(667)	
Balances, December 31, 2001	1,373	3,366	-	705	$ 5,444
Net income available to FPL Group, Inc.	-	-	-	717	
Capital contributions from FPL Group, Inc.	-	350	-	-	
Dividends to FPL Group, Inc.	-	-	-	(1,127)	
Other comprehensive loss	-	-	(2)[c]	-	
Balances, December 31, 2002	1,373	3,716	(2)	295	$ 5,382
Net income available to FPL Group, Inc.	-	-	-	733	
Capital contributions from FPL Group, Inc.	-	600	-	-	
Dividends to FPL Group, Inc.	-	-	-	(715)	
Other comprehensive income	-	-	2[c]	-	
Other	-	2	-	-	
Balances, December 31, 2003	$ 1,373	$ 4,318	$ -	$ 313	$ 6,004

[a] Common stock, no par value, 1,000 shares authorized, issued and outstanding.
[b] Comprehensive income, which includes net income and other comprehensive income (loss), totaled approximately $735 million, $715 million and $679 million for 2003, 2002 and 2001, respectively.
[c] Minimum supplemental employee retirement plan liability adjustment.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

1. Summary of Significant Accounting and Reporting Policies

Basis of Presentation – FPL Group, Inc.'s (FPL Group) operations are conducted primarily through its wholly-owned subsidiary Florida Power & Light Company (FPL) and its wholly-owned indirect subsidiary FPL Energy, LLC (FPL Energy). FPL, a rate-regulated public utility, supplies electric service to approximately 4.1 million customer accounts throughout most of the east and lower west coasts of Florida. FPL Energy invests in independent power projects through both controlled and consolidated entities and non-controlling ownership interests in joint ventures essentially all of which are accounted for under the equity method.

The consolidated financial statements of FPL Group and FPL include the accounts of their respective majority-owned and controlled subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation. Certain amounts included in prior years' consolidated financial statements have been reclassified to conform to the current year's presentation. The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Regulation – FPL is subject to regulation by the Florida Public Service Commission (FPSC) and the Federal Energy Regulatory Commission (FERC). Its rates are designed to recover the cost of providing electric service to its customers including a reasonable rate of return on invested capital. As a result of this cost-based regulation, FPL follows the accounting practices set forth in Statement of Financial Accounting Standards No. (FAS) 71, "Accounting for the Effects of Certain Types of Regulation." FAS 71 indicates that regulators can create assets and impose liabilities that would not be recorded by non-rate regulated entities. Regulatory assets and liabilities represent probable future revenues that will be recovered from or refunded to customers through the ratemaking process.

FPL's regulatory assets and liabilities are as follows:

	December 31,	
	2003	2002
	(millions)	
Assets (current and noncurrent):		
Deferred clause expenses	$ 348	$ 131
Litigation settlement (noncurrent portion)	$ 89	$ 134
Unamortized debt reacquisition costs	$ 48	$ 41
Deferred Department of Energy assessment	$ 19	$ 24
Losses deferred and amortized	$ 1	$ 2
Liabilities (current and noncurrent):		
Accrued asset removal costs (see Note 16)	$ 1,902	$ -
Storm and property insurance reserve (see Note 17 – Insurance)	$ 327	$ 298
Asset retirement obligation regulatory expense difference	$ 180	$ -
Unamortized investment tax credits	$ 100	$ 120
Derivative liability (see Note 3)	$ 93	$ 12
Special depreciation and nuclear amortization	$ 88	$ 140
Deferred clause revenues	$ 48	$ 62
Deferred regulatory credit – income taxes	$ 46	$ 73
Gains deferred and amortized	$ 16	$ 12

Cost recovery clauses, which are designed to permit full recovery of certain costs and provide a return on certain assets allowed to be recovered through the various clauses, include substantially all fuel, purchased power and interchange expenses, conservation and certain environmental-related expenses, certain revenue taxes and franchise fees. Revenues from cost recovery clauses are recorded when billed; FPL achieves matching of costs and related revenues by deferring the net under- or over-recovery. Any under-recovered costs or over-recovered revenues are collected from or returned to customers in subsequent periods. Although deferred clause revenues and expenses do not significantly affect net income, the under- or over-recoveries can significantly affect FPL Group's and FPL's operating cash flows.

In 2000, a bankruptcy court approved a $222.5 million settlement of a contract dispute between FPL and two qualifying facilities. As approved by the FPSC, FPL is recovering the cost of the settlement through the fuel and purchased power costs recovery clause (fuel clause) and capacity cost recovery clause (capacity clause) over a five-year period which began January 1, 2002. The settlement cost is included in deferred clause expenses and litigation settlement in the table above.

During 2002, FPL reclassified certain amounts that were previously classified within accumulated depreciation to a regulatory liability. The reclassifications were made as a result of the terms of the 2002-2005 rate agreement, as well as other FPSC actions with regard to accumulated nuclear amortization. The amounts reclassified included $170 million of special depreciation and $99 million of nuclear amortization. During 2003 and 2002, FPL credited depreciation expense for $125 million as permitted under the rate agreement. The $125 million annual credit to depreciation went first to offset the $170 million of special depreciation and the remainder to accumulated depreciation. The $99 million of nuclear amortization is being credited to depreciation expense ratably over the remaining life of the plants, based on the term of the existing operating licenses of the plants, at a rate of $7 million per year. The regulatory liability balances at December 31, 2003 and 2002 are included in other liabilities on FPL Group's and FPL's consolidated balance sheets. See special depreciation and nuclear amortization in table above.

If FPL were no longer subject to cost-based rate regulation, the regulatory assets and liabilities would be written off unless regulators specify an alternative means of recovery or refund. In addition, the FPSC has the authority to disallow recovery of costs that it considers excessive or imprudently incurred. The continued applicability of FAS 71 is assessed at each reporting period.

Various states, other than Florida, have enacted legislation or have state commissions that have issued orders designed to allow retail customers to choose their electricity supplier. This regulatory restructuring is expected to result in a shift from cost-based rates to market-based rates for energy production and other services provided to retail customers. Although the legislation and initiatives vary substantially, common areas of focus include when market-based pricing will be available for wholesale and retail customers, what existing prudently incurred costs in excess of the market-based price will be recoverable and whether generating assets should be separated from transmission, distribution and other assets. It is generally believed transmission and distribution activities would remain regulated. Recently, these state restructuring efforts have diminished and several states have delayed the implementation or reversed previously approved restructuring legislation and rules. Management believes it is unlikely there will be any state actions to restructure the electric industry in Florida in the near future.

The FPSC promotes competition for building major new steam generating capacity by requiring investor-owned electric utilities, such as FPL, to issue a request for proposal (RFP). The RFP process allows independent power producers and others to bid to supply the needed generating capacity. If a bidder has the most cost-effective alternative, meets other criteria such as financial viability and demonstrates adequate expertise and experience in building and/or operating generation capacity of the type proposed, the investor-owned electric utility would seek to negotiate a power purchase agreement with the selected bidder and request that the FPSC authorize the construction of the bidder's generation capacity under the terms of the power purchase agreement. In 2003, FPL issued an RFP for additional power resources of approximately 1,100 mw beginning in June 2007. In January 2004, after evaluating alternative proposals, FPL concluded that its plan to build a new natural gas-fired plant at its Turkey Point site was the best and most cost-effective option to provide the 1,100 mw. In March 2004, FPL plans to file a petition for approval of this alternative with the FPSC. A decision is expected by mid-2004. This alternative will also be subject to approval by a Siting Board (comprised of the governor and cabinet) under the Florida Electrical Power Plant Siting Act.

The FERC has jurisdiction over potential changes which could affect competition in wholesale transactions. In 1999, the FERC issued its final order on regional transmission organizations (RTOs) which, under a variety of structures, provides for the independent operation of transmission systems for a given geographic area. In March 2001, the FERC approved GridFlorida LLC (FPL's, Progress Energy Florida, Inc.'s and Tampa Electric Company's proposed RTO) as the RTO for peninsular Florida. In December 2001, the FPSC determined that the RTO as proposed was not in the best interest of Florida customers and required the companies to develop a modified proposal. In March 2002, FPL, Progress Energy Florida, Inc. and Tampa Electric Company filed a modified RTO proposal with the FPSC changing the structure of GridFlorida LLC (GridFlorida) from a for-profit transmission company to a non-profit independent system operator (ISO). Under the proposal, FPL would continue to own its transmission lines and the ISO would manage them. In September 2002, the FPSC approved many of the aspects of the modified RTO proposal, allowing recovery of GridFlorida's incremental costs through the capacity clause. In October 2002, the State of Florida Office of Public Counsel (Public Counsel) filed a notice of administrative appeal with the Supreme Court of Florida seeking an appeal of the FPSC's order. In June 2003, the Florida Supreme Court dismissed the Public Counsel's appeal of the FPSC's approval of GridFlorida without prejudice concluding that the appeal was premature because the FPSC proceedings had not yet been completed and not all aspects of the FPSC's order on appeal were considered final agency action. The FPSC has restored the GridFlorida docket to active status and in December 2003 issued a procedural order establishing a series of workshops through 2004 to address GridFlorida issues.

In July 2002, the FERC issued a notice of proposed rulemaking to reform public utilities' transmission tariffs and implement a standardized design for electric markets in the United States. The proposed rule would, among other things, require FERC regulated entities, including FPL, that own, control or operate transmission facilities to hire an independent transmission provider, which can be an RTO such as GridFlorida for the operation of those facilities. The proposed rule also will require the independent transmission provider to administer various spot markets for the sale of electricity and ancillary services and to manage congestion on the transmission system using financial congestion rights. Legislators and regulators from the southeast and western states have expressed strong reservations about the FERC's proposal. In April 2003, the FERC issued a White Paper on Wholesale Power Market Platform (White Paper) responding to comments on its proposed rule. The White Paper indicates that the FERC intends to be more flexible on how and when the final rule will be implemented, defer to regional

state committees to address significant RTO/ISO features, require regulated utilities to join RTOs or ISOs and require RTOs to implement spot markets. While a moratorium on further action by the FERC was included in the proposed Energy Policy Act, the status of that legislation is uncertain. FPL is evaluating the proposed FERC rule and is currently unable to determine its effects, if any, on FPL's operations.

Revenues and Rates – FPL's retail and wholesale utility rate schedules are approved by the FPSC and the FERC, respectively. FPL records unbilled base revenues for the estimated amount of energy delivered to customers but not yet billed. Unbilled base revenues are included in customer receivables and amounted to $133 million and $140 million at December 31, 2003 and 2002, respectively. FPL's operating revenues also include amounts resulting from cost recovery clauses (see Regulation), franchise fees and gross receipts taxes. Franchise fees and gross receipts taxes are imposed on FPL; however, the FPSC allows FPL to include in rates charged to customers the amount of the gross receipts tax for all customers and the franchise amount for those customers located in the jurisdiction that imposes the fee. Accordingly, franchise fees and gross receipts taxes are reported gross in operating revenues and taxes other than income taxes, respectively, on FPL Group's and FPL's consolidated statements of income and were approximately $535 million, $478 million and $498 million in 2003, 2002 and 2001, respectively. FPL also collects municipal utility taxes which are reported gross in customer receivables and accounts payable on FPL Group's and FPL's consolidated balance sheets. FPL Energy's revenue is recorded as electricity is delivered, which is when revenue is earned.

In March 2002, the FPSC approved a new rate agreement regarding FPL's retail base rates, which became effective April 15, 2002 and expires December 31, 2005. The 2002-2005 rate agreement replaced a rate agreement that was effective April 15, 1999 through April 14, 2002. Both agreements include a revenue sharing mechanism for each of the twelve-month periods covered by the agreement, whereby revenues from retail base operations in excess of a stated threshold are required to be shared on the basis of two-thirds refunded to retail customers and one-third retained by FPL. Revenues from retail base operations in excess of a second threshold are required to be refunded 100% to retail customers.

During the term of the 1999-2002 rate agreement, FPL's return on common equity (ROE) was from time to time outside the 10%-12% authorized range. However, the revenue sharing mechanism described above was specified as the appropriate and exclusive mechanism to address that circumstance. The agreement included provisions which limited depreciation rates and accruals for nuclear decommissioning and fossil dismantlement costs to the then approved levels and limited amounts recoverable under the environmental compliance cost recovery clause during the term of that agreement.

The 2002-2005 rate agreement provides for a $250 million annual reduction in retail base revenues allocated to all customers by reducing customers' base rates and service charges by approximately 7%. The revenue sharing thresholds specified in the 2002-2005 rate agreement are as follows:

	Years Ended December 31,			
	2002[a]	2003	2004	2005
	(millions)			
66 2/3% to customers	$3,580	$3,680	$3,780	$3,880
100% to customers	$3,740	$3,840	$3,940	$4,040

[a] Refund was limited to 71.5% (representing the period April 15 through December 31, 2002) of the revenues from base rate operations exceeding the thresholds.

During the term of the 2002-2005 rate agreement, FPL will not have an authorized regulatory ROE range for the purpose of addressing earnings levels. However, FPL will continue to file monthly earnings surveillance reports with the FPSC and if the reported ROE falls below 10% during the term of the 2002-2005 rate agreement, FPL may petition the FPSC to amend its base rates. The 2002-2005 rate agreement would terminate on the effective date of any final order issued in a proceeding that changes FPL's base rates.

In April 2002, the South Florida Hospital and Healthcare Association and certain hospitals filed a joint notice of administrative appeal with the FPSC and the Supreme Court of Florida appealing the FPSC's approval of the 2002-2005 rate agreement. The appellants contend that the FPSC rushed to judgment and approved the settlement without the benefit of any evidentiary record to support its actions, and requested that the Supreme Court remand the case to the FPSC for additional proceedings. In November 2003, the Florida Supreme Court heard oral arguments in the appeal. There is no specified time by which the Supreme Court of Florida must rule. FPL intends to continue to vigorously contest this appeal and believes that the FPSC's decision approving the 2002-2005 rate agreement will be upheld.

Under both the 1999-2002 and the 2002-2005 rate agreements, the accrual for the refund associated with the revenue sharing mechanism is computed monthly for each twelve-month period of the rate agreement. At the beginning of each twelve-month period, planned revenues are reviewed to determine if it is probable that the threshold will be exceeded. If so, an accrual is recorded each month for a portion of the anticipated refund based on the relative percentage of year-to-date planned revenues to the total estimated revenues for the twelve-month period, plus accrued interest. In addition, if in any month actual revenues are above or below planned revenues, the accrual is increased or decreased as necessary to recognize the effect of this variance on the expected refund amount. Under the 2002-2005 rate agreement, the annual refund (including interest) is paid

to customers as a credit to their February electric bill. At December 31, 2003 and 2002, the accrual for the revenue refund was approximately $3 million and $11 million, respectively.

Electric Plant, Depreciation and Amortization – The cost of additions to units of utility property of FPL and FPL Energy is added to electric utility plant. In accordance with regulatory accounting, the cost of FPL's units of utility property retired, less net salvage, is charged to accumulated depreciation. Maintenance and repairs of property as well as replacements and renewals of items determined to be less than units of utility property are charged to other operations and maintenance (O&M) expenses. At December 31, 2003, the electric generating, transmission, distribution and general facilities of FPL represented approximately 44%, 12%, 36% and 8%, respectively, of FPL's gross investment in electric utility plant in service. Substantially all of FPL's properties are subject to the lien of FPL's mortgage, which secures most debt securities issued by FPL. Several of FPL Energy's generating facilities are encumbered by liens against their assets securing various financings. The total balance of FPL Energy's assets serving as collateral was approximately $2.7 billion at December 31, 2003.

Depreciation of FPL's electric property is primarily provided on a straight-line average remaining life basis. FPL includes in depreciation expense a provision for fossil plant dismantlement and nuclear plant decommissioning (see Decommissioning of Nuclear Plant and Dismantlement of Fossil Plant). For substantially all of FPL's property, depreciation studies are performed and filed with the FPSC at least every four years; however, the 2002-2005 rate agreement requires FPL to continue to depreciate its electric property based on rates approved in April 1999 that became effective January 1, 1998. The weighted annual composite depreciation rate for FPL's electric plant in service, including intangible software, but excluding the effects of decommissioning and dismantlement, was approximately 4.3%, 4.4% and 4.4% for 2003, 2002 and 2001, respectively. Further, these rates exclude the depreciation adjustments discussed below. FPL Energy's electric plants in service less salvage value are depreciated using the straight-line method over their estimated useful lives. FPL Energy's effective depreciation rates were 3.9%, 4.0% and 4.0% for 2003, 2002 and 2001, respectively.

The 1999-2002 rate agreement (see Revenues and Rates) allowed FPL at its discretion to recover, as special depreciation, up to $100 million in each year of the three-year agreement period. The additional depreciation recovery was required to be applied to nuclear and/or fossil generating assets based on future depreciation studies. Under the 1999-2002 rate agreement, on a calendar year basis FPL recorded nothing in 2002 and 2001. Under the 2002-2005 rate agreement (see Revenues and Rates), depreciation will be reduced on FPL's plant in service by $125 million in each year 2002 through 2005. These depreciation adjustments are included in earnings and will be allocated to the appropriate assets when FPL files its comprehensive depreciation studies at the end of 2005.

Nuclear Fuel – FPL leases nuclear fuel for all four of its nuclear units. Beginning July 1, 2003, the lessor was consolidated by FPL as a result of adopting the Financial Accounting Standards Board's (FASB) Interpretation No. (FIN) 46, "Consolidation of Variable Interest Entities." See Note 10 – FPL. For ratemaking purposes, these leases are classified as operating leases. For financial reporting, prior to July 1, 2003, the capital lease obligation was recorded at the amount due in the event of lease termination. Nuclear fuel lease expense was $31 million for the six months ended June 30, 2003, $71 million in 2002 and $70 million in 2001. Included in this expense was an interest component of $1 million for the six months ended June 30, 2003, $3 million for 2002 and $5 million in 2001. Until July 1, 2003, the lease payments were charged to fuel expense on a unit of production method. Beginning July 1, 2003, the cost of nuclear fuel was capitalized and is being amortized to fuel expense on a unit of production method except for the interest component, which is recorded as interest expense. These charges, as well as a charge for spent nuclear fuel, are recovered through the fuel clause. FPL makes quarterly payments to the lessor for the lease commitments. Under certain circumstances of lease termination, the associated debt ($154 million at December 31, 2003), which was recorded in commercial paper and long-term debt on FPL Group's and FPL's consolidated balance sheets as a result of the consolidation on July 1, 2003, would become due.

Seabrook Station (Seabrook) has several contracts for the supply, conversion, enrichment and fabrication of nuclear fuel. See Note 17 – Contracts. Seabrook's nuclear fuel costs are charged to fuel expense on a unit of production method.

Construction Activity – Allowance for funds used during construction (AFUDC) is a non-cash item which represents the allowed cost of capital, including a return on common equity, used to finance construction projects. The portion of AFUDC attributable to borrowed funds is recorded as a reduction of interest expense and the remainder is recorded as other income. The FPSC rules limit the recording of AFUDC to projects that cost in excess of 0.5% of a utility's plant in service balance and require more than one year to complete. The FPSC rules allow construction projects below the 0.5% threshold as a component of rate base. During 2003, AFUDC was capitalized at a rate of 7.84% and amounted to approximately $18 million. See Note 17 – Commitments.

FPL's construction work in progress at December 31, 2003 is primarily attributable to the addition of combined cycle generation at its Martin and Manatee sites. Included in construction work in progress are construction materials, progress payments on turbine generators, third party engineering costs and other costs directly associated with the construction of a project. Upon commencement of plant operation, these costs are transferred to electric utility plant in service. At December 31, 2003 and 2002, FPL recorded approximately $111 million and $61 million, respectively, of construction accruals, which are included in other current liabilities on FPL's consolidated balance sheets.

FPL Energy capitalizes project development costs once it is probable that such costs will be realized through the ultimate

construction of a power plant. At December 31, 2003 and 2002, FPL Energy's capitalized development costs totaled approximately $9 million and $31 million, respectively, which are included in other assets on FPL Group's consolidated balance sheets. These costs include professional services, permits and other third party costs directly associated with the development of a new project. Upon commencement of construction, these costs either are transferred to construction work in progress or remain in other assets, depending upon the nature of the cost. Capitalized development costs are charged to O&M expenses when the development of a project is no longer probable. See Note 6. In addition to capitalized development costs, FPL Energy capitalizes interest on its construction projects. Interest capitalized on construction projects amounted to $83 million, $90 million and $55 million during 2003, 2002 and 2001, respectively. FPL Energy's interest charges are based on a deemed capital structure of 50% debt for operating projects and 100% debt for projects under construction.

FPL Energy's construction work in progress includes construction materials, prepayments on turbine generators, third party engineering costs, interest and other costs directly associated with the construction and development of the project. Upon commencement of plant operation, these costs are transferred to electric utility plant in service and other property. At December 31, 2003 and 2002, FPL Energy recorded approximately $174 million and $88 million, respectively, of construction accruals, which are included in other current liabilities on FPL Group's consolidated balance sheets.

Asset Retirement Obligations – Effective January 1, 2003, FPL Group and FPL adopted FAS 143, "Accounting for Asset Retirement Obligations." See Note 16.

Decommissioning of Nuclear Plant and Dismantlement of Fossil Plant – For ratemaking purposes, FPL accrues for the cost of retirement and disposal of its nuclear and fossil plants over the expected service life of each unit based on decommissioning, dismantlement and depreciation studies periodically filed with the FPSC. Beginning January 1, 2003, FPL began recognizing decommissioning and dismantlement liabilities for financial reporting purposes in accordance with FAS 143, which requires that a liability for the fair value of an asset retirement obligation (ARO) be recognized in the period in which it is incurred with the offsetting associated asset retirement cost capitalized as part of the carrying amount of the long-lived asset. The cost of dismantling the majority of FPL's fossil plants is not considered an ARO. Accordingly, the impact of adopting FAS 143 for dismantlement of fossil plants was not significant. Any differences between expense recognized under FAS 143 and the amount recoverable through rates is deferred in accordance with FAS 71 and was approximately $180 million at December 31, 2003. FPL Energy also records a nuclear decommissioning liability for Seabrook in accordance with FAS 143, representing the fair value of its ultimate decommissioning liability as determined by an independent study. See Regulation, Electric Plant, Depreciation and Amortization and Note 16.

Decommissioning of Nuclear Plant – Nuclear decommissioning studies are performed at least every five years and are submitted to the FPSC for approval. FPL's latest nuclear decommissioning studies were approved by the FPSC in December 2001 and became effective in May 2002. The changes included, among other things, a reduction in the annual decommissioning expense accrual to $79 million from $85 million. These studies assume prompt dismantlement of Turkey Point Units Nos. 3 and 4 with decommissioning activities commencing in 2012 and 2013, respectively, when the original operating licenses are to expire. Current plans, which are consistent with the term of the original operating licenses, call for St. Lucie Unit No. 1 to be mothballed beginning in 2016, with decommissioning activities to be integrated with the prompt dismantlement of St. Lucie Unit No. 2 beginning in 2023. These studies also assume that FPL will be storing spent fuel on site pending removal to a U.S. government facility. The studies indicate FPL's portion of the ultimate costs of decommissioning its four nuclear units, including costs associated with spent fuel storage, to be $6.4 billion. FPL's portion of the ultimate cost of decommissioning its four units, expressed in 2003 dollars, is estimated by the studies to aggregate $2.1 billion. At December 31, 2003, $2,009 million was accrued for nuclear decommissioning, of which $1,907 million was recorded as an ARO, $222 million was recorded as a capitalized net asset related to the ARO, $181 million was recorded as a regulatory liability and $143 million was included in accrued asset removal costs. At December 31, 2002, the provision for nuclear decommissioning included in accrued asset removal costs totaled approximately $1.7 billion. During 2003, in accordance with FAS 143, FPL recognized approximately $101 million of accretion expense related to its nuclear decommissioning obligations, which is included in depreciation and amortization expense. During 2002 and 2001, FPL accrued decommissioning expense of approximately $81 million and $85 million, respectively, which is included in depreciation and amortization expense.

Restricted trust funds for the payment of future expenditures to decommission FPL's nuclear units are included in special use funds of FPL. Consistent with regulatory treatment, securities held in the decommissioning funds are carried at market value with market adjustments resulting in a corresponding adjustment to the related liability accounts. See Note 11 – Special Use Funds. Contributions to the funds are based on current period decommissioning expense. Additionally, fund earnings, net of taxes, are reinvested in the funds. The tax effects of amounts not yet recognized for tax purposes are included in accumulated deferred income taxes.

Seabrook's current decommissioning funding plan is based on a funding date of 2026. The funding plan is based on a comprehensive nuclear decommissioning study reviewed by the New Hampshire Nuclear Decommissioning Financing Committee (NDFC) in 1999 and is effective for four years. Seabrook filed an updated nuclear decommissioning study in mid-2003 with the NDFC. These studies assume that Seabrook would begin decommissioning in 2026 and that FPL Energy's 88.23% portion of the ultimate cost of decommissioning Seabrook, including costs associated with spent fuel storage, is $1.5 billion, or $553 million, expressed in 2003 dollars. At December 31, 2003, FPL Energy had an ARO related to nuclear decommissioning of $163 million. At December 31, 2002, FPL Energy's provision for nuclear decommissioning was

approximately $152 million and is included in accrued asset removal costs on FPL Group's consolidated balance sheets. The liability is being accreted using the interest method over an assumed license extension period that runs through 2050. In 2003 and 2002, FPL Energy recorded approximately $11 million and $2 million of accretion expense, respectively, related to Seabrook's nuclear decommissioning liability, which is included in depreciation and amortization expense. FPL Energy's 88.23% portion of Seabrook's restricted trust fund for the payment of future expenditures to decommission Seabrook is included in FPL Group's special use funds. Marketable securities held in the decommissioning fund are classified as available for sale and are carried at market value with market adjustments resulting in a corresponding adjustment to other comprehensive income. Fund earnings are reinvested in the funds either on a pretax or after tax basis. The tax effects of amounts not yet recognized for tax purposes are included in accumulated deferred income taxes. See Note 11 – Special Use Funds.

Dismantlement of Fossil Plant – Fossil fuel plant dismantlement studies are performed and filed with the FPSC at least every four years. FPL's latest fossil fuel plant dismantlement studies became effective January 1, 2003, and indicated an increase in the annual expense from $16 million to $19 million. The studies indicate that FPL's portion of the ultimate cost to dismantle its fossil units is $668 million. At December 31, 2003 and 2002, the provision for fossil dismantlement included in accrued asset removal costs totaled approximately $274 million and $260 million, respectively. FPL recognized fossil dismantlement expense of approximately $19 million in 2003 and $16 million in both 2002 and 2001, which is included in depreciation and amortization expense.

Accrual for Major Maintenance Costs – Consistent with regulatory treatment, FPL's estimated nuclear maintenance costs for each nuclear unit's next planned outage are accrued over the period from the end of the last outage to the end of the next planned outage. During 2002, the FPSC authorized deferral and amortization of the estimated costs for inspection and repair of FPL's four reactor vessel heads on a levelized basis over a five-year period beginning in 2002. The accrued liability for nuclear maintenance costs, including those for the reactor vessel heads, at December 31, 2003 and 2002 totaled $52 million and $51 million, respectively, and is included in other current liabilities and other liabilities. Any difference between the estimated and actual costs is included in O&M expenses when known.

FPL Energy's estimated major maintenance costs for each generating unit's next planned outage are accrued over the period from the end of the last outage to the end of the next planned outage. The accrued liability for FPL Energy's major maintenance costs totaled $41 million and $47 million at December 31, 2003 and 2002, respectively, and is included in other liabilities. Any difference between the estimated and actual costs is included in O&M expenses when known.

Cash Equivalents – Cash equivalents consist of short-term, highly liquid investments with original maturities of three months or less.

Restricted Cash – At December 31, 2003 and 2002, FPL Group had approximately $76 million and $36 million, respectively, of restricted cash included in other current assets on FPL Group's consolidated balance sheets, essentially all of which is restricted for debt service payments, construction liabilities and O&M expenses.

Allowance for Doubtful Accounts – FPL maintains an accumulated provision for uncollectible customer accounts receivable that is determined by multiplying the previous six months of revenues by a bad debt percentage, which represents an average of the past two years' actual write-offs. Additional amounts are included in the provision to address specific items that are not considered in the calculation described above. FPL Energy and FPL FiberNet, LLC (FPL FiberNet) regularly review collectibility of their receivables and establish a provision for losses when necessary using the specific identification method.

Inventory – FPL values materials, supplies and fossil fuel inventory using a weighted-average cost method. FPL Energy's oil and gas inventories are carried at the lower of cost or market using a weighted-average cost basis. FPL Energy's spare parts are carried at the lower of cost or market using specifically identified cost. FPL FiberNet utilizes a weighted-average cost method to value its inventory.

Energy Trading – FPL Energy engages in limited energy trading activities to optimize the value of electricity and fuel contracts and generating facilities, as well as to take advantage of expected favorable commodity price movements. In accordance with Emerging Issues Task Force Issue No. (EITF) 02-3, trading contracts that meet the definition of a derivative are accounted for at market value and realized gains and losses from all trading contracts, including those where physical delivery is required, are recorded net for all periods presented. See Note 3.

Storm Fund – The storm and property insurance reserve fund (storm fund) provides coverage toward FPL's storm damage costs and possible retrospective premium assessments stemming from a nuclear incident under the various insurance programs covering FPL's nuclear generating plants. Securities held in the fund are carried at market value with market adjustments resulting in a corresponding adjustment to the storm and property insurance reserve. See Note 11 – Special Use Funds and Note 17 – Insurance. Fund earnings, net of taxes, are reinvested in the fund. The tax effects of amounts not yet recognized for tax purposes are included in accumulated deferred income taxes. Accordingly, at December 31, 2003, the storm and property insurance reserve (approximately $327 million) equals the amount in the storm fund (approximately $200 million) plus related deferred income taxes (approximately $127 million).

Investments in Leveraged Leases – Subsidiaries of FPL Group, other than FPL, have investments in leveraged leases, which

at December 31 of both 2003 and 2002 totaled $106 million, and are included in other investments on FPL Group's consolidated balance sheets. The related deferred tax liabilities totaled $99 million and $108 million at December 31, 2003 and 2002, respectively, and are included in accumulated deferred income taxes. See Note 17 – Other Contingencies.

Impairment of Long-Lived Assets – FPL Group evaluates on an ongoing basis the recoverability of its assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable as described in FAS 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." See Note 6.

Goodwill and Other Intangible Assets – Effective January 1, 2002, FPL Group adopted FAS 142, "Goodwill and Other Intangible Assets." Under this statement, the amortization of goodwill is no longer permitted. Instead, goodwill is assessed for impairment at least annually by applying a fair value based test. See Note 5.

Stock-Based Compensation – FAS 123, "Accounting for Stock-Based Compensation," encourages a fair value based method of accounting for stock-based compensation. In May 2003, FPL Group announced it would begin using the fair value based method of accounting for stock-based compensation beginning in 2004. Through 2003, however, FPL Group used the intrinsic value based method of accounting as permitted by the statement. Stock-based compensation expense was approximately $19 million, $23 million and $22 million in 2003, 2002 and 2001, respectively. Compensation expense for restricted stock and performance shares is the same under the fair value and the intrinsic value based methods. The following table illustrates the effect on net income and earnings per share if FPL Group's compensation expense relating to options had been determined using the fair value based method:

	Years Ended December 31,		
	2003	2002	2001
	(millions, except per share amounts)		
Net income, as reported	$ 890	$ 473	$ 781
Deduct: Stock option-based compensation expense determined under the fair value based, net of related income tax effects	(7)	(7)	(6)
Pro forma net income	$ 883	$ 466	$ 775
Earnings per share:			
Basic – as reported	$ 5.01	$ 2.74	4.63
Basic – pro forma	$ 4.97	$ 2.69	4.60
Assuming dilution – as reported	$ 5.00	$ 2.73	4.62
Assuming dilution – pro forma	$ 4.96	$ 2.69	4.59

The weighted-average fair value of options granted was $8.37, $9.33 and $10.17 in 2003, 2002 and 2001, respectively. The fair value of the options granted in 2003, 2002 and 2001 were estimated on the date of the grant using the Black-Scholes option-pricing model with a weighted-average expected dividend yield of 3.97%, 4.04% and 4.23%, a weighted-average expected volatility of 19.99%, 19.18% and 19.01%, a weighted-average risk-free interest rate of 3.48%, 4.99% and 4.98%, respectively, and a weighted-average expected term of 7 year for each of three years.

Retirement of Long-Term Debt – Gains and losses that result from differences in FPL's reacquisition cost and the book value of long-term debt which is retired are deferred and amortized to interest expense ratably over the remaining life of the original issue, which is consistent with its treatment in the ratemaking process. See Regulation. FPL Group Capital Inc (FPL Group Capital) recognizes as expense any such excess at time of retirement.

Retirement of Preferred Stock – Gains and losses that result from differences in FPL's reacquisition cost and the book value of preferred stock which is retired are recognized as expense at the time of retirement.

Income Taxes – Deferred income taxes are provided on all significant temporary differences between the financial statement and tax bases of assets and liabilities. FPL Group's subsidiaries are included in the consolidated federal income tax return and determine their income tax provisions on the "separate return method." The deferred regulatory credit – income taxes of FPL represents the revenue equivalent of the difference in accumulated deferred income taxes computed under FAS 109, "Accounting for Income Taxes," as compared to regulatory accounting rules. This amount is being amortized in accordance with the regulatory treatment over the estimated lives of the assets or liabilities which resulted in the initial recognition of the deferred tax amount. Investment tax credits (ITC) for FPL are deferred and amortized to income over the approximate lives of the related property in accordance with the regulatory treatment. Production tax credits generated by certain wind operations of FPL Energy are utilized currently as a reduction of current income taxes payable, unless limited by tax law in which instance they are recorded as deferred tax assets. A valuation allowance is recorded to reduce the carrying amounts of deferred tax assets unless it is more likely than not that such assets will be realized. See Regulation and Note 4.

Guarantees – FPL Group and FPL each account for payment guarantees and related contracts, for which it or a subsidiary is the guarantor, under FIN 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees Including Indirect Guarantees of Indebtedness of Others," which requires that the fair value of guarantees provided to unconsolidated entities entered into after December 31, 2002 be recorded on the balance sheet. See Note 17 – Commitments.

Variable Interest Entities (VIEs) – In January 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities." The interpretation requires FPL Group and FPL to assess the variable interests they hold and to determine if those entities are VIEs. See Note 10.

2. Employee Retirement Benefits

FPL Group sponsors a noncontributory defined benefit pension plan for substantially all employees of FPL Group and its subsidiaries. In addition, FPL Group sponsors a substantially contributory postretirement plan for health care and life insurance benefits (other benefits) for retirees of FPL Group and its subsidiaries meeting certain eligibility requirements who elect participation at the time of retirement.

Benefit Obligations – FPL Group uses a measurement date of September 30 for its pension and other benefits plans. The following table provides a reconciliation of the changes in the benefit obligations of the plans:

	Pension Benefits		Other Benefits	
	2003	2002	2003	2002
	(millions)			
Obligation at October 1 of prior year	$ 1,405	$ 1,353	$ 469	$ 387
Service cost	51	52	7	6
Interest cost	83	84	27	24
Participant contributions	-	-	3	2
Plan amendments	-	(3)	-	-
Seabrook acquisition	-	48	-	12
Special termination benefits	-	4	-	-
Actuarial (gains) losses – net	53	(55)	8	68
Benefit payments	(93)	(78)	(26)	(30)
Obligation at September 30	$ 1,499	$ 1,405	$ 488	$ 469

FPL Group's accumulated benefit obligation, which includes no assumption about future compensation levels, for its pension plan at September 30, 2003 and 2002 was $1,449 million and $1,357 million, respectively.

The following table provides the weighted-average assumptions used to determine benefit obligations for the plans. These rates are used in determining net periodic benefit cost in the following year.

	Pension Benefits		Other Benefits	
	2003	2002	2003	2002
Discount rate	5.50%	6.00%	5.50%	6.00%
Rate of compensation increase	4.00%	4.50%	4.00%	4.50%

A 9.50% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2004. The rate was assumed to decrease gradually to 5.00% by 2012 and remain at that level thereafter. Assumed health care cost trend rates have a significant effect on the amounts reported for health care plans. A one percentage point change in assumed health care cost trend rates would have the following effect:

	One Percentage Point	
	Increase	Decrease
	(millions)	
Effect on other benefits obligation at September 30, 2003	$ 9	$ (9)

Plan Assets – The following table provides a reconciliation of the fair value of assets of the plans. Employer contributions and benefits paid in the table below include only those amounts contributed directly to, or paid directly from, plan assets.

	Pension Benefits		Other Benefits	
	2003	2002	2003	2002
	(millions)			
Fair value of plan assets at October 1 of prior year	$ 2,388	$ 2,546	$ 45	$ 74
Actual return on plan assets	402	(80)	15	(1)
Employer contributions	-	-	18	-
Participant contributions	-	-	2	2
Benefit payments	(93)	(78)	(26)	(30)
Fair value of plan assets at September 30	$ 2,697	$ 2,388	$ 54	$ 45

FPL Group's current investment policy for the pension plan recognizes the benefit of protecting the plan's funded status, thereby

avoiding the necessity of future employer contributions. Its broad objectives are to achieve a high rate of total return with a prudent level of risk taking while maintaining sufficient liquidity and diversification to avoid large losses while preserving capital.

FPL Group's pension plan fund has a relatively conservative strategic asset allocation that targets a mix of 50% equity investments and 50% fixed income investments. The fund's investment strategy emphasizes traditional investments, broadly diversified across the global equity and fixed income markets, utilizing a combination of different investment styles and vehicles. The pension fund's equity investments include direct equity holdings and assets classified as equity commingled vehicles. Similarly, its fixed income investments include direct debt security holdings and assets classified as debt security commingled vehicles. These equity and debt security commingled vehicles include common and collective trusts, pooled separate accounts, registered investment companies or other forms of pooled investment arrangements.

At September 30, the asset allocation for FPL Group's pension fund is as follows:

Asset Category	2003	2002
Equity	16%	15%
Equity commingled vehicles	35	30
Debt securities	32	34
Debt security commingled vehicles	17	21
Total	100%	100%

With regard to its other benefits, FPL Group's policy is to fund claims as incurred during the year through FPL Group contributions, participant contributions and plan assets. The other benefits' assets are invested with a focus on assuring the availability of funds to pay benefits while maintaining sufficient diversification to avoid large losses and preserve capital. The other benefits plan fund has a relatively conservative strategic asset allocation that targets a mix of 55% equity investments and 45% fixed income investments. The fund's investment strategy emphasizes traditional investments, diversified among equity and fixed income investments. The fund's equity investments include direct equity holdings and assets classified as equity commingled vehicles. Similarly, its fixed income investments include direct debt security holdings and assets classified as debt security commingled vehicles. These equity and debt commingled vehicles include common and collective trusts, pooled separate accounts, registered investment companies or other forms of pooled investment arrangements.

At September 30, the asset allocation for FPL Group's other benefits fund is as follows:

Asset Category	2003	2002
Equity	33%	25%
Equity commingled vehicles	14	16
Debt securities	2	37
Debt security commingled vehicles	51	22
Total	100%	100%

Funded Status – The following table reconciles the funded status of the plans to the amounts on the consolidated balance sheets:

	Pension Benefits		Other Benefits	
	2003	2002	2003	2002
	(millions)			
Fair value of plan assets	$ 2,697	$ 2,388	$ 54	$ 45
Benefit obligation	(1,499)	(1,405)	(488)	(469)
Funded status at September 30	1,198	983	(434)	(424)
Unrecognized prior service (benefit) cost	(38)	(43)	-	-
Unrecognized transition (asset) obligation	(23)	(47)	31	35
Unrecognized (gain) loss	(459)	(338)	119	127
Other	-	-	6	-
Prepaid (accrued) benefit cost at FPL Group at December 31	$ 678	$ 555	$ (278)	$ (262)
Prepaid (accrued) benefit cost at FPL at December 31	$ 672	$ 573	$ (254)	$ (243)

Expected Cash Flows – FPL Group does not expect to make contributions to the pension plan in calendar year 2004. FPL Group expects to contribute $27 million to the other benefits plan in calendar year 2004.

The following table provides information about benefit payments expected to be paid by the plans for each of the following calendar years:

	Pension Benefits	Other Benefits
	(millions)	
2004	$ 101	$ 33
2005	$ 106	$ 36
2006	$ 114	$ 39
2007	$ 121	$ 43
2008	$ 126	$ 47
2009-2013	$ 693	$ 279

Net Periodic Cost – The following table provides the components of net periodic benefit (income) cost for the plans:

	Pension Benefits			Other Benefits		
	Years Ended December 31,			Years Ended December 31,		
	2003	2002	2001	2003	2002	2001
	(millions)					
Service cost	$ 51	$ 52	$ 48	$ 7	$ 6	$ 6
Interest cost	83	84	82	27	24	24
Expected return on plan assets	(199)	(196)	(185)	(4)	(6)	(7)
Amortization of transition (asset) obligation	(23)	(23)	(23)	3	3	3
Amortization of prior service (benefit) cost	(5)	1	5	-	-	-
Amortization of (gains) losses	(30)	(32)	(37)	6	1	-
Cost of special termination benefits	-	4	-	-	-	-
Net periodic benefit (income) cost at FPL Group	$ (123)	$ (110)	$ (110)	$ 39	$ 28	$ 26
Net periodic benefit (income) cost at FPL	$ (99)	$ (100)	$ (102)	$ 35	$ 27	$ 25

The following table provides the weighted-average assumptions used to determine net periodic benefit (income) cost for the plans:

	Pension Benefits			Other Benefits		
	Years Ended December 31,			Years Ended December 31,		
	2003	2002	2001	2003	2002	2001
Discount rate	6.00%	6.25%	6.75%	6.00%	6.25%	6.75%
Salary increase	4.50%	5.50%	5.50%	4.50%	5.50%	5.50%
Expected long-term rate of return [a]	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%

[a] In developing the expected long-term rate of return on assets assumption for its plans, FPL Group evaluated input from its actuaries as well as information available in the market place. FPL Group considered the 10-year and 20-year historical median returns for a portfolio with an equity/bond asset mix similar to its funds. FPL Group also considered its funds' historical compounded returns. No specific adjustments were made to reflect expectations of future returns.

Assumed health care cost trend rates can have a significant effect on the amounts reported for the health care plans. A one percentage point change in assumed health care cost trend rates would have had the following effect:

	One Percentage Point	
	Increase	Decrease
	(millions)	
Effect on total service and interest cost at September 30, 2003	$ 1	$ (1)

In December 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act) was signed into law. The Act introduces a voluntary prescription drug benefit under Medicare as well as a federal subsidy to sponsors of retiree health care plans that provide at least an actuarially equivalent benefit. The Act became law after FPL's September 30, 2003 measurement date. As a result of this Act, in January 2004, the FASB issued Staff Position FAS 106-1, "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003." Accordingly, FPL must decide in the first quarter of 2004 whether to begin recognizing the effects of the Act or defer recognition, pending authoritative guidance on the appropriate accounting treatment for the federal subsidy.

3. Derivative Instruments

Effective January 2001, FPL Group and FPL adopted FAS 133, "Accounting for Derivative Instruments and Hedging Activities," as amended by FAS 137 and 138 (collectively, FAS 133). As a result, beginning in January 2001, derivative instruments are recorded on FPL Group's and FPL's consolidated balance sheets as either an asset or liability (in derivative assets, other

assets, other current liabilities and other liabilities) measured at fair value. FPL Group and FPL use derivative instruments (primarily forward purchases and sales, swaps, options and futures) to manage the commodity price risk inherent in fuel and electricity contracts, as well as to optimize the value of power generation assets.

Effective July 2003, FPL Group and FPL adopted FAS 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." The statement amends and clarifies financial accounting and reporting for derivative instruments, including derivative instruments embedded in other contracts, and for hedging activities. There was no financial statement impact upon adoption of FAS 149. However, the statement could have a significant future impact on the number of contracts that will be marked to market through earnings.

Effective July 2002, FPL Group and FPL adopted EITF 02-03. In accordance with this guidance, trading contracts that meet the definition of a derivative are accounted for at market value and realized gains and losses from all trading contracts, including those where physical delivery is required, are recorded net for all periods presented.

Effective October 2003, FPL Group and FPL adopted EITF 03-11, which provides guidance on whether to report realized gains or losses on physically settled derivative contracts not held for trading purposes on a gross or net basis and requires realized gains or losses on derivative contracts that do not settle physically to be reported on a net basis. The guidance in EITF 03-11 was applied to all periods presented and was applied using a revised definition of "physical delivery." Based on changes made by FAS 149, FPL Group believes that where offsetting positions exist at the same location for the same time, the transactions are considered to have been netted and therefore, under these new rules, physical delivery has not occurred. Previously, FPL Group and FPL generally reported contracts requiring physical delivery of a commodity on a gross basis, even when an offsetting position existed. Under EITF 03-11, FPL Group reduced operating revenues and fuel, purchased power and interchange expense by $416 million for the nine months ended September 30, 2003 and $134 million and $115 million for the years ended December 31, 2002 and 2001, respectively. FPL had no significant change as a result of adopting EITF 03-11.

Effective October 2003, FPL Group and FPL also adopted the U.S. Securities and Exchange Commission (SEC) staff guidance requiring the realized and unrealized effects of derivative instruments not accounted for as hedges to be reported within the same caption on the statements of income. All periods presented have been reclassified to reflect this guidance. Previously, FPL Group reflected unrealized gains and losses related to non-qualifying hedges in other – net and the related realized gains and losses for these instruments within the line items in the statements of income to which they relate. FPL had no significant change as a result of adopting the SEC staff guidance. The following table reflects the effects of FPL Group adopting the SEC staff guidance:

	Nine Months Ended September 30,	Years Ended December 31,	
	2003	2002	2001
	(millions)		
Increase (decrease) by line item:			
Operating revenues	$ 7	$ (4)	$ 6
Fuel, purchased power and interchange	$ 6	$ (1)	$ (7)
Other – net	$ (1)	$ 3	$ (13)

At FPL, substantially all changes in fair value are deferred as a regulatory asset or liability until the contracts are settled. Upon settlement, any related gains or losses will be passed through the fuel clause and the capacity clause. For FPL Group's non-rate regulated operations, predominantly FPL Energy, changes in the derivatives' fair value are recognized net in operating revenues for trading and managed hedge activities and in the same line item as the related realized amounts for non-qualifying hedges in FPL Group's consolidated statements of income unless hedge accounting is applied. While substantially all of FPL Energy's derivative transactions are entered into for the purposes described above, hedge accounting is only applied where specific criteria are met and it is practicable to do so. In order to apply hedge accounting, the transaction must be designated as a hedge, it must be highly effective and physical delivery must be probable for forecasted commodity transactions. The hedging instrument's effectiveness is assessed utilizing regression analysis at the inception of the hedge and on at least a quarterly basis throughout its life. Hedges are considered highly effective when a correlation coefficient of .8 or higher is achieved. Substantially all of the transactions that FPL Group has designated as hedges are cash flow hedges which have expiration dates through December 2008. The effective portion of the gain or loss on a derivative instrument designated as a cash flow hedge is reported as a component of other comprehensive income and is reclassified into earnings in the period(s) during which the transaction being hedged affects earnings. The ineffective portion of these hedges flows through earnings in the current period. Settlement gains and losses are included within the line items in the statements of income to which they relate.

Unrealized mark-to-market gains (losses) on derivative transactions for both consolidated subsidiaries and equity method investees are as follows:

	Years Ended December 31,		
	2003	2002	2001
		(millions)	
Consolidated subsidiaries	$ 16	$ 5	$ 13
Equity method investees	$ 21	$ 5	$ (1)

4. Income Taxes

The components of income taxes, including deferred regulatory credit, are as follows:

	FPL Group			FPL		
	Years Ended December 31,			Years Ended December 31,		
	2003	2002	2001	2003	2002	2001
	(millions)					
Federal:						
Current	$ (181)	$ (70)	$ 432	$ 214	$ 92	$ 546
Deferred	507	283	(76)	145	277	(203)
ITC	(20)	(20)	(22)	(20)	(20)	(22)
Total federal	306	193	334	339	349	321
State:						
Current	(21)	(22)	55	37	12	91
Deferred	83	73	(10)	27	52	(29)
Total state	62	51	45	64	64	62
Total income taxes	$ 368	$ 244	$ 379	$ 403	$ 413	$ 383

A reconciliation between the effective income tax rates and the applicable statutory rates is as follows:

	FPL Group			FPL		
	Years Ended December 31,			Years Ended December 31,		
	2003	2002	2001	2003	2002	2001
Statutory federal income tax rate	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%
Increases (reductions) resulting from:						
State income taxes – net of federal income tax benefit	3.2	3.5	2.5	3.6	3.7	3.7
Allowance for other funds used during construction	(0.4)	-	-	(0.4)	-	-
Amortization of ITC	(1.6)	(2.1)	(1.9)	(1.7)	(1.7)	(2.0)
Production tax credits – FPL Energy	(6.2)	(5.7)	(2.3)	-	-	-
Amortization of deferred regulatory credit – income taxes	(0.8)	(1.1)	(1.0)	(0.8)	(0.9)	(1.1)
Adjustments of prior years' tax matters	(0.6)	(3.2)	(0.8)	(0.7)	-	(0.6)
Preferred stock dividends – FPL	0.4	0.6	0.5	-	-	-
Other – net	0.2	(1.0)	0.7	(0.2)	-	0.6
Effective income tax rate	29.2%	26.0%	32.7%	34.8%	36.1%	35.6%

The income tax effects of temporary differences giving rise to consolidated deferred income tax liabilities and assets are as follows:

	FPL Group		FPL	
	December 31,		December 31,	
	2003	2002	2003	2002
	(millions)			
Deferred tax liabilities:				
Property-related	$ 2,570	$ 2,010	$ 1,771	$ 1,654
Investment-related	297	275	-	-
Other	632	492	523	399
Total deferred tax liabilities	3,499	2,777	2,294	2,053
Deferred tax assets and valuation allowance:				
Asset writedowns	244	250	-	-
Unamortized ITC and deferred regulatory credit – income taxes	56	74	56	74
Storm and decommissioning reserves	362	331	362	331
Post retirement benefits	108	102	108	102
Other	601	494	353	331
Valuation allowance	(27)	(21)	-	-
Net deferred tax assets	1,344	1,230	879	838
Accumulated deferred income taxes	$ 2,155	$ 1,547	$ 1,415	$ 1,215

Deferred tax liabilities associated with property-and investment-related assets reflect additional first year depreciation as allowed by recent tax legislation. In addition, a capital loss from the disposition in a prior year of an FPL Group Capital subsidiary was limited by Internal Revenue Service (IRS) rules. FPL Group challenged the IRS loss limitation and in March 2002, the IRS conceded the issue. Accordingly, FPL Group recognized approximately $30 million of net tax benefits in the first quarter of 2002.

5. Goodwill and Other Intangible Assets

Effective January 1, 2002, FPL Group adopted FAS 142, "Goodwill and Other Intangible Assets." Under this statement, the amortization of goodwill is no longer permitted. Instead, goodwill is assessed for impairment at least annually by applying a fair value based test. In January 2002, FPL Energy recorded an impairment loss of $365 million ($222 million after tax) as the cumulative effect of adopting FAS 142, eliminating all goodwill previously included in other assets on FPL Group's consolidated balance sheets. Estimates of fair value were determined using discounted cash flow models.

The following table provides reported net income and earnings per share excluding the impact of adopting FAS 142 and the pro forma effect on prior years of excluding goodwill amortization expense:

	Years Ended December 31,	
	2002	2001
	(millions, except per share amounts)	
Net income	$ 473	$ 781
Add back: Cumulative effect of adopting FAS 142, net of income taxes of $143	222	-
Net income excluding cumulative effect	695	781
Add back: Goodwill amortization, net of income taxes of $4	-	6
Adjusted net income	$ 695	$ 787
Earnings per share (basic)	$ 2.74	$ 4.63
Add back: Cumulative effect of adopting FAS 142	1.28	-
Earnings per share excluding cumulative effect	4.02	4.63
Add back: Goodwill amortization	-	0.03
Adjusted earnings per share (basic)	$ 4.02	$ 4.66
Earnings per share (assuming dilution)	$ 2.73	$ 4.62
Add back: Cumulative effect of adopting FAS 142	1.28	-
Earnings per share excluding cumulative effect	4.01	4.62
Add back: Goodwill amortization	-	0.04
Adjusted earnings per share (assuming dilution)	$ 4.01	$ 4.66

6. Restructuring and Impairment Charges

FPL Group recorded charges totaling $207 million ($127 million after tax) in the third quarter of 2002 due to unfavorable market conditions in the wholesale energy and telecommunications markets. As of September 30, 2002, approximately $29 million of the total nonrecurring charges were recognized as liabilities and were included in other current liabilities on FPL Group's consolidated balance sheets. During 2003 and 2002, approximately $24 million and $3 million, respectively, were charged against the liabilities. As of December 31, 2003, a balance of approximately $2 million remains and is included in other current liabilities on FPL Group's consolidated balance sheets.

FPL Energy – Over the last several years, there has been a general decline in the wholesale energy markets, including deterioration in forward prices and reduced liquidity, as well as increasing credit concerns that have limited the number of counterparties with which FPL Energy does business. During 2002, FPL Energy conducted a thorough review of its business development plans, organizational structure and expenses. As a result, FPL Energy decided to substantially exit fossil-fueled greenfield merchant power plant development activities, which resulted in the write-off of approximately $67 million ($41 million after tax) of previously capitalized development costs.

An agreement for the supply of gas turbines and other related equipment was renegotiated during 2002 to significantly reduce the commitment to purchase such equipment, resulting in a charge totaling approximately $16 million ($10 million after tax).

FPL Energy also realigned its organizational structure during 2002 to lower general and administrative expenses and took other actions associated with the restructuring. The operating lease agreement with a special purpose entity and the related credit facility used to finance certain turbine purchases were terminated during 2002. Together these resulted in a charge of approximately $20 million ($12 million after tax).

Corporate and Other – Due to the changing telecommunications market, FPL FiberNet completed valuation studies to assess the recoverability of its assets and as a result in 2002 recorded charges of approximately $104 million ($64 million after tax). Of this amount, $85 million ($52 million after tax) represents an impairment charge related to property, plant and equipment, the fair value of which was determined based on a discounted cash flow analysis. Additionally, FPL FiberNet decided not to pursue the planned build-out of metro fiber rings in certain cities, and restructuring charges of $19 million ($12 million after tax) were recognized related to the write-off of development costs and inventory.

7. Merger

In July 2000, FPL Group and Entergy Corporation (Entergy) announced a proposed merger, which was approved by the shareholders of the respective companies in December 2000. Subsequently, a number of factors led FPL Group to conclude the merger would not achieve the synergies or create the shareholder value originally contemplated when the merger was announced. As a result, on April 1, 2001, FPL Group and Entergy mutually terminated the merger agreement. Both companies agreed that no termination fee was payable under the terms of the merger agreement as a result of this termination. Each company paid its own merger-related expenses. FPL Group recorded $30 million in merger-related expenses in 2001, of which FPL recorded $26 million ($16 million after tax) and Corporate and Other recorded $4 million ($3 million after tax).

8. Comprehensive Income

The following table provides the components of comprehensive income and accumulated other comprehensive income (loss):

	Net Income	Accumulated Other Comprehensive Income (Loss): Net Unrealized Gains (Losses) On Cash Flow Hedges	Accumulated Other Comprehensive Income (Loss): Other	Accumulated Other Comprehensive Income (Loss): Total	Comprehensive Income
			(millions)		
Balances, December 31, 2000		$ -	$ -	$ -	
Net income	$ 781				$ 781
Net unrealized loss on cash flow hedges:					
FAS 133 transition adjustment (net of $6 tax expense)		10	-	10	10
Effective portion of net unrealized loss (net of $13 tax benefit)		(21)	-	(21)	(21)
Reclassification adjustment (net of $2 tax expense)		3	-	3	3
Balances, December 31, 2001		(8)	-	(8)	$ 773
Net income	$ 473				$ 473
Net unrealized gain on cash flow hedges:					
Effective portion of net unrealized gain (net of $21 tax expense)		33	-	33	33
Reclassification adjustment (net of $4 tax benefit)		(6)	-	(6)	(6)
Minimum supplemental executive retirement plan liability adjustment (net of $3 tax benefit)		-	(4)	(4)	(4)
Net unrealized gain on available for sale securities (net of $1 tax expense)		-	1	1	1
Balances, December 31, 2002		19	(3)	16	497
Net income	$ 890				$ 890
Net unrealized gain on cash flow hedges:					
Effective portion of net unrealized gain: [a]					
Consolidated subsidiaries (net of $7 tax expense)		11	-	11	11
Equity method investees (net of $7 tax expense)		11	-	11	11
Reclassification adjustment: [b]					
Consolidated subsidiaries (net of $23 tax benefit)		(35)	-	(35)	(35)
Equity method investees (net of $7 tax benefit)		(12)	-	(12)	(12)
Net unrealized loss on interest rate swaps (net of $3 tax benefit)		(4)	-	(4)	(4)
Net unrealized gain on available for sale securities (net of $11 tax expense)		-	17	17	17
Balances, December 31, 2003		$ (10)	$ 14	$ 4	$ 878

[a] Approximately $1 million of FPL Group's accumulated other comprehensive income at December 31, 2003 will be reclassified into earnings within the next 12 months as the hedged fuel is consumed or as electricity is sold.

[b] Includes amounts reclassified into earnings due to settlements of approximately $44 million and discontinuance of cash flow hedges of approximately $3 million for which the hedged transaction is no longer probable of occurring.

9. Jointly-Owned Electric Plant

The following FPL Group subsidiaries own undivided interests in the jointly-owned facilities described below, and are entitled to a proportionate share of the output from those facilities. Accordingly, each subsidiary includes its proportionate share of the facilities and related revenues and expenses in the appropriate balance sheet and income statement captions. FPL Group's and FPL's share of direct expenses for these facilities are included in fuel, purchased power and interchange, other operations and maintenance, depreciation and amortization and taxes other than income taxes on FPL Group's and FPL's consolidated statements of income.

FPL – FPL owns approximately 85% of St. Lucie Unit No. 2, 20% of the St. Johns River Power Park units and coal terminal and approximately 76% of Scherer Unit No. 4. At December 31, 2003, FPL's proportionate share of the gross investment in these units was $1.178 billion, $328 million and $575 million, respectively; accumulated depreciation was $825 million, $200

million and $355 million, respectively. FPL is responsible for its share of the operating costs, as well as providing its own financing. These costs are included in FPL Group's and FPL's consolidated statements of income. At December 31, 2003, there was no significant balance of construction work in progress on these facilities. See Note 17 – Litigation.

FPL Energy – To strengthen its competitive position in the northeast energy market, on November 1, 2002, FPL Energy completed the purchase of an 88.23% undivided interest, or 1,024 megawatts (mw), in Seabrook located in New Hampshire. The transaction was financed through general funds of FPL Group Capital. Since November 1, 2002, FPL Energy's proportionate share of Seabrook's results have been included in FPL Group's consolidated financial statements. The following table summarizes the allocation of purchase price based upon estimated fair values of the assets acquired and liabilities assumed at the date of acquisition (millions):

Property, plant and equipment	$ 774
Decommissioning trust fund	227
Other assets	61
Total assets acquired	1,062
Nuclear decommissioning liability	150
Other liabilities	104
Total liabilities assumed	254
Net assets acquired	$ 808

At December 31, 2003, FPL Energy's proportionate share of the gross investment in property, plant and equipment was $843 million and accumulated depreciation was $49 million. FPL Energy is responsible for its share of the operating costs, as well as providing its own financing. These costs are included in FPL Group's consolidated statements of income. At December 31, 2003, included in gross investment in property, plant and equipment was $35 million of construction work in progress for capital projects underway at Seabrook.

FPL Energy owns approximately 61.78% of Wyman Station Unit No. 4, an oil-fired power plant unit located in Maine. At December 31, 2003, FPL Energy's proportionate share of the gross investment in property, plant and equipment was $75 million and accumulated depreciation was $17 million. FPL Energy is responsible for its share of the operating costs, as well as providing its own financing. These costs are included in FPL Group's consolidated statements of income. At December 31, 2003, there was no construction work in progress on this power plant.

10. Variable Interest Entities

In January 2003, the FASB issued FIN 46, "Consolidations of Variable Interest Entities." In December 2003, the FASB revised FIN 46, which partially delayed its effective date for public companies until the first quarter of 2004, but permitted companies to choose earlier adoption for some or all of their investments. FIN 46 requires the consolidation of entities which are determined to be VIEs when the reporting company determines that it will absorb a majority of the VIE's expected losses, receive a majority of the VIE's residual returns, or both. The company that is required to consolidate the VIE is called the primary beneficiary. Conversely, the reporting company would be required to deconsolidate VIEs which are currently consolidated when the company is not considered to be the primary beneficiary. Variable interests are contractual, ownership or other monetary interests in an entity that change with changes in the fair value of the entity's net assets exclusive of variable interests. An entity is considered to be a VIE when its capital is insufficient to permit it to finance its activities without additional subordinated financial support or its equity investors, as a group, lack the characteristics of having a controlling financial interest.

FPL Group and FPL consolidated two VIEs as of July 1, 2003, which are discussed below. FPL Group and FPL will continue to analyze their other investments and contractual relationships to determine if other entities should be consolidated or deconsolidated in accordance with FIN 46.

FPL – FPL leases nuclear fuel for all four of its nuclear units. For ratemaking purposes, these leases are classified as operating leases. For financial reporting, the capital lease obligation was recorded at the amount due in the event of lease termination. FPL makes quarterly payments to the lessor for the lease commitments. The lessor has issued senior secured notes to fund the procurement of nuclear fuel and has established a revolving credit facility to support its commercial paper program. FPL has provided an unconditional guarantee of the payment obligations of the lessor under the notes and credit facility.

FPL Energy – In 2000, an FPL Energy subsidiary entered into an operating lease agreement with a special purpose entity (SPE) lessor to lease a 550-mw combined-cycle power generation plant through 2007. At the inception of the lease, the lessor obtained the funding commitments required to complete the acquisition, development and construction of the plant through debt and equity contributions from investors who are not affiliated with FPL Group. At December 31, 2002, the commitment was capped at costs incurred of $380 million. The $380 million commitment included $364 million of debt and $16 million of equity. The conditions to achieve project completion were satisfied as of December 27, 2002, at which time the base lease term began. The FPL Energy subsidiary began making quarterly lease payments on March 31, 2003. The quarterly lease payments are intended to cover the lessor's debt service, which includes a stated yield to equity holders and certain other costs.

The FPL Energy subsidiary has the option to purchase the plant at any time during the remaining lease term for 100% of the outstanding principal balance of the loans and equity contributions made to the SPE, all accrued and unpaid interest and yield, and all other fees, costs and amounts then due and owing pursuant to the provisions of the related financing documents. However, under certain limited events of default, the FPL Energy subsidiary can be required to purchase the plant for the same cost. If the FPL Energy subsidiary does not elect to purchase the plant at the end of the lease term, a residual value guarantee must be paid, and the plant will be sold. Any proceeds received by the lessor in excess of the outstanding debt and equity will be given to the FPL Energy subsidiary. FPL Group Capital has guaranteed certain obligations of the FPL Energy subsidiary under the lease agreement. The equity holders control the lessor.

As a result of the consolidation of the above mentioned VIEs beginning July 1, 2003, FPL Group's and FPL's consolidated balance sheets line items increased (decreased) by the following amounts:

	FPL Group	FPL
	(millions)	
Assets:		
Electric utility plant in service and other property	$ 354	$ -
Nuclear fuel	257	257
Less accumulated depreciation and amortization	265	257
Materials, supplies and fossil fuel inventory	9	-
Other	11	1
Total Assets	$ 366	$ 1
Capitalization and Liabilities:		
Retained earnings	$ (5)	$ -
Accumulated other comprehensive loss	(7)	-
Long-term debt	486	135
Commercial paper	29	29
Accounts payable	(12)	(12)
Other	(125)	(151)
Total Capitalization and Liabilities	$ 366	$ 1

The cumulative effect on FPL Group's net income of implementing FIN 46 for the VIEs discussed above is approximately a $3 million loss (net of income taxes of $2 million) and zero for FPL.

11. Financial Instruments

The carrying amounts of cash equivalents, commercial paper and notes payable approximate fair values. At December 31, 2003 and 2002, other investments of FPL Group included financial instruments of approximately $300 million and $240 million, respectively, the majority of which consist of notes receivable that are carried at estimated fair value or cost, which approximates fair value. See Notes 12 and 17 – Other Contingencies.

The following estimates of the fair value of financial instruments have been made using available market information. However, the use of different market assumptions or methods of valuation could result in different estimated fair values.

	December 31, 2003		December 31, 2002	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
	(millions)			
FPL Group:				
Long-term debt, including current maturities	$ 9,090	$ 9,548[a]	$ 5,895	$ 6,222[a]
Special Use Funds:				
Storm fund	$ 200	$ 200[a]	$ 183	$ 183[a]
Nuclear decommissioning fund	$ 2,048	$ 2,048[a]	$ 1,738	$ 1,738[a]
Other investments	$ 57	$ 57[a]	$ 41	$ 41[a]
Interest rate swaps – net unrealized loss	$ (10)	$ (10)[b]	$ -	$ -
FPL:				
Long-term debt, including current maturities	$ 3,074	$ 3,193[a]	$ 2,434	$ 2,578[a]
Special Use Funds:				
Storm fund	$ 200	$ 200[a]	$ 183	$ 183[a]
Nuclear decommissioning fund	$ 1,774	$ 1,774[a]	$ 1,510	$ 1,510[a]

[a] Based on quoted market prices for these or similar issues.
[b] Based on market prices provided by external sources or modeled internally.

Special Use Funds – The special use funds consist of FPL's storm fund assets and FPL Group's nuclear decommissioning fund assets. Securities held in the special use funds are carried at estimated fair value based on quoted market prices. FPL Group's nuclear decommissioning funds consist of approximately 45% equity securities and 55% municipal, government, corporate and mortgage- and other asset-backed debt securities (44% and 56% for FPL, respectively) with a weighted-average maturity of approximately 7 years. FPL's storm fund primarily consists of municipal debt securities with a weighted-average maturity of approximately 3 years. The cost of securities sold is determined on the specific identification method.

The following tables provide the special use funds approximate gains and losses and proceeds from the sale of securities:

	FPL Group			FPL		
	Years Ended December 31,			Years Ended December 31,		
	2003	2002	2001	2003	2002	2001
	(millions)					
Realized gains	$ 26	$ 28	$ 30	$ 25	$ 27	$ 30
Realized losses	$ 20	$ 16	$ 16	$ 19	$ 16	$ 16
Proceeds from sale of securities	$ 2,735	$ 2,524	$ 1,778	$ 2,702	$ 2,435	$ 1,778

	FPL Group		FPL	
	December 31,		December 31,	
	2003	2002	2003	2002
	(millions)			
Unrealized gains	$ 300	$ 143	$ 271	$ 142
Unrealized losses	$ 2[a]	$ 44	$ 1[a]	$ 42

[a] At December 31, 2003, FPL Group had 9 securities in an unrealized loss position for greater than twelve months, including 1 security for FPL. The total unrealized loss on these securities was less than $1 million and the fair value was approximately $8 million for FPL Group, including less than $1 million for FPL.

Regulations issued by the FERC and the Nuclear Regulatory Commission (NRC) provide general risk management guidelines to protect nuclear decommissioning trust funds and to allow such funds to earn a reasonable return. The FERC regulations set forth in the Code of Federal Regulations prohibit investments in any securities of FPL Group or its subsidiaries, affiliates or associates, excluding investments tied to market indices or other mutual funds. Similar restrictions applicable to the decommissioning trust fund for FPL Energy's Seabrook nuclear plant are contained in the NRC operating license for that facility. Effective December 24, 2003, NRC regulations applicable to NRC licensees not in cost-of-service environments require similar investment restrictions. The NRC's regulations permit licensees with operating licenses containing conditions restricting the use of decommissioning trust funds to rely on those conditions in lieu of compliance with the new NRC regulations. FPL Energy's Seabrook nuclear plant contains such restrictions in its NRC operating license. With respect to the decommissioning trust fund for FPL Energy's Seabrook nuclear plant, decommissioning trust fund withdrawals are also regulated by the NDFC pursuant to New Hampshire law.

The special use funds are managed by investment managers who must comply with the guidelines and rules of the applicable regulatory authorities, FPL Group and FPL. The special use fund assets are invested in order to optimize the after-tax earnings of these funds, giving consideration to liquidity, risk, diversification and other prudent investment objectives.

Interest Rate Swaps – FPL Group and its subsidiaries use a combination of fixed rate and variable rate debt to manage interest rate exposure. Interest rate swaps are used to adjust and mitigate interest rate exposure when deemed appropriate based upon market conditions or when required by financing agreements. At December 31, 2003, FPL Group had the following interest rate swaps:

Notional Amount	Effective Date	Maturity Date	Rate Paid	Rate Received	Estimated Fair Value
(millions)					(millions)
Fair value hedges – FPL Group Capital:					
$ 150	July 2003	September 2006	variable[a]	7.625%	$ (2)
$ 150	July 2003	September 2006	variable[b]	7.625%	(2)
$ 175	December 2003	June 2004	variable[c]	6.875%	1
Total fair value hedges					(3)
Cash flow hedges – FPL Energy:					
$ 103	July 2002	December 2007	4.41%	variable[d]	(4)
$ 200	August 2003	November 2007	3.557%	variable[d]	(2)
$ 94	December 2003	December 2017	4.245%	variable[e]	(1)
Total cash flow hedges					(7)
Total interest rate hedges					$ (10)

[a] Six-month LIBOR plus 4.9900%
[b] Six-month LIBOR plus 4.9925%
[c] Six-month LIBOR plus 4.8921%

[d] Three-month LIBOR
[e] One-month LIBOR

12. Investments in Partnerships and Joint Ventures

FPL Energy has non-controlling non-majority owned interests in various partnerships and joint ventures, essentially all of which are electricity producers. At December 31, 2003 and 2002, FPL Energy's investment in partnerships and joint ventures totaled approximately $346 million and $310 million, respectively, which is included in other investments on FPL Group's consolidated balance sheets. FPL Energy's interest in these partnerships and joint ventures range from approximately 5.5% to 50%. At December 31, 2003, the principal entities included in FPL Energy's investments in partnerships and joint ventures were Bastrop Energy Partners, LP, Northeast Energy, LP, Cherokee County Cogeneration Partners, LP, Luz Solar Partners LTD., VIII and Luz Solar Partners LTD., IX.

Summarized combined information for these five entities is as follows:

	2003	2002
	(millions)	
Net income	$ 118	$ 112
Total assets	$ 1,629	$ 1,660
Total liabilities	$ 1,052	$ 1,158
Partners' equity	$ 577	$ 502
FPL Energy's share of underlying equity in the five entities	$ 289	$ 248
Difference between investment carrying amount and underlying equity in net assets [a]	(12)	(10)
FPL Energy's investment carrying amount for the five entities	$ 277	$ 238

[a] The majority of the difference between the investment carrying amount and the underlying equity in net assets is being amortized over the remaining life of the investee's assets.

Certain subsidiaries of FPL Energy provide services to the partnerships and joint ventures, including O&M and business management services. FPL Group's operating revenues for the years ended December 31, 2003, 2002 and 2001 include approximately $16 million, $16 million and $14 million, respectively, related to such services. The receivables at December 31, 2003 and 2002, for these services, as well as for payroll and other payments made on behalf of these investees, were approximately $19 million and $15 million, respectively, and are included in other current assets on FPL Group's consolidated balance sheets.

Notes receivable (long- and short-term) include approximately $107 million and $94 million at December 31, 2003 and 2002, respectively, due from partnerships and joint ventures in which FPL Energy has an ownership interest. The notes receivable mature in 2004 through 2014 and the majority bear interest at variable rates, which ranged from approximately 6.1% to 8.5% at December 31, 2003 and 5.0% to 6.8% at December 31, 2002. Interest income on these notes totaling approximately $6 million, $8 million and $12 million for the years ended December 31, 2003, 2002 and 2001, respectively, is included in other – net in FPL Group's consolidated statements of income. The associated interest receivables as of December 31, 2003 and 2002 were less than $1 million, respectively, and are included in other current assets on FPL Group's consolidated balance sheets.

13. Common Stock

Earnings per share – The reconciliation of FPL Group's basic and diluted earnings per share is shown below:

	Years Ended December 31,		
	2003	2002	2001
	(millions, except per share amounts)		
Numerator (basic and assuming dilution):			
Net income	$ 890	$ 473	$ 781
Denominator:			
Weighted-average number of shares outstanding – basic	177.5	172.9	168.7
Performance share awards and shareholder value awards, options and equity units [a]	0.7	0.4	0.2
Weighted-average number of shares outstanding – assuming dilution	178.2	173.3	168.9
Earnings per share:			
Basic	$ 5.01	$ 2.74	$ 4.63
Assuming dilution	$ 5.00	$ 2.73	$ 4.62

[a] Performance share awards and shareholder value awards are included in diluted weighted-average number of shares outstanding based upon what would be issued if the end of the reporting period was the end of the term of the award. Options and equity units (known as Corporate Units) are included in diluted weighted-average number of shares outstanding by applying the treasury stock method.

Shares issuable upon the exercise of stock options and settlement of purchase contracts that form a part of equity units, which were not included in the denominator above due to their antidilutive effect, were approximately 1 million in 2003, 11 million in 2002 and 1.6 million in 2001. See Note 15.

Common Stock Dividend Restrictions – FPL Group's charter does not limit the dividends that may be paid on its common stock. As a practical matter, the ability of FPL Group to pay dividends on its common stock is dependent upon dividends paid to it by its subsidiaries, primarily FPL. In 2003, 2002 and 2001, FPL paid, as dividends to FPL Group, its net income available to FPL Group on a one-month lag basis. In addition, during 2002, FPL paid special dividends totaling $375 million to FPL Group. FPL's charter and a mortgage securing FPL's first mortgage bonds contain provisions that, under certain conditions, restrict the payment of dividends and other distributions to FPL Group. These restrictions do not currently limit FPL's ability to pay dividends to FPL Group.

Employee Stock Ownership Plan (ESOP) – The employee thrift plans of FPL Group include a leveraged ESOP feature. Shares of common stock held by the trust for the thrift plans (Trust) are used to provide all or a portion of the employers' matching contributions. Dividends received on all shares, along with cash contributions from the employers, are used to pay principal and interest on an ESOP loan held by FPL Group Capital. Dividends on shares allocated to employee accounts and used by the Trust for debt service are replaced with an equivalent amount of shares of common stock at prevailing market prices. For purposes of computing basic and fully diluted earnings per share, ESOP shares that have been committed to be released are considered outstanding.

ESOP-related compensation expense of approximately $25 million, $24 million and $24 million in 2003, 2002 and 2001, respectively, was recognized based on the fair value of shares allocated to employee accounts during the period. Interest income on the ESOP loan is eliminated in consolidation. ESOP-related unearned compensation included as a reduction of shareholders' equity at December 31, 2003 was approximately $170 million, representing approximately 6 million unallocated shares at the original issue price of $29 per share. The fair value of the ESOP-related unearned compensation account using the closing price of FPL Group stock at December 31, 2003 was approximately $383 million.

Long-Term Incentive Plan – At December 31, 2003, approximately 9 million shares of common stock were reserved and 7.6 million were available for awards (including outstanding awards) to officers and employees of FPL Group and its subsidiaries under FPL Group's long-term incentive plan. Restricted stock is issued at market value at the date of grant, typically vests within four years and is subject to, among other things, restrictions on transferability. Performance share awards and shareholder value awards are typically payable at the end of a three- or four-year performance period if the specified performance criteria are met.

The changes in awards under the long-term incentive plan are as follows:

	Restricted Stock	Performance Share and Shareholder Value Awards	Options	
			Number	Weighted-Average Exercise Price
Balances, December 31, 2000	81,250	19,000	392,168	$ 39.58
Granted	263,825[a]	617,420[b]	2,009,200[c]	$ 62.04
Paid/released/exercised	(6,600)	(41,492)	(120,380)	$ 39.01
Forfeited	(30,750)	(49,849)	(137,174)	$ 62.61
Balances, December 31, 2001	307,725	545,079	2,143,814	$ 59.19
Granted	127,325[a]	206,605[b]	1,669,625[c]	$ 54.27
Paid/released/exercised	(123,095)	(246,246)	(69,101)	$ 41.19
Forfeited	(13,250)	(86,949)	(99,208)	$ 59.09
Balances, December 31, 2002	298,705	418,489	3,645,130	$ 57.29
Granted	234,345[a]	210,433[b]	1,605,970[c]	$ 56.13
Paid/released/exercised	(112,918)	(169,095)	(118,301)	$ 47.88
Forfeited	(37,444)	(64,181)	(352,387)	$ 55.63
Balances, December 31, 2003	382,688	395,646	4,780,412[d]	$ 57.24

(a) The weighted-average grant date fair value of restricted stock granted in 2003, 2002 and 2001 was $59.00, $54.82 and $60.19 per share, respectively.

(b) The weighted-average grant date fair value of performance share and shareholder value awards in 2003, 2002 and 2001 was $61.33, $56.95 and $70.25 per share, respectively.

(c) The exercise price of each option granted in 2003, 2002 and 2001 equaled the market price of common stock on the date of grant. Accordingly, the weighted-average grant date intrinsic value of all options granted is $0. Stock options typically vest within three years and have a maximum term of ten years.

(d) Of the options outstanding at December 31, 2003, 1,444,204 options were exercisable and had exercise prices ranging from $38.13 to $65.13 per share with a weighted-average exercise price of $57.84 per share and a weighted-average remaining contractual life of 7.3 years. The remainder of the outstanding options had exercise prices ranging from $52.64 to $65.13 per share with a weighted-average exercise price of $57.00 per share and a weighted-average remaining contractual life of 8.4 years.

Other – Each share of common stock has been granted a Preferred Share Purchase Right (Right), at an exercise price of $120, subject to adjustment, in the event of certain attempted business combinations. The Rights will cause substantial dilution to a person or group attempting to acquire FPL Group on terms not approved by FPL Group's board of directors.

14. Preferred Stock

FPL Group's charter authorizes the issuance of 100 million shares of serial preferred stock, $0.01 par value. None of these shares are outstanding. FPL Group has reserved 3 million shares for issuance upon exercise of preferred share purchase rights which expire in June 2006. Preferred stock of FPL consists of the following: [a]

	December 31, 2003		December 31,	
	Shares Outstanding [b]	Redemption Price	2003	2002
			(millions)	
Cumulative, $100 Par Value, without sinking fund requirements, authorized 15,822,500 shares:				
4 1/2% Series	-	$ -	$ -	$ 10
4 1/2% Series A	50,000	$ 103.25	5	5
4 1/2% Series B	-	$ -	-	5
4 1/2% Series C	-	$ -	-	6
4.32% Series D	-	$ -	-	5
4.35% Series E	-	$ -	-	5
6.98% Series S	-	$ -	-	75
7.05% Series T	-	$ -	-	50
6.75% Series U	-	$ -	-	65
Total preferred stock of FPL	50,000		$ 5	$ 226

(a) FPL's charter also authorizes the issuance of 5 million shares of subordinated preferred stock, no par value. None of these shares are outstanding. There were no issuances or redemptions of preferred stock in 2002 or 2001. In November 2003, FPL redeemed 2.2 million shares of preferred stock with an aggregate par value of $221 million for redemption prices per share ranging from $101.00 to $103.52. In January 2004, FPL sold 0.2 million shares of 4 1/2% Series V preferred stock with an aggregate par value of $20 million to FPL Group.

(b) FPL's preferred shares are entitled to dividends at the stated rates in preference to FPL's common stockholder, FPL Group. In the event of voluntary liquidation, the outstanding preferred shares have preference over common shares until an amount equal to the current redemption price of all shares has been paid. In the event of involuntary liquidation, outstanding preferred shares shall have preference over common shares until the full par value of all shares and all unpaid accumulated dividends thereon have been paid.

15. Debt

Long-term debt consists of the following:

	December 31, 2003	December 31, 2002
	(millions)	
FPL:		
First mortgage bonds:		
Maturing through 2005 – 6 7/8%	$ 500	$ 500
Maturing 2008 through 2013 – 4.85% to 6.00%	825	825
Maturing 2025 through 2034 – 5 5/8% to 7 1/20%	1,000	417
Medium-term notes – maturing 2003 through 2006 – 2.34% to 5.79%	135	70
Pollution control and industrial development series – maturing 2023 through 2027 – 6.70% to 7.15%	-	24
Pollution control, solid waste disposal and industrial development revenue bonds – maturing 2020 through 2029 – variable, 1.1% and 1.6% weighted average annual interest rates, respectively	633	609
Unamortized discount	(19)	(11)
Total long-term debt of FPL	3,074	2,434
Less current maturities	-	70
Long-term debt of FPL, excluding current maturities	3,074	2,364
FPL Group Capital:		
Debentures – maturing 2004 through 2009 – 1 7/8% to 7 5/8%	2,600	1,900
Debentures – maturing 2005 – variable, 1.45% weighted average annual interest rate	400	-
Debentures, related to FPL Group's equity units – maturing 2007 and 2008 – 4.75% to 5.00%	1,081	1,081
Other long-term debt – maturing 2013 – 7.35%	5	5
Term loan facilities – maturing 2004 through 2005 – variable, 1.82% and 2.04% weighted average annual interest rates, respectively	175	100
Fair value swaps (see Note 11)	(3)	-
Unamortized discount	(6)	(7)
Total long-term debt of FPL Group Capital	4,252	3,079
Less current maturities	275	-
Less fair value swap on current maturities (see Note 11)	1	-
Long-term debt of FPL Group Capital, excluding current maturities	3,976	3,079
FPL Energy:		
Senior secured bonds – maturing 2017 through 2023 – 6.639% to 7.52%	852	382
Senior secured notes – maturing 2020 – 7.11%	115	-
Construction term facility – maturing 2008 – variable, 2.90% weighted average annual interest rate	315	-
Other long-term debt – maturing 2007 through 2017 – variable, 2.32% weighted average annual interest rate	482	-
Total long-term debt of FPL Energy	1,764	382
Less current maturities	91	35
Long-term debt of FPL Energy, excluding current maturities	1,673	347
Total long-term debt	$ 8,723	$ 5,790

In January 2004, FPL issued $240 million principal amount of 5.65% first mortgage bonds maturing in February 2035. The proceeds were used to repay a portion of its short-term borrowings and for other corporate purposes.

Minimum annual maturities of long-term debt for FPL Group are approximately $367 million, $1,294 million, $1,351 million, $1,493 million and $1,021 million for 2004, 2005, 2006, 2007 and 2008, respectively. The amounts for FPL are $500 million, $135 million and $200 million for 2005, 2006 and 2008, respectively, with no long-term debt scheduled to mature in 2004 or 2007.

At December 31, 2003, commercial paper borrowings and notes payable had a weighted-average interest rate of 1.24% for FPL Group (1.11% for FPL). Available lines of credit aggregated approximately $3.0 billion ($2.0 billion for FPL Group Capital and $1.0 billion for FPL) at December 31, 2003, all of which were based on firm commitments. While no direct borrowings were outstanding at December 31, 2003, undrawn letters of credit totaling $85 million were outstanding under the FPL Group Capital credit facilities. No letters of credit were outstanding under the FPL credit facilities.

FPL Group Capital has guaranteed certain debt and other obligations of FPL Energy and its subsidiaries. FPL Group has guaranteed certain payment obligations of FPL Group Capital, including most of those under FPL Group Capital's debt, including all of its debentures and commercial paper issuances, as well as most of its guarantees.

In February 2002, FPL Group sold a total of 11.5 million publicly-traded equity units known as Corporate Units, and in connection with that financing, FPL Group Capital issued $575 million principal amount of 4.75% debentures due February 16, 2007. The interest rate on the debentures is expected to be reset on or after November 16, 2004. The interest rate resets, upon a successful remarketing of the debentures, at the rate the debentures should bear to have an approximate market value of 100.5% of par. Payment of FPL Group Capital debentures is absolutely, irrevocably and unconditionally guaranteed by FPL Group. Each Corporate Unit initially consisted of a $50 FPL Group Capital debenture and a purchase contract pursuant to which the holder will purchase $50 of FPL Group common shares on or before February 16, 2005, and FPL Group will make payments of 3.75% of the unit's $50 stated value until the shares are purchased. Under the terms of the purchase contracts, FPL Group will issue between 9,271,300 and 10,939,950 shares of common stock in connection with the settlement of the purchase contracts (subject to adjustment under certain circumstances) and receive approximately $575 million.

In June 2002, FPL Group sold concurrently a total of 5.75 million shares of common stock and 10.12 million 8% Corporate Units. In connection with the corporate units financing, FPL Group Capital issued $506 million principal amount of 5% debentures due February 16, 2008. The interest rate on the debentures is expected to be reset on or after August 16, 2005. The interest rate resets, upon a successful remarketing of the debentures, at the rate the debentures should bear to have an approximate market value of 100.5% of par. Payment of FPL Group Capital debentures is absolutely, irrevocably and unconditionally guaranteed by FPL Group. Each 8% Corporate Unit initially consisted of a $50 FPL Group Capital debenture and a purchase contract pursuant to which the holder will purchase $50 of FPL Group common shares on or before February 16, 2006, and FPL Group will make payments of 3% of the unit's $50 stated value until the shares are purchased. Under the terms of the purchase contracts, FPL Group will issue between 7,450,344 and 8,940,008 shares of common stock in connection with the settlement of the purchase contracts (subject to adjustment under certain circumstances) and receive approximately $506 million.

Prior to the issuance of FPL Group's common stock, the purchase contracts will be reflected in FPL Group's diluted earnings per share calculations using the treasury stock method. Under this method, the number of shares of FPL Group common stock used in calculating diluted earnings per share is deemed to be increased by the excess, if any, of the number of shares that would be issued upon settlement of the purchase contracts over the number of shares that could be purchased by FPL Group in the market, at the average market price during the period, using the proceeds receivable upon settlement.

16. Asset Retirement Obligations

Effective January 1, 2003, FPL Group and FPL adopted FAS 143, "Accounting for Asset Retirement Obligations." This statement requires that a liability for the fair value of an ARO be recognized in the period in which it is incurred with the offsetting associated asset retirement cost capitalized as part of the carrying amount of the long-lived asset. The asset retirement cost is subsequently allocated to expense using a systematic and rational method over its useful life. Changes in the ARO resulting from the passage of time are recognized as an increase in the carrying amount of the liability and as accretion expense, which is included in depreciation and amortization expense in the consolidated statements of income. Prior to January 1, 2003, FPL accrued for decommissioning and dismantlement costs over the life of the related asset through depreciation expense.

Upon adoption of FAS 143, with respect to amounts for nuclear decommissioning, FPL recorded an ARO of approximately $1.8 billion, capitalized a net asset related to the ARO of approximately $231 million and reversed the approximately $1.6 billion it had previously recorded in accumulated depreciation. The difference, approximately $29 million, was deferred as a regulatory liability. FPL's AROs other than nuclear decommissioning were not significant. The adoption of FAS 143 results in timing differences in the recognition of legal asset retirement costs for financial reporting purposes and the method the FPSC allows FPL to recover in rates. Accordingly, any differences between the ongoing expense recognized under FAS 143 and the amount recoverable through rates are deferred in accordance with FAS 71. FPL recorded accretion expense of approximately $101 million for the year ended December 31, 2003. No other adjustments were made to FPL's ARO during the year ended December 31, 2003. Had FAS 143 been applied in 2002 and 2001, FPL would have recorded AROs of approximately $1.8 billion and $1.7 billion at December 31, 2002 and 2001, respectively. Pro forma net income has not been presented for FPL for the years ended December 31, 2003, 2002 and 2001 because the pro forma application of FAS 143 to prior periods would result in the same pro forma net income as the actual amounts reported for those periods due to the regulatory treatment mentioned above.

FPL Group and FPL have identified but not recognized ARO liabilities related to electric transmission and distribution (T&D) and telecommunications assets resulting from easements over property not owned by FPL Group or FPL. These easements are generally perpetual and only require retirement action upon abandonment or cessation of use of the property for the specified purpose. The ARO liability is not estimable for such easements as FPL Group and FPL intend to utilize these properties indefinitely. In the event FPL Group and FPL decide to abandon or cease the use of a particular easement, an ARO liability would be recorded at that time.

In addition to the amounts recorded by FPL, upon adoption of FAS 143, FPL Energy increased its ARO by approximately $6 million to a total ARO of approximately $164 million and increased its net property, plant and equipment by approximately $6 million. Approximately $152 million of FPL Energy's ARO related to the nuclear decommissioning obligation of Seabrook, and the remainder primarily represented the current estimated fair value of obligations to dismantle its wind facilities located on leased property and certain hydro facilities. The cumulative effect on FPL Energy's net income of adopting FAS 143 was immaterial. FPL Energy recorded accretion expense of approximately $12 million for the year ended December 31, 2003, and approximately $2 million in additional ARO liabilities relating to new wind assets which caused FPL Energy's ARO to increase to approximately $178 million at December 31, 2003.

Had FAS 143 been applied in 2002 and 2001, FPL Group would have recorded AROs of approximately $2.0 billion and $1.7 billion at December 31, 2002 and 2001, respectively. Additionally, had FPL Group applied FAS 143 in the years ended December 31, 2002 and 2001, FPL Group's net income and earnings per share would have been as follows:

	Years Ended December 31,	
	2002	2001
	(millions, except per share amounts)	
Pro forma:		
Net income	$ 473	$ 780
Earnings per share (basic)	$ 2.73	$ 4.62
Earnings per share (assuming dilution)	$ 2.73	$ 4.62
As reported:		
Net income	$ 473	$ 781
Earnings per share (basic)	$ 2.74	$ 4.63
Earnings per share (assuming dilution)	$ 2.73	$ 4.62

Based on FPSC rules and regulations, FPL also accrues for asset removal costs that do not meet the definition of an ARO under FAS 143, or are not estimable as discussed above. In 2003, upon adoption of FAS 143, FPL reclassified the accrued asset removal costs that do not meet the definition of an ARO to a regulatory liability on FPL Group's and FPL's consolidated balance sheets, which totaled $1,902 million at December 31, 2003. This amount is comprised of $143 million for nuclear decommissioning costs (see Note 1 – Decommissioning of Nuclear Plant), $274 million of fossil dismantlement costs (see Note 1 – Dismantlement of Fossil Plants) and $1,485 million of costs for transmission, distribution and other property. At December 31, 2002, FPL's accrued asset removal costs included the total provision for nuclear decommissioning of $1,726 million, $260 million of fossil dismantlement and $1,410 million for transmission, distribution and other property. For FPL Energy, accrued asset removal costs totaled $164 million at December 31, 2002.

17. Commitments and Contingencies

Commitments – FPL Group and its subsidiaries have made commitments in connection with a portion of their projected capital expenditures. Capital expenditures at FPL consist of the cost for construction or acquisition of additional facilities and equipment to meet customer demand, as well as capital improvements to and maintenance of existing facilities. At FPL Energy, capital expenditures include, among other things, the construction of a gas-fired power plant and nuclear fuel (including capitalized interest). FPL FiberNet's capital expenditures primarily include costs to sustain its fiber optic network and meet customer specific requirements. Capital expenditures for 2004 through 2008 are estimated to be as follows:

	2004	2005	2006	2007	2008	Total
			(millions)			
FPL:						
Generation: [a]						
New [b]	$ 385	$ 290	$ 265	$ 105	$ -	$ 1,045
Existing	430	430	355	455	270	1,940
Transmission and distribution	605	700	690	700	715	3,410
Nuclear fuel	95	75	80	100	80	430
General and other	130	155	175	180	165	805
Total	$ 1,645	$ 1,650	$ 1,565	$ 1,540	$ 1,230	$ 7,630
FPL Energy: [c]						
Gas	$ 140	$ 5	$ -	$ -	$ -	$ 145
Nuclear fuel and other	85	35	60	60	15	255
Total	$ 225	$ 40	$ 60	$ 60	$ 15	$ 400
FPL FiberNet	$ 10	$ 10	$ 10	$ 10	$ 10	$ 50

[a] Includes AFUDC of approximately $61 million, $52 million, $39 million, $59 million and $71 million in 2004, 2005, 2006, 2007 and 2008, respectively.
[b] Includes generating structures, transmission interconnection and integration, licensing and AFUDC.
[c] Estimated capital expenditures exclude estimates for the development of new wind projects pending the enactment of legislation reestablishing the production tax credits for new wind facilities.

In addition to estimated capital expenditures listed above, FPL and FPL Energy have long-term contracts related to purchased power and/or fuel (see Contracts below). As of December 31, 2003, FPL Energy had approximately $1.1 billion in firm commitments primarily for natural gas transportation and storage, firm transmission service, nuclear fuel and a portion of its capital expenditures. Additionally, during 2003, a subsidiary of FPL Group Capital committed to lend up to $250 million under a secured loan to a third party, which matures no later than June 30, 2006. As of December 31, 2003, $47 million had been drawn on under the loan. FPL Group has guaranteed certain payment obligations of FPL Group Capital, including most payment obligations under FPL Group Capital's debt.

FPL Group and FPL each account for payment guarantees and related contracts, for which it or a subsidiary is the guarantor, under FIN 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees Including Indirect Guarantees of Indebtedness of Others," which requires that the fair value of guarantees provided to unconsolidated entities entered into after December 31, 2002, be recorded on the balance sheet. At December 31, 2003, subsidiaries of FPL Group, other than FPL, have guaranteed purchase and sale of power and fuel agreement obligations and debt service payments relating to agreements that existed at December 31, 2002. The term of the guarantees is equal to the term of the related debt, or purchase and sale of power and fuel agreement, with terms ranging from 30 days to 20 years. The maximum potential amount of future payments that could be required under these guarantees at December 31, 2003 was approximately $19 million. At December 31, 2003, FPL Group did not have any liabilities recorded for these guarantees. In certain instances, FPL Group can seek recourse from third parties for 50% of any amount paid under the guarantees.

FPL Energy has guaranteed certain performance obligations of a power plant owned by a wholly-owned subsidiary as part of a power purchase agreement (PPA) that expires in 2027. Under the PPA, the subsidiary could incur market-based liquidated damages for failure to meet contractual minimum outputs. In addition, certain subsidiaries of FPL Energy have contracts that require certain projects to meet annual minimum generation amounts. Failure to meet the annual minimum generation amounts would result in the FPL Energy subsidiary incurring specified liquidated damages. Based on past performance of these and similar projects and current forward prices, management believes that the exposure associated with these guarantees is not material.

Contracts – FPL has entered into long-term purchased power and fuel contracts. FPL is obligated under take-or-pay purchased power contracts with JEA (formerly known as the Jacksonville Electric Authority) and with subsidiaries of The Southern Company (Southern Companies) to pay for approximately 1,300 mw of power through mid-2010 and 381 mw thereafter through 2021. FPL also has various firm pay-for-performance contracts to purchase approximately 900 mw from certain cogenerators and small power producers (qualifying facilities) with expiration dates ranging from 2005 through 2026. The purchased power contracts provide for capacity and energy payments. Energy payments are based on the actual power taken under these contracts, and the Southern Companies' contract is subject to minimum quantities. Capacity payments for the pay-for-performance contracts are subject to the qualifying facilities meeting certain contract conditions. FPL has various agreements with several electricity suppliers to purchase an aggregate of up to approximately 1,200 mw of power with expiration dates ranging from 2004 through 2007. In general, the agreements require FPL to make capacity payments and supply the fuel consumed by the plants under the contracts. FPL has medium- to long-term contracts for the transportation and supply of natural gas, coal and oil with various expiration dates through 2028.

FPL Energy has long-term contracts primarily for the transportation and storage of natural gas and firm transmission service with expiration dates ranging from 2005 through 2033. FPL Energy also has several contracts for the supply, conversion, enrichment and fabrication of Seabrook's nuclear fuel with expiration dates ranging from 2004 to 2014.

The required capacity and minimum payments under these contracts are estimated to be as follows:

	2004	2005	2006	2007	2008	Thereafter
			(millions)			
FPL:						
Capacity payments:						
JEA and Southern Companies	$ 180	$ 180	$ 180	$ 190	$ 190	$ 900
Qualifying facilities	$ 350	$ 350	$ 300	$ 300	$ 300	$ 4,000
Other electricity suppliers	$ 100	$ 75	$ 70	$ 20	$ -	$ -
Minimum payments, at projected prices:						
Southern Companies – energy	$ 60	$ 70	$ 70	$ 70	$ 70	$ 110
Natural gas, including transportation	$ 1,625	$ 1,170	$ 610	$ 275	$ 250	$ 2,920
Coal	$ 40	$ 35	$ 20	$ 15	$ -	$ -
Oil	$ 200	$ -	$ -	$ -	$ -	$ -
FPL Energy	$ 90	$ 55	$ 45	$ 45	$ 40	$ 625

Charges under these contracts were as follows:

	2003 Charges		2002 Charges		2001 Charges	
	Capacity	Energy/ Fuel	Capacity	Energy/ Fuel	Capacity	Energy/ Fuel
			(millions)			
FPL:						
JEA and Southern Companies	$ 193[a]	$ 164[b]	$ 185[a]	$ 161[b]	$ 197[a]	$ 169[b]
Qualifying facilities	$ 352[c]	$ 141[b]	$ 315[c]	$ 122[b]	$ 314[c]	$ 124[b]
Other electricity suppliers	$ 96[c]	$ 41[b]	$ 81[c]	$ 20[b]	$ 25[c]	$ 6[b]
Natural gas, including transportation	$ -	$ 1,672[b]	$ -	$ 858[b]	$ -	$ 763[b]
Coal	$ -	$ 56[b]	$ -	$ 59[b]	$ -	$ 49[b]
Oil	$ -	$ 663[b]	$ -	$ 401[b]	$ -	$ 294[b]
FPL Energy	$ -	$ 47	$ -	$ 18	$ -	$ 17

[a] Majority is recoverable through the capacity clause.
[b] Recoverable through the fuel clause.
[c] Recoverable through the capacity clause.

Insurance – Liability for accidents at nuclear power plants is governed by the Price-Anderson Act, which limits the liability of nuclear reactor owners to the amount of insurance available from both private sources and an industry retrospective payment plan. In accordance with this act, FPL Group maintains $300 million of private liability insurance per site, which is the maximum obtainable, and participates in a secondary financial protection system under which it is subject to retrospective assessments of up to $518 million ($414 million for FPL) per incident at any nuclear utility reactor in the United States, payable at a rate not to exceed $52 million ($41 million for FPL) per incident per year. FPL Group and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook and St. Lucie Unit No. 2, which approximates $12 million and $15 million per incident, respectively. The Price-Anderson Act expired on August 1, 2002 but the liability limitations did not change for plants, including FPL's four nuclear units and Seabrook, with operating licenses issued by the NRC prior to August 1, 2002.

FPL Group participates in nuclear insurance mutual companies that provide $2.75 billion of limited insurance coverage per occurrence per site for property damage, decontamination and premature decommissioning risks at its nuclear plants. The proceeds from such insurance, however, must first be used for reactor stabilization and site decontamination before they can be used for plant repair. FPL Group also participates in an insurance program that provides limited coverage for replacement power costs if a nuclear plant is out of service for an extended period of time because of an accident. In the event of an accident at one of FPL Group's or another participating insured's nuclear plants, FPL Group could be assessed up to $93 million ($70 million for FPL) in retrospective premiums. FPL Group and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook and St. Lucie Unit No. 2, which approximates $3 million and $3 million, respectively.

In the event of a catastrophic loss at one of FPL Group's nuclear plants, the amount of insurance available might not be adequate to cover property damage and other expenses incurred. Uninsured losses, to the extent not recovered through rates in the case of FPL, would be borne by FPL Group and FPL and could have a material adverse effect on FPL Group's and FPL's financial condition and results of operations.

FPL self-insures its T&D property due to the high cost and limited coverage available from third-party insurers. As approved by the FPSC, FPL maintains a storm and property insurance reserve for uninsured property storm damage or assessments under the nuclear insurance program. At December 31, 2003, the storm and property insurance reserve (approximately $327 million) equals the amount in the storm fund (approximately $200 million) plus related deferred income taxes (approximately $127 million). The current annual accrual approved by the FPSC is approximately $20 million. Recovery from customers of any losses in excess of the storm and property insurance reserve will require the approval of the FPSC. FPL's available lines of credit provide additional liquidity in the event of a T&D property loss. In addition, FPL Group is self-insured for FPL FiberNet's fiber-optic cable located throughout Florida.

Litigation – In 1999, the Attorney General of the United States, on behalf of the U.S. Environmental Protection Agency (EPA), brought an action against Georgia Power Company and other subsidiaries of The Southern Company for certain alleged violations of the Clean Air Act. In May 2001, the EPA amended its complaint. The amended complaint alleges, among other things, that Georgia Power Company constructed and is continuing to operate Scherer Unit No. 4, in which FPL owns a 76% interest, without obtaining proper permitting, and without complying with performance and technology standards as required by the Clean Air Act. It also alleges that unspecified major modifications have been made at Scherer Unit No. 4 that require its compliance with the aforementioned Clean Air Act provisions. The EPA seeks injunctive relief requiring the installation of best available control technology and civil penalties of up to $25,000 per day for each violation from an unspecified date after June 1, 1975 through January 30, 1997 and $27,500 per day for each violation thereafter. Under a proposed EPA rule, the maximum penalty would increase to $32,500 per day for each violation after publication of the final rule. Georgia Power Company has answered the amended complaint, asserting that it has complied with all requirements of the Clean Air Act, denying the plaintiff's allegations of liability, denying that the plaintiff is entitled to any of the relief that it seeks and raising various other defenses. In June 2001, a federal district court stayed discovery and administratively closed the case pending

resolution of the EPA's motion for consolidation of discovery in several Clean Air Act cases that was filed with a Multi-District Litigation (MDL) panel. In August 2001, the MDL panel denied the motion for consolidation. In September 2001, the EPA moved that the federal district court reopen this case for purposes of discovery. Georgia Power Company opposed that motion asking that the case remain closed until the Eleventh Circuit Court of Appeals rules on the Tennessee Valley Authority's (TVA) appeal of an EPA administrative compliance order relating to legal issues that are also central to this case. In August 2002, the federal district court denied without prejudice the EPA's motion to reopen. In June 2003, the Eleventh Circuit issued its order dismissing the TVA's appeal because it found the provision of the Clean Air Act allowing the EPA to issue binding administrative compliance orders was unconstitutional, and hence found that the TVA order was a non-final order that courts of appeal do not have jurisdiction to review. In September 2003, the Eleventh Circuit denied the EPA's motion for rehearing, and the EPA is now evaluating whether to seek review of the Eleventh Circuit decision by the U.S. Supreme Court. The EPA has not yet moved to reopen the Georgia Power Company case.

In 2001, J. W. and Ernestine M. Thomas, Chester and Marie Jenkins, and Ray Norman and Jack Teague, as Co-Personal Representatives on behalf of the Estate of Robert L. Johns, served FPL Group, FPL, FPL FiberNet, FPL Group Capital and FPL Investments, Inc. (FPL Investments) as defendants in a civil action filed in the Florida circuit court. This action is purportedly on behalf of all property owners in Florida (excluding railroad and public rights of way) whose property is encumbered by easements in favor of FPL, and on whose property defendants have installed or intend to install fiber-optic cable which defendants currently lease, license or convey or intend to lease, license or convey for non-electric transmission or distribution purposes. The lawsuit alleges that FPL's easements do not permit the installation and use of fiber-optic cable for general communication purposes. The plaintiffs have asserted claims for unlawful detainer, unjust enrichment and constructive trust and seek injunctive relief and compensatory damages. In May 2002, plaintiffs filed an amended complaint, adding allegations regarding the installation of wireless communications equipment on some easements, and adding a claim for declaratory relief. In August 2002, Hazel and Lamar Jenkins were substituted for Chester and Marie Jenkins as plaintiffs. Defendants filed an answer and affirmative defenses to the amended complaint in August 2002. The parties are now pursuing discovery. In September 2003, FPL Group Capital and FPL Investments moved for summary judgment as to all claims asserted against them. Additionally, in October 2003, FPL Group moved for summary judgement as to all claims asserted against it. These motions have been granted and FPL Group, FPL Group Capital and FPL Investments have been dismissed from this lawsuit. The court is currently scheduled to hear argument on whether this case will proceed as a class action sometime in late June 2004.

In August 2001, Florida Municipal Power Agency (FMPA) filed with the U.S. Court of Appeals for the District of Columbia (DC Circuit) a petition for review asking the DC Circuit to reverse and remand orders of the FERC denying FMPA's request for credits for transmission facilities owned by FMPA members. The transmission credits sought by FMPA would offset the transmission charges that FPL bills FMPA for network transmission service to FMPA's member cities. FMPA member cities have been taking network transmission service under FPL's open access transmission tariff since 1996. In the orders appealed by FMPA, FERC ruled that FMPA would be entitled to credits for any FMPA facilities that were "integrated" with the FPL transmission system. Based on the evidence submitted, FERC concluded that none of the FMPA facilities met the integration test and, therefore, FMPA was not entitled to credits against FPL's charges for transmission service. In January 2003, the DC Circuit upheld FERC's order denying FMPA credits for its facilities; in March 2003, the DC Circuit denied FMPA's rehearing request of the DC Circuit's decision; and in October 2003, the U.S. Supreme Court denied FMPA's petition for review of the DC Circuit's decision. FMPA also has requested that FERC decide the crediting issue again in a separate FERC proceeding. That proceeding dates back to a filing by FPL in 1993 of a comprehensive restructuring of its then-existing tariff structure. All issues in that case are settled except for three issues reserved by FMPA, one of which is the crediting issue. FPL previously estimated the exposure for the crediting issue at $65 million. With the passage of time, the exposure has grown to $71 million as of December 31, 2003. However, in December 2003, FERC issued a ruling on the three reserved issues. With respect to the crediting issue, FERC stated that it had previously determined that FMPA was not entitled to credits for its facilities in the related proceeding discussed above and saw no persuasive reason to revisit that determination in this proceeding. With respect to the second issue, FERC directed FPL to make a compliance filing of a proposed rate schedule that does not include those facilities of FPL that fail to meet the same integration test applied to the FMPA facilities. With respect to the third reserved issue, FERC affirmed its previous ruling against FMPA. In January 2004, FMPA requested a "conditional rehearing on the Commission's failure to order rate credits solely in the event that Commission does not adequately reduce FPL's rate base to achieve comparability." On January 30, 2004, FPL filed an answer to FMPA's request for rehearing, asking that the request be denied. Unless FERC accepts and responds favorably to FMPA's rehearing request, FPL's exposure will be limited to refunds arising from the exclusion of FPL facilities that fail to meet the integration test from its rate schedule.

In February 2003, Scott and Rebecca Finestone brought an action on behalf of themselves and their son Zachary Finestone in the U.S. District Court for the Southern District of Florida alleging that their son has developed cancer (neuroblastoma) as a result of the release and/or dissipation into the air, water, soil and underground areas of radioactive and non-radioactive hazardous materials, including strontium 90, and the release of other toxic materials from FPL's St. Lucie nuclear power plant. The complaint includes counts against FPL for strict liability for allegedly engaging in an ultra-hazardous activity and for alleged negligence in operating the plant in a manner that allowed emissions of the foregoing materials and failing to limit its release of nuclear fission products as prescribed by federal and state laws and regulations. The plaintiffs seek damages in excess of $1 million. FPL moved to dismiss the complaint. In September 2003, the court entered an order denying FPL's motion to dismiss. Following FPL's motion for reconsideration in the Blake and Lowe lawsuit, discussed below, the court entered a similar order vacating its order

denying the motion to dismiss the count for strict liability and upon reconsideration granted FPL's motion to dismiss the count for strict liability.

In May 2003, Tish Blake and John Lowe, as personal representatives of the Estate of Ashton Lowe, on behalf of the estate and themselves, as surviving parents, brought an action in the U.S. District Court for the Southern District of Florida alleging that their son developed cancer (medulo-blastoma) as a result of the release and/or dissipation into the air, water, soil and underground areas of radioactive and non-radioactive hazardous materials, including strontium 90, and the release of other toxic materials from FPL's St. Lucie nuclear power plant. The allegations, counts and damages demanded in the complaint are virtually identical to those contained in the Finestone lawsuit described above. FPL moved to dismiss the complaint. In September 2003, the court entered an order denying FPL's motion to dismiss. FPL moved for reconsideration of the court's order as to the count for strict liability. The court then entered an order vacating the order denying the motion to dismiss as to the count for strict liability, and upon reconsideration granted FPL's motion to dismiss the count for strict liability.

In March 2003, James J. and Lori Bradstreet brought an action on behalf of themselves and their son, Matthew Bradstreet, in the Circuit Court of the 18th Judicial Circuit in and for Brevard County, Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies, the American Dental Association, the Florida Dental Association, FPL and the Orlando Utilities Commission (OUC), alleging that their son has suffered toxic neurological effects from mercury poisoning. An amended complaint was filed in May 2003. The sources of mercury exposure are alleged to be vaccines containing a preservative called thimerosal that were allegedly manufactured and distributed by the drug companies, mercury amalgam dental fillings, and emissions from FPL and OUC power plants in Florida, including Brevard County. The complaint includes counts against all defendants for civil battery and against FPL for alleged negligence in operating the plants such that the son was exposed to mercury and other heavy metals emissions. The damages demanded from FPL are for injuries and losses allegedly suffered by the son as a result of his exposure to the plants' mercury emissions and the parents' alleged pain and suffering, medical expenses, loss of wages, and loss of their son's services and companionship. No amount of damages is specified. FPL has moved to dismiss the complaint. In July 2003, the Bradstreets brought an identical action in the same court on behalf of themselves and their daughter, Elizabeth Bradstreet. FPL has moved to dismiss the complaint.

In June 2003, Monty and Kathryn Wooldridge brought an action on behalf of themselves and their son, Kevin Allen Wooldridge, in the Circuit Court of the 9th Judicial Circuit in and for Orange County, Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies, the American Dental Association, the Florida Dental Association, FPL and the OUC, alleging that their son has suffered toxic neurological effects from mercury poisoning. The allegations, counts and damages demanded in the complaint are virtually identical to those contained in the Bradstreet lawsuits described above. FPL has moved to dismiss the complaint.

In August 2003, Pedro C. and Emilia Roig brought an action on behalf of themselves and their son, Pedro Anthony Roig, in the Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida (the state court), which was removed in October 2003 to the U.S. District Court for the Southern District of Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies and FPL, alleging that their son has suffered toxic neurological effects from mercury poisoning. The allegations, counts and damages demanded in the complaint with respect to FPL are virtually identical to those contained in the Bradstreet and Wooldridge lawsuits described above. The plaintiffs have moved to remand the action back to the state court. The motion has been briefed by both parties and is pending in the U.S. District Court, which has stayed all discovery in the action. FPL will be moving to dismiss the case once the remand motion is decided.

In December 2003, Edward and Janis Shiflett brought an action on behalf of themselves and their son, Phillip Benjamin Shiflett, in the Circuit Court of the 18th Judicial Circuit in and for Brevard County, Florida, against Aventis Pasteur and a number of other named and unnamed drug manufacturing and distribution companies, FPL and the OUC, alleging that their son has suffered toxic neurological effects from mercury poisoning. The allegations, counts and damages demanded in the complaint with respect to FPL are virtually identical to those contained in the Bradstreet, Wooldridge and Roig lawsuits. FPL anticipates removing the action to the U.S. District Court for the Middle District of Florida, and will be moving to dismiss the case.

In January 2004, the Center For Biological Diversity, Inc. (Center) filed a lawsuit against FPL Group, FPL Energy and its subsidiaries ESI Bay Area GP, Inc., Green Ridge Power LLC and Altamont Power, LLC, as well as other defendants, in the U.S. District Court for the Northern District of California. The complaint alleges violations of certain sections of the California Business and Professions Code, unjust enrichment and certain violations of the Lanham Act. The complaint alleges that numerous birds have died as the result of collisions with wind turbines owned and operated by subsidiaries of FPL Energy in the Altamont area. The complaint requests injunctive relief, restitution, penalties, forfeiture of the wind turbines, disgorgement of profits and attorneys' fees. As of February 26, 2004, none of the FPL Group-related entities named in the lawsuit have been served with this complaint.

On February 13, 2004, Albert Litter Studios, Inc. instituted an action against FPL in the Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida, seeking damages on behalf of itself, and purportedly on behalf of all other similarly situated commercial entities in Florida. The plaintiff asserts that FPL's intentional use of allegedly defective thermal demand

meters has resulted in overcharging it and certain other commercial customers millions of dollars and constitutes an unfair and/or deceptive practice in violation of the Florida Deceptive and Unfair Trade Practices Act, breach of an implied contract, and in breach of a duty of good faith and fair dealing. The complaint seeks damages in excess of $15,000, representing the amount of the alleged overcharges, interest, and such other relief as the court may order. FPL had determined in 2002 that, based on sample testing of the approximately 3,900 1V thermal demand meters in service, the demand component of its 1V meter population was exceeding allowable tolerance levels established by FPSC rules. In 2002, FPL proposed to replace and test all of the 1V meters in service and to issue refunds, as appropriate, within certain parameters. FPL was given administrative approval from the FPSC staff to proceed with the replacement of the 1V meters. By early 2003, all 1V meters had been replaced. Testing of all 1V meters disclosed that approximately 15% of the 3,900 meters were outside of allowed tolerances, with 10% under-registering and 5% over-registering electricity usage. In November 2003, the FPSC, as proposed agency action, approved a method for testing the meters and calculating refunds. On December 10, 2003, Southeastern Utility Services, Inc., on behalf of several commercial customers, filed a protest to the proposed agency action and requested a hearing. Southeastern Utility Services, Inc. alleges that, among other things, the proposed method for computing the amount of the refund is flawed. Discovery is proceeding and no hearing date has been set.

FPL Group and FPL believe that they have meritorious defenses to the pending litigation discussed above and are vigorously defending the lawsuits. Management does not anticipate that the liabilities, if any, arising from the proceedings would have a material adverse effect on the financial statements.

In January 2002, Roy Oorbeek and Richard Berman filed suit against FPL Group (as an individual and nominal defendant); all its current directors (except James L. Camaren, Michael H. Thaman and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Lewis Hay III, Dennis P. Coyle, Paul J. Evanson and Lawrence J. Kelleher. In March 2002, William M. Klein, by Stephen S. Klein under power of attorney, on behalf of himself and all others similarly situated, filed suit against FPL Group (as nominal defendant); all its current directors (except James L. Camaren, Michael H. Thaman and Frank G. Zarb); certain former directors; and certain current and former officers of FPL Group and FPL, including James L. Broadhead, Paul J. Evanson, Lewis Hay III and Dennis P. Coyle. In February 2003, Donald E. and Judith B. Phillips, represented by the same attorneys who represent Klein, filed suit in the same court against the same defendants as the Klein lawsuit (plus Lawrence J. Kelleher). All three suits have been consolidated. In February 2004, by stipulation of the parties, FPL Group was removed as a defendant.

The lawsuits, taken together, allege that the proxy statements relating to shareholder approval of FPL Group's Long Term Incentive Plan (LTIP) and FPL Group's proposed, but unconsummated, merger with Entergy Corporation (Entergy) were false and misleading because they did not affirmatively state that payments made to certain officers under FPL Group's LTIP upon shareholder approval of the merger would be retained by the officers even if the merger with Entergy was not consummated and did not state that under some circumstances payments made pursuant to FPL Group's LTIP might not be deductible by FPL Group for federal income tax purposes. They also allege that FPL Group's LTIP required either consummation of the merger as a condition to the payments or the return of the payments if the transaction did not close, and that the actions of the director defendants in approving the proxy statements, causing the payments to be made, and failing to demand their return constitute corporate waste and a breach of fiduciary duties by those individual defendants. The plaintiffs seek to have the shareholder votes approving FPL Group's LTIP and the merger declared null and void, the return to FPL Group of $62 million of payments received by the officers, compensatory damages of $92 million (including the $62 million of payments received by the officers) from all defendants (except FPL Group) and attorneys' fees.

A special committee of non-management directors of FPL Group conducted an investigation of the claims made in the Oorbeek and Klein lawsuits and reported thereon to FPL Group's board of directors. The report concluded that pursuit of the claims is not in the best interest of FPL Group or its shareholders generally, and recommended that FPL Group seek dismissal of the lawsuits. After reviewing the special committee's report, FPL Group's board of directors (with only non-management directors participating) concluded likewise and filed with the court a statement of position setting forth the special committee's and the board's conclusions and authorizing the filing of a motion to dismiss the lawsuits, which motion was filed in October 2002. Messrs. Zarb, Camaren and Thaman joined the board in August 2002, October 2002 and July 2003, respectively, and did not participate in the proceedings relating to the statement of position or the filing of the motion to dismiss. On January 20, 2004, the court issued an order denying FPL Group's motion to dismiss the lawsuits.

FPL Group's above-referenced statement of position reported that during the course of the special committee's investigation of the allegations in the lawsuits a separate question arose concerning the interpretation of the provisions of FPL Group's LTIP pursuant to which the payments to eight current and former senior officers were calculated. A change from the original interpretation could result in a repayment to FPL Group of up to approximately $9 million. FPL Group and the eight senior officers have entered into a binding arbitration agreement in order to resolve the issue.

In May 2003, the plaintiff's attorneys in the Klein lawsuit sent a new letter to FPL Group's board of directors (the May 2003 Letter) demanding among other things, that the board take action (i) to recover from the persons who approved such payments and/or otherwise breached their fiduciary duties, all of the above-described $92 million of LTIP payments made to officers and employees of FPL Group, allegedly on the grounds that the payments constituted a breach of fiduciary duty, bad faith, corporate waste and other unspecified wrongs, (ii) to investigate whether the proposed merger with Entergy was a plan by FPL Group's officers and directors to enrich themselves at the expense of the company, (iii) to seek the return of certain LTIP

awards made in replacement of accelerated LTIP awards, (iv) to take immediate actions to secure the return of up to approximately $9 million in LTIP payments which is subject to an interpretation question under the LTIP, (v) to investigate and seek the return of stock options and restricted stock paid to Mr. Broadhead in January 2002 in connection with a consulting agreement and his retirement from FPL Group in December 2001, and (vi) to investigate whether punitive damages may be sought. In July 2003, FPL Group's board of directors appointed a special committee, composed of James L. Camaren and Michael H. Thaman, to investigate the matters raised in the May 2003 Letter and to make a determination as to how FPL Group should respond to the matters raised therein. In August 2003, the plaintiff's attorney in the Klein lawsuit sent a letter to FPL Group's board of directors purporting to "withdraw" the May 2003 Letter.

In addition to those legal proceedings discussed herein, FPL Group and its subsidiaries, including FPL, are involved in a number of other legal proceedings and claims in the ordinary course of their businesses. In addition, generating plants in which FPL Group or FPL have an ownership interest are involved in legal proceedings and claims, the liabilities from which, if any, would be shared by FPL Group or FPL. While management is unable to predict with certainty the outcome of these other legal proceedings and claims, it is not expected that their ultimate resolution, individually or collectively, will have a material adverse effect on the financial statements.

Other Contingencies – In connection with the redemption in 1999 of its one-third ownership interest in Olympus Communications, L.P. (Olympus), an indirect subsidiary of FPL Group holds a note receivable from a limited partnership, of which Olympus is a general partner. The note receivable is secured by a pledge of the redeemed ownership interest. Olympus is an indirect subsidiary of Adelphia Communications Corp. (Adelphia). In June 2002, Adelphia and a number of its subsidiaries, including Olympus, filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code (Chapter 11). The note receivable plus accrued interest totaled approximately $127 million at December 31, 2003 and are included in other investments on FPL Group's consolidated balance sheets. The note was due on July 1, 2002 and is currently in default.

Based on the most recent publicly available financial information set forth in Olympus' Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2001, total assets of Olympus exceeded liabilities by approximately $3.6 billion and Olympus served 1,787,000 basic subscribers. Olympus has not filed its Annual Report on Form 10-K for the fiscal year ended December 31, 2001 or any subsequent Quarterly Reports on Form 10-Q or Annual Reports on Form 10-K with the SEC, and consequently the September 30, 2001 financial information may not be indicative of Olympus' current financial position. Olympus has stated publicly that it expects to restate its financial statements for the years ended December 31, 2000 and 1999, and its interim financial statements for 2001 and possibly other periods. In addition, current management of Olympus believes that other public information provided by the Rigas family, which controlled Adelphia, was unreliable. In July 2002, the SEC filed suit against Adelphia and certain of its officers alleging that Adelphia fraudulently excluded billions of dollars of debt from its financial statements, misstated its financial and operating results and concealed rampant self-dealing by the Rigas family. In October 2003, Olympus filed certain limited financial information as required by orders of the bankruptcy court. However, such information was not useful to FPL Group in its evaluation of the collectibility of the note receivable. In January 2004, the FPL Group subsidiary filed its proof of claims with the bankruptcy court.

In August 2002, an affidavit was filed in the bankruptcy court proceedings by a director of Lazard Freres & Co. LLC stating that, based on his analysis, the market value of FPL Group's secured interest in Olympus exceeded the carrying value of the note receivable plus accrued interest. In February 2003, FPL Group obtained an evaluation of the Olympus assets from an independent third party. The results of the evaluation, which was based on the limited information available, indicated that there was no impairment.

On February 25, 2004, Adelphia and certain of its affiliates and subsidiaries, including Olympus, filed a disclosure statement (Disclosure Statement) and plan of reorganization (Plan). The Disclosure Statement provides for the "deemed consolidation" of the Adelphia debtors into ten separate groups for purposes of voting, confirmation and distribution under the Plan. The note receivable has been classified under the Plan by the Adelphia debtors as one of those groups and, under the proposed treatment under the Plan, the note receivable will be satisfied with shares of common stock of a reorganized Adelphia.

FPL Group believes that the Disclosure Statement and the Plan have misclassified the note receivable and anticipates filing appropriate objections. FPL Group cannot predict whether its objection to the Plan will result in changes to the Plan or whether the Plan will be approved. As such, the ultimate collectibility of the note receivable cannot be assured.

Subsidiaries of FPL Group, other than FPL, have investments in several leveraged leases, two of which are with MCI Telecommunications Corporation (MCI). In July 2002, MCI filed for bankruptcy protection under Chapter 11. Due to the uncertainty of collectibility associated with these leveraged leases, FPL Group recorded reserves totaling approximately $48 million ($30 million after tax) in the third quarter of 2002. At December 31, 2003, investments in leveraged leases with MCI totaled approximately $15 million and related deferred tax liabilities totaled approximately $11 million. An agreement has been reached with MCI that will consolidate and amend the leases upon the effective date of MCI's reorganization plan. On September 2, 2003, MCI was authorized by the bankruptcy court to assume the consolidated and amended lease, cure any prepetition arrearages and take all further action necessary or appropriate to effectuate the amended lease upon the effective date of MCI's reorganization plan. The amended lease would be classified as an operating lease and is not expected to have a significant effect on FPL Group's financial statements. In October 2003, the bankruptcy court approved MCI's reorganization plan which is expected to become effective in early 2004.

18. Segment Information

FPL Group's reportable segments include FPL, a rate-regulated utility, and FPL Energy, a non-rate regulated energy generating subsidiary. Corporate and Other represents other business activities, other segments that are not separately reportable and eliminating entries. FPL Group's operating revenues derived from the sale of electricity represented approximately 97% of FPL Group's operating revenues for each of the three years ended December 31, 2003. Less than 1% of operating revenues were from foreign sources for each of the three years ended December 31, 2003. At December 31, 2003 and 2002, less than 1% of long-lived assets were located in foreign countries.

FPL Group's segment information is as follows:

	2003				2002				2001			
	FPL	FPL Energy [a]	Corp. and Other	Total	FPL	FPL Energy [a]	Corp. and Other	Total	FPL	FPL Energy [a]	Corp. and Other	Total
	(millions)											
Operating revenues	$ 8,293	$ 1,252	$ 85	$ 9,630	$ 7,378	$ 691	$ 104	$ 8,173	$ 7,477	$ 611	$ 129	$ 8,217
Operating expenses	$ 6,964	$ 1,059	$ 76	$ 8,099	$ 6,052	$ 707	$ 189	$ 6,948	$ 6,200	$ 487	$ 121	$ 6,808
Interest charges	$ 173	$ 124	$ 82	$ 379	$ 166	$ 86	$ 59	$ 311	$ 187	$ 74	$ 63	$ 324
Depreciation and amortization	$ 898	$ 187	$ 20	$ 1,105	$ 831	$ 107	$ 14	$ 952	$ 898	$ 77	$ 8	$ 983
Equity in earnings of equity method investees	$ -	$ 89	$ -	$ 89	$ -	$ 76	$ -	$ 76	$ -	$ 81	$ -	$ 81
Income tax expense (benefit) [b]	$ 403	$ (4)	$ (31)	$ 368	$ 413	$ (54)	$ (115)	$ 244	$ 383	$ 25	$ (29)	$ 379
Income (loss) before cumulative effect of changes in accounting principles [b]	$ 733	$ 197	$ (37)	$ 893	$ 717	$ 53 [c]	$ (75) [d]	$ 695	$ 679 [e]	$ 113	$ (11) [f]	$ 781
Cumulative effect of *changes in accounting* principles, net of income taxes	$ -	$ (3) [g]	$ -	$ (3)	$ -	$ (222) [h]	$ -	$ (222)	$ -	$ -	$ -	$ -
Net income (loss) [b]	$ 733	$ 194	$ (37)	$ 890	$ 717	$ (169) [c]	$ (75) [d]	$ 473	$ 679 [e]	$ 113	$ (11) [f]	$ 781
Capital expenditures and investments	$ 1,409	$ 1,478	$ 7	$ 2,894	$ 1,256	$ 2,103	$ 21	$ 3,380	$ 1,154	$ 1,977	$ 128	$ 3,259
Total assets [h][i][g]	$ 17,817	$ 8,440	$ 678	$ 26,935	$ 16,032	$ 6,358	$ 795	$ 23,185	$ 15,174	$ 4,957	$ 582	$ 20,713
Investment in equity method investees	$ -	$ 346	$ -	$ 346	$ -	$ 310	$ -	$ 310	$ -	$ 276	$ -	$ 276

[a] FPL Energy's interest charges are based on a deemed capital structure of 50% debt for operating projects and 100% debt for projects under construction. Residual non-utility interest charges are included in Corporate and Other.
[b] Includes, in 2002, favorable settlement of litigation with the IRS for which a net tax benefit of $30 million was recognized at Corporate and Other.
[c] Includes restructuring and other charges of $73 million after tax.
[d] Includes restructuring and impairment charges of $64 million after tax at FPL FiberNet and a reserve for leveraged leases of $30 million after tax.
[e] Includes merger-related expense of $16 million after tax.
[f] Includes merger-related expense of $3 million after tax.
[g] Reflects the adoption of FIN 46 in July 2003. See Note 10.
[h] Reflects the adoption of FAS 142 in January 2002. See Note 5.
[i] See Note 16.

19. Summarized Financial Information of FPL Group Capital

FPL Group Capital, a 100% owned subsidiary of FPL Group, provides funding for and holds ownership interest in FPL Group's operating subsidiaries other than FPL. Most of FPL Group Capital's debt and payment guarantees, including its debentures, are fully and unconditionally guaranteed by FPL Group. Condensed consolidating financial information is as follows:

Condensed Consolidating Statements of Income

	Year Ended December 31, 2003				Year Ended December 31, 2002				Year Ended December 31, 2001			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
	(millions)											
Operating revenues	$ -	$ 1,337	$ 8,293	$ 9,630	$ -	$ 795	$ 7,378	$ 8,173	$ -	$ 741	$ 7,476	$ 8,217
Operating expenses	-	(1,135)	(6,964)	(8,099)	(5)	(896)	(6,047)	(6,948)	-	(608)	(6,200)	(6,808)
Interest charges	(28)	(204)	(147)	(379)	(28)	(144)	(139)	(311)	(29)	(136)	(159)	(324)
Other income (deductions) – net	903	154	(948)	109	488	86	(549)	25	788	134	(847)	75
Income (loss) before income taxes and cumulative effect of changes in accounting principles	875	152	234	1,261	455	(159)	643	939	759	131	270	1,160
Income tax expense (benefit)	(15)	(20)	403	368	(18)	(151)	413	244	(22)	18	383	379
Net Income (loss) before cumulative effect of changes in accounting principles	890	172	(169)	893	473	(8)	230	695	781	113	(113)	781
Cumulative effect of changes in accounting principles, net of income taxes	-	(3)	-	(3)	-	(222)	-	(222)	-	-	-	-
Net income (loss)	$ 890	$ 169	$ (169)	$ 890	$ 473	$ (230)	$ 230	$ 473	$ 781	$ 113	$ (113)	$ 781

[a] Represents FPL and consolidating adjustments.

Condensed Consolidating Balance Sheets

	December 31, 2003				December 31, 2002			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
	(millions)							
PROPERTY, PLANT AND EQUIPMENT								
Electric utility plant in service and other property	$ -	$ 7,783	$ 22,489	$ 30,272	$ -	$ 5,745	$ 20,760	$ 26,505
Less accumulated depreciation and amortization	-	(738)	(9,237)	(9,975)	-	(360)	(8,445)	(8,805)
Total property, plant and equipment – net	-	7,045	13,252	20,297	-	5,385	12,315	17,700
CURRENT ASSETS								
Cash and cash equivalents	27	98	4	129	5	261	-	266
Receivables	16	436	735	1,187	460	269	136	865
Other	-	271	883	1,154	-	240	537	777
Total current assets	43	805	1,622	2,470	465	770	673	1,908
OTHER ASSETS								
Investment in subsidiaries	7,218	-	(7,218)	-	6,221	-	(6,221)	-
Other	110	1,491	2,567	4,168	103	1,284	2,190	3,577
Total other assets	7,328	1,491	(4,651)	4,168	6,324	1,284	(4,031)	3,577
TOTAL ASSETS	$ 7,371	$ 9,341	$ 10,223	$ 26,935	$ 6,789	$ 7,439	$ 8,957	$ 23,185
CAPITALIZATION								
Common shareholders' equity	$ 6,967	$ 1,214	$ (1,214)	$ 6,967	$ 6,390	$ 839	$ (839)	$ 6,390
Preferred stock of FPL without sinking fund requirements	-	-	5	5	-	-	226	226
Long-term debt	-	5,649	3,074	8,723	-	3,426	2,364	5,790
Total capitalization	6,967	6,863	1,865	15,695	6,390	4,265	1,751	12,406
CURRENT LIABILITIES								
Accounts payable and short-term debt	-	397	1,065	1,462	-	1,563	1,092	2,655
Other	62	809	1,020	1,891	17	812	427	1,256
Total current liabilities	62	1,206	2,085	3,353	17	2,375	1,519	3,911
OTHER LIABILITIES AND DEFERRED CREDITS								
Asset retirement obligations	-	178	1,908	2,086	-	-	-	-
Accrued asset removal costs	-	-	1,902	1,902	-	164	3,396	3,560
Accumulated deferred income taxes	(5)	826	1,334	2,155	(5)	412	1,140	1,547
Other	347	268	1,129	1,744	387	223	1,151	1,761
Total other liabilities and deferred credits	342	1,272	6,273	7,887	382	799	5,687	6,868
COMMITMENTS AND CONTINGENCIES								
TOTAL CAPITALIZATION AND LIABILITIES	$ 7,371	$ 9,341	$ 10,223	$ 26,935	$ 6,789	$ 7,439	$ 8,957	$ 23,185

[a] Represents FPL and consolidating adjustments.

Condensed Consolidating Statements of Cash Flows

	Year Ended December 31, 2003				Year Ended December 31, 2002				Year Ended December 31, 2001			
	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated	FPL Group	FPL Group Capital	Other[a]	FPL Group Consolidated
	(millions)											
NET CASH PROVIDED BY OPERATING ACTIVITIES	$1,028	$ 397	$ 829	$ 2,254	$ 426	$ 1,227	$ 685	$ 2,338	$ 769	$ 15	$ 1,158	$ 1,942
CASH FLOWS FROM INVESTING ACTIVITIES												
Capital expenditures and independent power investments	-	(1,486)	(1,408)	(2,894)	-	(2,124)	(1,256)	(3,380)	-	(2,105)	(1,154)	(3,259)
Capital contributions to FPL Group Capital and FPL	(600)	-	600	-	(350)	-	350	-	(400)	-	400	-
Other – net	-	(18)	(177)	(195)	3	208	(98)	113	(4)	69	(75)	(10)
Net cash used in investing activities	(600)	(1,504)	(985)	(3,089)	(347)	(1,916)	(1,004)	(3,267)	(404)	(2,036)	(829)	(3,269)
CASH FLOWS FROM FINANCING ACTIVITIES												
Issuances of long-term debt	-	2,118	877	2,995	-	1,177	593	1,770	-	920	-	920
Retirements of long-term debt	-	(43)	(388)	(431)	-	(32)	(765)	(797)	-	(21)	(66)	(87)
Retirements of preferred stock – FPL	-	-	(228)	(228)	-	-	-	-	-	-	-	-
Net change in short-term debt	-	(1,116)	(122)	(1,238)	-	(276)	490	214	-	1,152	(328)	824
Issuances of common stock	73	-	-	73	378	-	-	378	-	-	-	-
Dividends on common stock	(425)	-	-	(425)	(400)	-	-	(400)	(377)	-	-	(377)
Other – net	(54)	(15)	21	(48)	(52)	-	-	(52)	-	-	-	-
Net cash provided by (used in) financing activities	(406)	944	160	698	(74)	869	318	1,113	(377)	2,051	(394)	1,280
Net increase (decrease) in cash and cash equivalents	22	(163)	4	(137)	5	180	(1)	184	(12)	30	(65)	(47)
Cash and cash equivalents at beginning of year	5	261	-	266	-	81	1	82	12	51	66	129
Cash and cash equivalents at end of year	$ 27	$ 98	$ 4	$ 129	$ 5	$ 261	$ -	$ 266	$ -	$ 81	$ 1	$ 82

[a] Represents FPL and consolidating adjustments.

20. Quarterly Data (Unaudited)

Condensed consolidated quarterly financial information is as follows:

	March 31 [a]	June 30 [a]	September 30 [a]	December 31 [a]
	(millions, except per share amounts)			
FPL GROUP:				
2003				
Operating revenues [b]	$2,082	$2,339	$2,775	$2,435
Operating income [b]	$ 294	$ 413	$ 565	$ 259
Income before cumulative effect of a change in accounting principle [b]	$ 175	$ 239	$ 334	$ 145
Cumulative effect of adopting FIN 46	$ -	$ -	$ (3)	$ -
Net income [b]	$ 175	$ 239	$ 331	$ 145
Earnings per share before cumulative effect of adopting FIN 46 [c]	$ 0.99	$ 1.35	$ 1.88	$ 0.81
Cumulative effect of adopting FIN 46 [c]	$ -	$ -	$ (0.02)	$ -
Earnings per share [c]	$ 0.99	$ 1.35	$ 1.86	$ 0.81
Earnings per share before cumulative effect of adopting FIN 46 (assuming dilution) [c]	$ 0.99	$ 1.34	$ 1.88	$ 0.81
Cumulative effect of adopting FIN 46 [c]	$ -	$ -	$ (0.02)	$ -
Earnings per share (assuming dilution) [c]	$ 0.99	$ 1.34	$ 1.86	$ 0.81
Dividends per share	$ 0.60	$ 0.60	$ 0.60	$ 0.60
High-low common stock sales prices	$63.77-53.55	$68.08-57.74	$67.66-60.01	$65.98-62.65
2002				
Operating revenues [b]	$1,716	$2,113	$2,302	$2,042
Operating income [b]	$ 255	$ 410	$ 321 [d]	$ 239
Income before cumulative effect of a change in accounting principle [b]	$ 166 [e]	$ 250	$ 150 [d]	$ 129
Cumulative effect of adopting FAS 142	$ (222)	$ -	$ -	$ -
Net income (loss) [b]	$ (56) [e]	$ 250	$ 150 [d]	$ 129
Earnings per share before cumulative effect of adopting FAS 142 (basic and assuming dilution) [c]	$ 0.98 [e]	$ 1.46	$ 0.85 [d]	$ 0.73
Cumulative effect of adopting FAS 142 [c]	$ (1.31)	$ -	$ -	$ -
Earnings (loss) per share (basic and assuming dilution) [c]	$ (0.33) [e]	$ 1.46	$ 0.85 [d]	$ 0.73
Dividends per share	$ 0.58	$ 0.58	$ 0.58	$ 0.58
High-low common stock sales prices	$60.10-51.13	$65.31-56.30	$60.08-45.00	$61.40-48.35
FPL:				
2003				
Operating revenues [b]	$1,757	$2,053	$2,383	$2,100
Operating income [b]	$ 252	$ 361	$ 487	$ 229
Net income [b]	$ 139	$ 203	$ 281	$ 133
Net income available to FPL Group [b]	$ 135	$ 199	$ 277	$ 122
2002				
Operating revenues [b]	$1,538	$1,921	$2,144	$1,775
Operating income [b]	$ 233	$ 375	$ 502	$ 216
Net income [b]	$ 122	$ 209	$ 288	$ 114
Net income available to FPL Group [b]	$ 118	$ 205	$ 284	$ 111

[a] In the opinion of FPL Group and FPL, all adjustments, which consist of normal recurring accruals necessary to present a fair statement of the amounts shown for such periods, have been made. Results of operations for an interim period may not give a true indication of results for the year.
[b] The sum of the quarterly amounts may not equal the total for the year due to rounding.
[c] The sum of the quarterly amounts may not equal the total for the year due to rounding and changes in weighted-average number of common shares outstanding.
[d] Includes restructuring, impairment and/or other charges.
[e] Includes a gain from an income tax settlement.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None

Item 9A. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

As of December 31, 2003, FPL Group and FPL performed an evaluation, under the supervision and with the participation of its management, including FPL Group's and FPL's chief executive officer and chief financial officer, of the effectiveness of the design and operation of each company's disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) or 15d-15(e)). Based upon that evaluation, the chief executive officer and chief financial officer of each of FPL Group and FPL concluded that the company's disclosure controls and procedures are effective in timely alerting them to material information relating to the company and its consolidated subsidiaries required to be included in the company's reports filed or submitted under the Exchange Act. Due to the inherent limitations of the effectiveness of any established disclosure controls and procedures, management of FPL Group and FPL cannot provide absolute assurance that the objectives of its disclosure controls and procedures will be met.

(b) Changes in Internal Controls

There has been no change in FPL Group's or FPL's internal control over financial reporting that occurred during FPL Group's and FPL's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, FPL Group's or FPL's internal control over financial reporting.

PART III

Item 10. Directors and Executive Officers of the Registrants

FPL Group – The information required by this item will be included in FPL Group's Proxy Statement which will be filed with the SEC in connection with the 2004 Annual Meeting of Shareholders (FPL Group's Proxy Statement) and is incorporated herein by reference, or is included in Item 1. Business – Executive Officers of the Registrants.

FPL DIRECTORS[a]

Dennis P. Coyle. Mr. Coyle, 65, is general counsel and secretary of FPL and FPL Group. Mr. Coyle has been a director of FPL since 1990.

Moray P. Dewhurst. Mr. Dewhurst, 48, is senior vice president, finance and chief financial officer of FPL and vice president, finance and chief financial officer of FPL Group. Mr. Dewhurst has been a director of FPL since 2001.

Lewis Hay III. Mr. Hay, 48, is chairman and chief executive officer of FPL and chairman, president and chief executive officer of FPL Group. He is a director of Harris Corporation and Capital One Financial Corporation. Mr. Hay has been a director of FPL and FPL Group since 2001.

Lawrence J. Kelleher. Mr. Kelleher, 56, is senior vice president, human resources and corporate services of FPL and vice president, human resources of FPL Group. Mr. Kelleher has been a director of FPL since 1990.

Armando J. Olivera. Mr. Olivera, 54, is president of FPL. Mr. Olivera has been a director of FPL since 1999.

Antonio Rodriguez. Mr. Rodriguez, 61, is senior vice president, power generation division of FPL. Mr. Rodriguez has been a director of FPL since 1999.

John A. Stall. Mr. Stall, 49, is senior vice president, nuclear division of FPL. Mr. Stall has been a director of FPL since 2001.

[a] Directors are elected annually and serve until their resignation, removal or until their respective successors are elected. Each director's business experience during the past five years is noted either here or in the Executive Officers table in Item 1. Business – Executive Officers of the Registrants.

Section 16(a) Beneficial Ownership Reporting Compliance – FPL's directors and executive officers are required to file initial reports of ownership and reports of changes of ownership of FPL Group common stock with the SEC. Based upon a review of these filings and written representations from FPL directors and executive officers, all required filings were timely made in 2003, except for the late filing of a Form 4 for Paul I. Cutler.

FPL Code of Ethics – FPL Group has adopted a code of ethics for FPL's senior executive and financial officers, which is available in the "Governance" section on FPL Group's website at www.fplgroup.com.

Item 11. Executive Compensation

FPL Group – The information required by this item will be included in FPL Group's Proxy Statement and is incorporated herein by reference, provided that the Compensation Committee Report, the Audit Committee Report (to the extent permitted by the rules of the SEC) and Performance Graphs which are contained in FPL Group's Proxy Statement shall not be deemed to be incorporated herein by reference.

FPL – The following table sets forth FPL's portion of the compensation paid during the past three years to FPL's chief executive officer and the other four most highly-compensated persons who served as executive officers of FPL at December 31, 2003.

Summary Compensation Table

		Annual Compensation			Long-Term Compensation			
Name and Principal Position	Year	Salary	Bonus	Other Annual Compen-sation	Restricted Stock Awards[a]	Securities Underlying Options (#)	LTIP Payouts[b]	All Other Compen-sation[c]
Lewis Hay III [d]	2003	$ 794,600	$ 1,009,937	$ 13,900	$ 2,782,371	59,595	$ 436,928	$ 7,549
Chairman of the Board and Chief	2002	781,176	991,312	17,945	525,696	66,578	805,584	19,615
Executive Officer of FPL and	2001	254,264	522,806	6,435	1,116,930	180,500	-	7,059
Chairman of the Board, President and Chief Executive Officer of FPL Group								
Moray P. Dewhurst [e]	2003	389,354	359,795	7,176	218,992	39,730	281,037	8,016
Senior Vice President, Finance	2002	401,240	377,983	14,730	233,643	44,385	362,229	8,624
and Chief Financial Officer of	2001	163,443	366,780	22,672	999,068	90,250	-	2,306
FPL and Vice President, Finance and Chief Financial Officer of FPL Group								
Armando J. Olivera [f]	2003	387,171	316,800	22,697	914,960	25,000	246,696	47,000
President of FPL	2002	285,100	172,200	14,726	421,120	25,000	330,003	12,014
	2001	272,000	378,706	11,575	987,520	50,000	-	11,463
Dennis P. Coyle	2003	398,540	255,543	12,375	328,488	39,730	462,567	7,549
General Counsel and	2002	430,179	271,015	13,952	350,464	44,385	888,765	8,922
Secretary of FPL	2001	418,489	772,302	11,268	835,535	90,250	-	8,372
and FPL Group								
Lawrence J. Kelleher	2003	312,373	218,674	10,316	547,479	39,730	378,327	7,549
Senior Vice President,	2002	332,355	240,922	13,225	584,107	44,385	702,635	10,724
Human Resources and	2001	323,366	600,855	10,169	1,392,558	90,250	-	10,511
Corporate Services of FPL and Vice President, Human Resources of FPL Group								

[a] At December 31, 2003, Mr. Hay held 72,083 shares of restricted common stock with a value of $4,715,670, of which 61,250 shares were granted in 2003, 7,500 shares were granted in 2002 and 3,333 were granted in 2001 and vest as to 20,833 shares in 2004, 17,500 shares in 2005, 13,750 shares in 2006, and 10,000 shares in each of years 2007 and 2008; Mr. Dewhurst held 18,334 shares of restricted common stock with a value of $1,199,410, of which 5,000 shares were granted in 2003, 3,334 shares were granted in 2002 and 10,000 shares were granted in 2001 and vest as to 8,333 shares in 2004, 8,334 shares in 2005 and 1,667 shares in 2006; Mr. Olivera held 20,834 shares of restricted common stock with a value of $1,362,960, of which 15,500 shares were granted in 2003 and 5,334 shares were granted in 2002 and vest as to 7,833 shares in 2004, 7,834 shares in 2005 and 5,167 shares in 2006; Mr. Coyle held 12,500 shares of restricted common stock with a value of $817,750, of which 7,500 shares were granted in 2003 and 5,000 shares were granted in 2002 and vest as to 5,000 shares in each of years 2004 and 2005 and 2,500 shares in 2006; Mr. Kelleher held 20,834 shares of restricted common stock with a value of $1,362,960, of which 12,500 shares were granted in 2003 and 8,334 shares were granted in 2002 and vest as to 8,333 in 2004, 8,334 in 2005 and 4,167 in 2006. Dividends at normal rates are paid on restricted common stock.

[b] For 2002 and 2003, payouts of vested performance share awards were made in a combination of cash (for payment of income taxes) and shares of FPL Group common stock, valued at the closing price on the date payouts were approved. Mr. Hay deferred his 2003 performance share award payout under FPL Group's Deferred Compensation Plan. Mr. Dewhurst deferred his 2002 and 2003 performance share award payouts under FPL Group's Deferred Compensation Plan. For 2002, payouts of vested shareholder value awards were made in cash, based on the closing price of FPL Group common stock on the date payouts were approved. For 2001, payouts were based on a performance period of one fiscal year and, in accordance with SEC rules, are reported for 2001 under the "Bonus" column of this table.

[c] For 2003, represents employer matching contributions to thrift plans of $9,500 for Mr. Olivera and $7,549 for each of the other named officers. For Mr. Dewhurst, also includes employer contributions for life insurance of $467. For Mr. Olivera, also includes $37,500 moving expense incentive.

[d] Mr. Hay joined FPL Group in July 1999 as vice president, finance and chief financial officer of FPL Group and senior vice president, finance and chief financial officer of FPL. He served as president of FPL Energy from March 2000 to December 2001 and was elected president and chief executive officer of FPL Group on June 11, 2001. He was elected chairman of the board of FPL Group and FPL and chief executive officer of FPL on January 1, 2002.

[e] Mr. Dewhurst was appointed vice president, finance and chief financial officer of FPL Group and senior vice president, finance and chief financial officer of FPL in July 2001.

[f] Mr. Olivera served as senior vice president, power systems of FPL from July 1999 to June 2003 and was appointed president of FPL on June 24, 2003.

Long Term Incentive Plan Awards – In 2003, performance share awards and non-qualified stock option awards under FPL Group's Amended and Restated Long Term Incentive Plan were made to the executive officers named in the Summary Compensation Table as set forth in the following tables.

Performance Share Awards

Name	Number of Shares	Performance Period Until Payout	Estimated Future Payouts Under Non-Stock Price-Based Plans	
			Target #	Maximum #
Lewis Hay III	34,133	1/1/03 - 12/31/05	34,133	54,612
Moray P. Dewhurst	9,493	1/1/03 - 12/31/05	9,493	15,188
Armando J. Olivera	6,526	1/1/03 - 12/31/05	6,526	10,441
Dennis P. Coyle	9,717	1/1/03 - 12/31/05	9,717	15,547
Lawrence J. Kelleher	7,616	1/1/03 - 12/31/05	7,616	12,185

The performance share awards in the preceding table are, under normal circumstances, payable at the end of the performance period indicated. The amount of the payout is determined by multiplying the participant's target number of shares by his average level of attainment, expressed as a percentage, which may not exceed 160%, of his targeted awards under the Annual Incentive Plans for each of the years encompassed by the award period. Under those plans, annual incentive compensation is based on the attainment of net income goals for FPL and FPL Group, which are established by the Compensation Committee of FPL Group's Board of Directors (the Committee) at the beginning of the year, and adjusted for specified items including any changes in accounting principles, any changes in the mark-to-market value of non-qualifying hedges, and certain charges or gains (adjusted net income). The amounts earned on the basis of this performance measure are subject to reduction based on the degree of achievement of other corporate and business unit performance measures, and at the discretion of the Committee. FPL's portion of the performance share award payouts for the performance period ended December 31, 2003 is included in the Summary Compensation Table herein in the column entitled "LTIP Payouts." Mr. Hay's annual incentive compensation for 2003 was based on the achievement of FPL Group's adjusted net income goals, and the following performance measures for FPL (weighted 75%) and the non-utility and/or new businesses (weighted 25%) and upon certain qualitative factors. For FPL, the incentive performance measures were financial indicators (weighted 50%) and operating indicators (weighted 50%). The financial indicators were operations and maintenance costs, capital expenditure levels, adjusted net income, regulatory return on equity and operating cash flow. The operating indicators were service reliability as measured by the frequency and duration of service interruptions and service unavailability; system performance as measured by availability factors for the fossil power plants and an industry index for the nuclear power plants; employee safety; number of significant environmental violations; customer satisfaction survey results; load management installed capability; and conservation programs' annual installed capacity. For the non-utility and/or new businesses, the performance measures included total combined return on equity; non-utility adjusted net income and return on equity; corporate and other net income; employee safety; number of significant environmental violations; project-level and corporate budget targets; and level of hedged margin. The qualitative factors included measures to position FPL Group for increased competition and initiating other actions that significantly strengthen FPL Group and enhance shareholder value.

Option Grants in Last Fiscal Year

Name	Individual Grants				
	Number of Securities Underlying Options Granted [a]	Percent of Total Options Granted to Employees in Fiscal Year	Exercise or Base Price per Share	Expiration Date	Grant Date Present Value[b]
Lewis Hay III	75,000	4.7%	$ 55.12	2/13/2013	$ 630,000
Moray P. Dewhurst	50,000	3.1%	55.12	2/13/2013	420,000
Armando J. Olivera	25,000	1.6%	55.12	2/13/2013	210,000
Dennis P. Coyle	50,000	3.1%	55.12	2/13/2013	420,000
Lawrence J. Kelleher	50,000	3.1%	55.12	2/13/2013	420,000

[a] Options granted are non-qualified stock options. All stock options will become exercisable one-third per year and be fully exercisable after three years. All options were granted at an exercise price per share of 100% of the fair market value of FPL Group common stock on the date of grant.

[b] The hypothetical values shown were calculated using the Black-Scholes option pricing model, based on the following assumptions. For all options, the volatility rate is equal to 19.98% and the dividend yield (representing the current per share annualized dividends divided by the annualized fair market value of the common stock) is equal to 3.96%. The risk-free interest rate is equal to 3.64%, based on the interest rate on a U.S. Treasury zero-coupon bond on the date of grant with a maturity corresponding to the estimated time until exercise of seven years. The values do not take into account risk factors such as non-transferability or risk of forfeiture.

The preceding table sets forth information concerning individual grants of common stock options during fiscal year 2003 to the executive officers named in the Summary Compensation Table. FPL's portion of such awards is also listed in the Summary Compensation Table herein in the column entitled "Securities Underlying Options."

Aggregated Option Exercises in Last Fiscal Year and Fiscal Year-End Option Values

Name	Number of Shares Acquired on Exercise	Value Realized	Number of Securities Underlying Unexercised Options at Fiscal Year-End		Value of Unexercised In-The-Money Options at Fiscal Year-End	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Lewis Hay III	0	0	208,333	141,667	$ 1,210,163	$ 1,579,337
Moray P. Dewhurst	0	0	66,667	133,333	716,504	1,444,496
Armando J. Olivera	0	0	58,334	41,666	291,509	470,491
Dennis P. Coyle	0	0	116,667	83,333	583,004	940,996
Lawrence J. Kelleher	0	0	116,667	83,333	583,004	940,996

The preceding table sets forth information, with respect to the named officers, concerning the exercise of stock options during the fiscal year and unexercised options held at the end of the fiscal year. The named officers did not exercise any stock options during 2003. All the exercisable and unexercisable options shown in the preceding table were granted in 2001, 2002 and 2003. At December 31, 2003, the fair market value of the underlying securities (based on the closing share price of FPL Group common stock reported on the New York Stock Exchange) was $65.42 per share, and exceeded the exercise price of all of the exercisable and unexercisable options.

Retirement Plans – FPL Group maintains a non-contributory defined benefit pension plan and a supplemental executive retirement plan (SERP). The FPL Group Employee Pension Plan and SERP were amended to a cash balance style plan effective April 1, 1997. Employees who were SERP participants on that date were not affected by the change, however. The following table shows the estimated annual benefits to employees not affected by the change, which includes three of the executive officers named in the Summary Compensation Table, Messrs. Olivera, Coyle and Kelleher. Benefits are calculated on a straight-line annuity basis, payable assuming retirement in 2003 at age 65 after the indicated years of service.

Pension Plan Table

Eligible Average Annual Compensation [a]	Years of Service				
	10	20	30	40	50
$ 300,000	$ 58,365	$ 116,718	$ 145,083	$ 153,356	$ 155,744
400,000	78,365	156,718	195,083	205,856	208,244
500,000	98,365	196,718	245,083	258,356	260,744
600,000	118,365	236,718	295,083	310,856	313,244
700,000	138,365	276,718	345,083	363,356	365,744
800,000	158,365	316,718	395,083	415,856	418,244
900,000	178,365	356,718	445,083	468,356	470,744
1,000,000	198,365	396,718	495,083	520,856	523,244

[a] The maximum eligible average annual compensation shown in the table is based on 120% of the 2003 pensionable earnings (which includes annual salary and bonus as shown on the Summary Compensation Table) for the highest compensated named officer covered by the non-contributory defined benefit pension plan and SERP and not affected by the change to a cash balance style plan, which is Mr. Coyle (Mr. Olivera as to FPL covered compensation).

FPL's portion of the compensation covered by the plans includes the 2003 annual salaries and bonus of Messrs. Olivera, Coyle and Kelleher, but no other amounts shown in the Summary Compensation Table. Estimated credited years of service for those named executive officers who participate in the plans are: Mr. Olivera, 31 years; Mr. Coyle, 14 years and Mr. Kelleher, 36 years. All of Mr. Olivera's covered compensation is included in the Summary Compensation Table. Amounts shown in the pension plan table reflect deductions to partially cover employer contributions to social security. A supplemental retirement plan for Mr. Coyle provides for benefits based on two times his credited years of service.

Under the cash balance benefit formula, credits are accumulated in an employee's account and are determined as a percentage of the employee's monthly covered earnings in accordance with the following formula:

Years of Service	Percent of Compensation
0-5	4.5%
5 or more	6.0%

In addition, the employee's account is credited quarterly with interest at an annual rate that is based upon the yield on one-year Treasury Constant Maturities. A higher rate can be provided at FPL Group's discretion and was so provided in 2003. Benefits under the cash balance benefit formula are not reduced for employer contributions to social security or other offset amounts.

Mr. Hay and Mr. Dewhurst are the only named executive officers covered by the cash balance style plan. Benefits under the plan are based upon annual salary and awards under the annual incentive plan (FPL's portion of which for 2003 is included in the "Bonus" column of the Summary Compensation Table). The estimated age 65 annual retirement benefit payable under that plan, based upon total covered compensation from FPL Group and subsidiaries, including FPL, which was included in their 2003 taxable income (expressed as a joint and 50% survivor benefit) is $414,163 for Mr. Hay and $153,735 for Mr. Dewhurst. This estimate assumes their FPL Group 2003 pensionable earnings increase annually (salary by 3.5% per year, and annual incentive awards equal to 120% of salary for Mr. Hay and 91% of salary for Mr. Dewhurst) until age 65 (year 2020 for each officer) and a cash balance interest crediting rate of 5.0%. The estimated age 65 cash balance account was converted to an annuity based on a 5.31% discount rate and 1994 GAR unisex mortality.

A supplemental retirement plan for Mr. Hay provides a benefit equal to 65% of Mr. Hay's highest average annual compensation (annual salary plus annual incentive award) for the three consecutive calendar year periods out of the four consecutive calendar year period ending with the calendar year in which he retires (final average pay), reduced by the then annual amount of a joint and 50% survivor benefit (which is the actuarial equivalent of the benefits to which he is entitled under the non-contributory defined benefit pension plan and the SERP). If Mr. Hay terminates his employment prior to age 65, the benefit will be reduced on a pro rata basis if he fails to complete at least fifteen years of service with FPL Group or its subsidiaries, including FPL, and it will be further reduced on an actuarial basis as a result of its early distribution. The plan provides a minimum annual joint and 50% survivor benefit (50% of final average pay) payable to Mr. Hay and his surviving spouse upon his termination of employment with FPL Group and its subsidiaries on his normal retirement age (age 65), reduced on an actuarial basis if he terminates before that age. Under the supplemental plan, Mr. Hay's estimated age 65 annual retirement benefit (expressed as a joint and 50% survivor benefit, and calculated based on the same covered compensation and the same assumed increases in pensionable earnings as described in the preceding paragraph) would be increased, over the estimate described above for the cash balance style plan and SERP benefits, by approximately $2,015,971.

FPL Group sponsors a split-dollar life insurance plan for certain of FPL's and FPL Group's senior officers, including the FPL executive officers named in the Summary Compensation Table except Mr. Dewhurst. Benefits under the split-dollar plan are provided by universal life insurance policies purchased by FPL Group. If the officer dies prior to retirement (defined to include age plus years of service), or for Messrs. Olivera or Kelleher during employment or after retirement but prior to age 65, the officer's beneficiaries generally receive two and one-half times the officer's annual salary at the time of death. If the officer dies after retirement, or for Messrs. Olivera or Kelleher on or after age 65, but before termination of his split-dollar agreement, the officer's beneficiaries receive a percentage of the officer's final annual salary (100% to 180% depending upon age at time of death for Messrs. Olivera and Kelleher and 50% for the other named executive officers who participate in the plan). Upon termination of the agreement after 10 years, at age 65 or termination of employment which qualifies as retirement, whichever is later, the life insurance policies will be assigned to the officer or his beneficiary. For 2003, each participating executive officer was taxable on the insurance carrier's one-year term rate for his life insurance coverage.

Employment Agreements

2000 Agreements – On December 15, 2000, when FPL Group's shareholders approved a proposed merger with Entergy, previously-existing employment agreements between FPL Group and certain officers, including the individuals named in the Summary Compensation Table except for Mr. Dewhurst, became effective (the 2000 Agreements). Mr. Olivera's 2000 Agreement expired November 30, 2003. The remaining 2000 Agreements provide that the officer shall be employed by FPL Group or its affiliates for a period of four years in a position at least commensurate with his position with FPL Group and/or its affiliates in December 2000. During the employment period, the officer shall be paid an annual base salary at least equal to his annual base salary for 2000, with annual increases consistent with those awarded to other peer officers of FPL Group, but not less than the increases in the consumer price index; shall be paid an annual bonus at least equal to the highest bonus paid to him for any of the three years immediately preceding 2000; be given the opportunity to earn long-term incentive compensation at least as favorable as such opportunities given to other peer officers of FPL Group during 2000 or thereafter; and shall be entitled to participate in employee benefit plans providing benefits at least as favorable as those provided to other peer officers of FPL Group during 2000 or thereafter.

In the event that during the employment period the officer's employment is terminated by FPL Group (except for death, disability, or cause) or if the officer terminates his employment for good reason, as defined in the 2000 Agreement, the officer is entitled to severance benefits in the form of a lump-sum payment equal to the compensation due for the remainder of the employment period or for two years, whichever is longer. Such benefits would be based on the officer's then base salary plus an annual bonus at least equal to the bonus for the year 2000. The officer is also entitled to the maximum amount payable under all long-term incentive compensation grants outstanding, continued coverage under all employee benefit plans, supplemental retirement benefits and a full gross-up in respect of any excise tax incurred as a result of the benefits received pursuant to the 2000 Agreement.

Amendments to 2000 Agreements – In February 2002, each of Messrs. Hay, Olivera, Coyle and Kelleher agreed to amend his 2000 Agreement, and, at the same time, enter into a new executive retention employment agreement with FPL Group (the 2002 Agreements). The definition of good reason contained in each 2000 Agreement was amended to provide FPL Group with greater flexibility to assign different duties and responsibilities to the named executive officers without triggering the officer's rights to terminate employment and be entitled to severance and other benefits. In order to avoid duplication of benefits, each 2000 Agreement was also amended to provide that if a change of control, as defined in the named executive

officer's 2002 Agreement, occurs prior to the expiration of the 2000 Agreement, the 2000 Agreement will terminate and the 2002 Agreement will become effective.

2002 Agreements – Each of the individuals named in the Summary Compensation Table is a party to a 2002 Agreement with FPL Group. In the case of Messrs. Hay, Coyle and Kelleher, if a change of control does not occur prior to the expiration of his amended 2000 Agreement, his 2002 Agreement will not become effective until the expiration of his amended 2000 Agreement and the subsequent occurrence of a potential change of control or a change of control, each as defined in the 2002 Agreement.

Change of control is defined in the 2002 Agreements as (i) the acquisition by any individual, entity or group of 20% or more of either FPL Group's common stock or the combined voting power of FPL Group other than directly from FPL Group or pursuant to a merger or other business combination which does not itself constitute a change of control, (ii) the incumbent directors of FPL Group ceasing, for any reason, to constitute a majority of the board of directors, unless each director who was not an incumbent director was elected, or nominated for election, by a majority of the incumbent directors and directors subsequently so elected or appointed (excluding those elected as a result of an actual or threatened election contest or other solicitation of proxies), (iii) approval by shareholders or, if specified by the board of directors in the exercise of its discretion, consummation of a merger, sale of assets, reorganization, or other business combination of FPL Group or any subsidiary with respect to which (x) the voting securities of FPL Group outstanding immediately prior to the transaction do not, immediately following the transaction, represent more than 60% of the common stock and the voting power of all voting securities of the resulting ultimate parent entity or (y) members of the board of directors of FPL Group constitute less than a majority of the members of the board of directors of the resulting ultimate parent entity, or there is no reasonable assurance that they, or their nominees, will constitute at least a majority of that board of directors for at least two years, or (iv) the shareholders approve the liquidation or dissolution of FPL Group. A potential change of control is defined as (i) announcement of an intention to take or consider taking actions which, if consummated or approved by shareholders, would constitute a change of control, or (ii) the acquisition by any individual, entity or group of 15% or more of either the common stock or the combined voting power of FPL Group other than directly from FPL Group or pursuant to a merger or other business combination which does not itself constitute a change of control.

Once effective, each named executive officer's 2002 Agreement provides that he shall be employed by FPL Group for a period of three years in a position at least commensurate with his position with FPL Group in the ninety day period immediately preceding the effective date of the 2002 Agreement. During this three year employment period, each named executive officer shall be (i) paid an annual base salary at least equal to his annual base as in effect on the effective date, with annual increases consistent with those awarded to other peer officers of FPL Group, but not less than the increases in the consumer price index; (ii) paid an annual bonus (expressed as a percentage of his annual base salary) consistent with those of peer executives at FPL Group, but at least equal to the higher of (x) his targeted annual bonus for the then current fiscal year divided by his then current annual base salary or (y) the average percentage of his annual base salary (as in effect for the applicable years) that was paid or payable as an annual bonus for each of the three fiscal years preceding the fiscal year in which the effective date occurs (or, if higher, for each of the three fiscal years immediately preceding the fiscal year in which a change of control occurs, if a change of control occurs after the effective date); (iii) given the opportunity to earn long-term incentive compensation no less favorable than such opportunities given to him at any time during the 90 days preceding the effective date or, if more favorable, those provided at any time after the effective date to peer officers of FPL Group (but without duplication of awards granted in connection with the shareholder approval of the proposed merger with Entergy); and (iv) entitled to participate in savings, retirement and other employee benefit plans providing benefits no less favorable than those provided to him at any time during the 90 days preceding the effective date or, if more favorable, those provided at any time after the effective date to peer officers of FPL Group.

In the event of a change of control, each 2002 Agreement provides that (i) 50% of a named executive officer's outstanding performance stock-based awards (for example, performance share awards and shareholder value awards) shall be vested and earned at an achievement level equal to the higher of (x) the targeted level of performance of each such award or (y) the average level (expressed as a percentage of target) of achievement in respect of similar awards maturing over the three fiscal years immediately prior to the year in which the change of control occurred; (ii) all other outstanding performance stock-based awards granted to the named executive officer shall be fully vested and earned; (iii) all options and other exercisable rights granted to the named executive officer shall become exercisable and vested; and (iv) the restrictions, deferral limitations and forfeiture conditions applicable to all outstanding awards granted to the named executive officer shall lapse and such awards shall be deemed fully vested. However, no awards which were granted in connection with the shareholder approval of the proposed merger with Entergy shall become vested, earned or exercisable under the 2002 Agreements as a result of a change of control.

A named executive officer will receive the remaining 50% of the outstanding performance stock-based awards (calculated in the same manner as described above) on the first anniversary of the change of control if he has remained employed by FPL Group or an affiliate through such date or upon an earlier termination of employment by FPL Group (except for death, disability or cause) or by the named executive officer for good reason (defined in the same manner as in the amended 2000 Agreement). Upon such a termination of employment following a change of control and during the employment period, the named executive officer is entitled to, among other things, a lump sum severance payment equal to three times the sum of his annual base salary plus his annual bonus; a payment in respect of three years of foregone supplemental retirement benefits; continued coverage under all employee benefit plans, and certain other benefits and perquisites, for three years; and a full gross-up in respect of any excise tax incurred as a result of the benefits received pursuant to the 2002 Agreement. Such amounts and benefits would also be provided if such a termination of a named executive officer occurs following a potential change of control and prior to an actual change of control,

and during the employment period, except that 100% of the outstanding performance stock-based awards (calculated as described above) would be vested and earned, excluding any such awards granted in connection with the shareholder approval of the proposed merger with Entergy. In addition, each named executive officer will also receive a pro rata portion (based upon deemed employment until the end of the three year employment period) of each long term incentive compensation award granted to him on or after the date of the change of control; provided that he will not be eligible to receive any payment with respect to any non-vested portion of an award which was granted in connection with the shareholder approval of the proposed merger with Entergy.

Director Compensation – All of the directors of FPL are salaried employees of FPL Group and its subsidiaries and do not receive any additional compensation for serving as a director.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

FPL Group – The information required by this item relating to security ownership of certain beneficial owners and equity compensation plan information will be included in FPL Group's Proxy Statement and is incorporated herein by reference.

FPL – FPL Group owns 100% of FPL's common stock. FPL's directors and executive officers beneficially own shares of FPL Group's common stock as follows:

Name	Number of Shares[a]
Dennis P. Coyle	224,976[b][c][d][e]
Moray P. Dewhurst	141,493[b][c][d][f]
Lewis Hay III	397,836[b][c][d][f]
Lawrence J. Kelleher	239,783[b][c][d][f]
Armando J. Olivera	136,022[b][c][d][f]
Antonio Rodriguez	48,372[b][c][d][f]
John A. Stall	62,033[b][c][d][f]
All directors and executive officers as a group	1,304,810[b][c][d][e][f][g]

[a] Information is as of February 15, 2004, except for holdings under retirement plans, which are as of January 30, 2004, and except as indicated. Unless otherwise indicated, each person has sole voting and sole investment power.

[b] Includes phantom shares for Messrs. Coyle (6,558), Dewhurst (1,107), Hay (3,824), Kelleher (3,016), Olivera (747), Rodriguez (445) and Stall (459) and a total of 16,868 phantom shares for all directors and executive officers as a group, credited to a Supplemental Matching Contribution Account under the Supplemental Executive Retirement Plan. Phantom shares have no voting rights.

[c] Includes shares of restricted stock for Messrs. Coyle (15,000), Dewhurst (20,001), Hay (83,833), Kelleher (25,001), Olivera (23,500), Rodriguez (10,001) and Stall (21,001) and a total of 206,587 shares of restricted stock for all directors and executive officers as a group; such shares have voting but not investment power.

[d] Includes shares underlying options to purchase shares held by Messrs. Coyle (150,000), Dewhurst (100,000), Hay (258,334), Kelleher (150,000), Olivera (75,001), Rodriguez (20,000) and Stall (25,001) and a total of 799,636 shares underlying options to purchase shares for all directors and executive officers as a group.

[e] Includes 25 shares owned by Mr. Coyle's wife, as to which Mr. Coyle disclaims beneficial ownership; and 44,558 shares owned by Coyle Holdings Limited Partnership, as to which Mr. Coyle disclaims beneficial ownership except to the extent of his pecuniary interest therein.

[f] Includes share units of Messrs. Dewhurst (10,801), Hay (10,070), Kelleher (15,709), Olivera (11,589), Rodriguez (4,385) and Stall (8,029) and a total of 68,242 share units for all directors and executive officers as a group under deferred compensation plans. Such units have no voting rights.

[g] Less than 1% of the FPL Group common stock outstanding.

Item 13. Certain Relationships and Related Transactions

FPL Group – The information required by this item will be included in FPL Group's Proxy Statement under a similar heading, if applicable, and under the headings Executive Compensation, Employment Agreements and Director Compensation and is incorporated herein by reference.

FPL – None

Item 14. Principal Accountant Fees and Services

FPL Group – The information requested by this item will be included in FPL Group's Proxy Statement under the headings "Fees Paid to Deloitte & Touche LLP" and "Policy on Audit Committee Pre-Approval of Audit and Non-Audit Services of Independent Auditor" is incorporated herein by reference.

FPL – The following table presents fees billed for professional services rendered by Deloitte & Touche LLP, the member firms of Deloitte Touche Tohmatsu, and their respective affiliates (collectively, Deloitte & Touche), which includes Deloitte Consulting, for the fiscal years ended December 31, 2003 and 2002. The amounts presented below reflect allocations from FPL Group for FPL's portion of the fees, as well as amounts billed directly to FPL.

	2003	2002
Audit fees [a]	$ 1,074,000	$ 902,000
Audit-related fees [b]	479,000	106,000
Tax fees [c]	33,000	1,049,000
All other fees [d]	-	1,704,000
Total	$ 1,586,000	$ 3,761,000

[a] Audit fees consist of fees billed for professional services rendered for the audit of FPL's and FPL Group's annual consolidated financial statements for the fiscal year, the reviews of the financial statements included in FPL's and FPL Group's Quarterly Reports on Form 10-Q for the fiscal year, comfort letters, consents, and other services related to SEC matters, services in connection with annual and semi-annual filings of FPL Group's financial statements with the Japanese Ministry of Finance and accounting consultations to the extent necessary for Deloitte & Touche to fulfill their responsibility under generally accepted auditing standards.

[b] Audit-related fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of FPL's and FPL Group's consolidated financial statements and are not reported under audit fees. These fees primarily related to audits of subsidiary financial statements, comfort letters, consents and other services related to subsidiary (non-SEC registrant) financing activities, audits of employee benefit plans, due diligence pertaining to acquisitions, consultation on accounting standards and on transactions, and, in 2003, assistance with the implementation of Section 404 of the Sarbanes-Oxley Act (SOA).

[c] Tax fees consist of fees billed for professional services rendered for tax compliance, tax advice and tax planning. In 2003 and 2002, all amounts relate to tax compliance services.

[d] All other fees consist of fees for products and services other than the services reported under the other named categories. In 2003, there were no other fees incurred in this category. In 2002, these fees primarily related to integrated supply chain systems implementation and employee benefit consulting services. All other fees include $1,334,000 of fees billed by Deloitte Consulting for the year ended December 31, 2002.

In accordance with the requirements of the SOA, FPL Group's Audit Committee's pre-approval policy for services provided by the independent auditor, and the Charter of the Audit Committee, effective May 1, 2003, all services performed by Deloitte & Touche LLP are approved in advance by the Audit Committee. Audit and audit-related services specifically identified in an appendix to the pre-approval policy are pre-approved by the Audit Committee each year. This pre-approval allows management to request the specified audit and audit-related services on an as-needed basis during the year, provided any such services are reviewed with the Audit Committee at its next regularly scheduled meeting. Any audit or audit-related service for which the fee is expected to exceed $250,000, or that involves a service not listed on the pre-approval list, must be specifically approved by the Audit Committee prior to commencement of such work. In addition, the Audit Committee approves all services other than audit and audit-related services performed by Deloitte & Touche LLP in advance of the commencement of such work or, in cases which meet the de minimus exception in the SOA, prior to completion of the audit. The Audit Committee has delegated to the chairman of the committee the right to approve audit, audit-related, tax and other services, within certain limitations, between meetings of the Audit Committee, provided any such decision is presented to the Audit Committee at its next regularly scheduled meeting. The Audit Committee reviews on a quarterly basis a schedule of all services for which Deloitte & Touche LLP has been engaged and the estimated fees for those services. In fiscal year 2003, no fees paid to Deloitte & Touche LLP under the categories Audit-related, Tax and All other fees described above were approved by the Audit Committee after services were rendered pursuant to the de minimis exception established by the SOA.

PART IV

Item 15. Exhibits, Financial Statement Schedules and Reports on Form 8-K

(a) 1. Financial Statements

	Page(s)
Independent Auditors' Report	41
FPL Group:	
Consolidated Statements of Income	42
Consolidated Balance Sheets	43
Consolidated Statements of Cash Flows	44
Consolidated Statements of Shareholders' Equity	45
FPL:	
Consolidated Statements of Income	46
Consolidated Balance Sheets	47
Consolidated Statements of Cash Flows	48
Consolidated Statements of Shareholder's Equity	49
Notes to Consolidated Financial Statements	50-83

2. Financial Statement Schedules – Schedules are omitted as not applicable or not required.

3. Exhibits (including those incorporated by reference)

Exhibit Number	Description	FPL Group	FPL
*3(i)a	Restated Articles of Incorporation of FPL Group dated December 31, 1984, as amended through December 17, 1990 (filed as Exhibit 4(a) to Post-Effective Amendment No. 5 to Form S-8, File No. 33-18669)	x	
*3(i)b	Amendment to FPL Group's Restated Articles of Incorporation dated June 27, 1996 (filed as Exhibit 3 to Form 10-Q for the quarter ended June 30, 1996, File No. 1-8841)	x	
*3(i)c	Restated Articles of Incorporation of FPL dated March 23, 1992 (filed as Exhibit 3(i)a to Form 10-K for the year ended December 31, 1993, File No. 1-3545)	x	x
*3(i)d	Amendment to FPL's Restated Articles of Incorporation dated March 23, 1992 (filed as Exhibit 3(i)b to Form 10-K for the year ended December 31, 1993, File No. 1-3545)	x	x
*3(i)e	Amendment to FPL's Restated Articles of Incorporation dated May 11, 1992 (filed as Exhibit 3(i)c to Form 10-K for the year ended December 31, 1993, File No. 1-3545)	x	x
*3(i)f	Amendment to FPL's Restated Articles of Incorporation dated March 12, 1993 (filed as Exhibit 3(i)d to Form 10-K for the year ended December 31, 1993, File No. 1-3545)	x	x
*3(i)g	Amendment to FPL's Restated Articles of Incorporation dated June 16, 1993 (filed as Exhibit 3(i)e to Form 10-K for the year ended December 31, 1993, File No. 1-3545)	x	x
*3(i)h	Amendment to FPL's Restated Articles of Incorporation dated August 31, 1993 (filed as Exhibit 3(i)f to Form 10-K for the year ended December 31, 1993, File No. 1-3545)	x	x
*3(i)i	Amendment to FPL's Restated Articles of Incorporation dated November 30, 1993 (filed as Exhibit 3(i)g to Form 10-K for the year ended December 31, 1993, File No. 1-3545)	x	x
3(i)j	Amendment to FPL's Restated Articles of Incorporation dated January 20, 2004	x	x

Exhibit Number	Description	FPL Group	FPL
3(i)k	Amendment to FPL's Restated Articles of Incorporation dated January 20, 2004	x	x
*3(ii)a	Bylaws of FPL Group as amended February 12, 2001 (filed as Exhibit 3(ii)a to Form 10-K for the year ended December 31, 2000, File No. 1-8841)	x	
*3(ii)b	Bylaws of FPL dated May 11, 1992 (filed as Exhibit 3 to Form 8-K dated May 1, 1992, File No. 1-3545)		x
*4(a)	Form of Rights Agreement, dated as of July 1, 1996, between FPL Group and EquiServe Trust Company, N.A. as successor to Fleet National Bank (f/k/a The First National Bank of Boston), as Rights Agent (filed as Exhibit 4 to Form 8-K dated June 17, 1996, File No. 1-8841)	x	
*4(b)	Second Amendment to Rights Agreement, dated as of December 26, 2002, between FPL Group and EquiServe Trust Company, N.A. as successor to Fleet National Bank (f/k/a The First National Bank of Boston), as the Rights Agent (filed as Exhibit 3 to Form 8-A/A dated January 3, 2003, File No. 1-8841)	x	
*4(c)	Third Amendment to Rights Agreement, dated as of January 1, 2004, between FPL Group, Computershare Investor Services, LLC as successor rights agent, and EquiServe Trust Company, N.A. as predecessor rights agent (filed as Exhibit 4 to Form 8-A/A dated December 19, 2003, File No. 1-8841)	x	
*4(d)	Mortgage and Deed of Trust dated as of January 1, 1944, and One hundred and five Supplements thereto, between FPL and Deutsche Bank Trust Company Americas, Trustee (filed as Exhibit B-3, File No. 2-4845; Exhibit 7(a), File No. 2-7126; Exhibit 7(a), File No. 2-7523; Exhibit 7(a), File No. 2-7990; Exhibit 7(a), File No. 2-9217; Exhibit 4(a)-5, File No. 2-10093; Exhibit 4(c), File No. 2-11491; Exhibit 4(b)-1, File No. 2-12900; Exhibit 4(b)-1, File No. 2-13255; Exhibit 4(b)-1, File No. 2-13705; Exhibit 4(b)-1, File No. 2-13925; Exhibit 4(b)-1, File No. 2-15088; Exhibit 4(b)-1, File No. 2-15677; Exhibit 4(b)-1, File No. 2-20501; Exhibit 4(b)-1, File No. 2-22104; Exhibit 2(c), File No. 2-23142; Exhibit 2(c), File No. 2-24195; Exhibit 4(b)-1, File No. 2-25677; Exhibit 2(c), File No. 2-27612; Exhibit 2(c), File No. 2-29001; Exhibit 2(c), File No. 2-30542; Exhibit 2(c), File No. 2-33038; Exhibit 2(c), File No. 2-37679; Exhibit 2(c), File No. 2-39006; Exhibit 2(c), File No. 2-41312; Exhibit 2(c), File No. 2-44234; Exhibit 2(c), File No. 2-46502; Exhibit 2(c), File No. 2-48679; Exhibit 2(c), File No. 2-49726; Exhibit 2(c), File No. 2-50712; Exhibit 2(c), File No. 2-52826; Exhibit 2(c), File No. 2-53272; Exhibit 2(c), File No. 2-54242; Exhibit 2(c), File No. 2-56228; Exhibits 2(c) and 2(d), File No. 2-60413; Exhibits 2(c) and 2(d), File No. 2-65701; Exhibit 2(c), File No. 2-66524; Exhibit 2(c), File No. 2-67239; Exhibit 4(c), File No. 2-69716; Exhibit 4(c), File No. 2-70767; Exhibit 4(b), File No. 2-71542; Exhibit 4(b), File No. 2-73799; Exhibits 4(c), 4(d) and 4(e), File No. 2-75762; Exhibit 4(c), File No. 2-77629; Exhibit 4(c), File No. 2-79557; Exhibit 99(a) to Post-Effective Amendment No. 5 to Form S-8, File No. 33-18669; Exhibit 99(a) to Post-Effective Amendment No. 1 to Form S-3, File No. 33-46076; Exhibit 4(b) to Form 10-K for the year ended December 31, 1993, File No. 1-3545; Exhibit 4(i) to Form 10-Q for the quarter ended June 30, 1994, File No. 1-3545; Exhibit 4(b) to Form 10-Q for the quarter ended June 30, 1995, File No. 1-3545; Exhibit 4(a) to Form 10-Q for the quarter ended March 31,1996, File No. 1-3545; Exhibit 4 to Form 10-Q for the quarter ended June 30, 1998, File No. 1-3545; Exhibit 4 to Form 10-Q for the quarter ended March 31, 1999, File No. 1-3545; Exhibit 4(f) to Form 10-K for the year ended December 31, 2000, File No. 1-3545; Exhibit 4(g) to Form 10-K for the year ended December 31, 2000, File No. 1-3545; Exhibit 4(o), File No. 333-102169; Exhibit 4(k) to Post-Effective Amendment No. 1 to Form S-3, File No. 333-102172; Exhibit 4(l) to Post-Effective Amendment No. 2 to Form S-3, File No. 333-102172; and Exhibit 4(m) to Post-Effective Amendment No. 3 to Form S-3, File No. 333-102172)	x	x
*4(e)	Indenture, dated as of June 1, 1999, between FPL Group Capital and The Bank of New York, as Trustee (filed as Exhibit 4(a) to Form 8-K dated July 16, 1999, File No. 1-8841)	x	

Exhibit Number	Description	FPL Group	FPL
*4(f)	Guarantee Agreement between FPL Group (as Guarantor) and The Bank of New York (as Guarantee Trustee) dated as of June 1, 1999 (filed as Exhibit 4(b) to Form 8-K dated July 16, 1999, File No. 1-8841)	x	
*4(g)	Officer's Certificate of FPL Group Capital, dated June 29, 1999, creating the 6 7/8% Debentures, Series due June 1, 2004 (filed as Exhibit 4(c) to Form 8-K dated July 16, 1999, File No. 1-8841)	x	
*4(h)	Officer's Certificate of FPL Group Capital, dated June 29, 1999, creating the 7 3/8% Debentures, Series due June 1, 2009 (filed as Exhibit 4(d) to Form 8-K dated July 16, 1999, File No. 1-8841)	x	
*4(i)	Officer's Certificate of FPL Group Capital, dated September 7, 1999, creating the 7 5/8% Debentures, Series due September 15, 2006 (filed as Exhibit 4 to Form 10-Q for the quarter ended September 30, 1999, File No. 1-8841)	x	
*4(j)	Officer's Certificate of FPL Group Capital, dated May 11, 2001, creating the 6 1/8% Debentures, Series due May 15, 2007 (filed as Exhibit 4 to Form 10-Q for the quarter ended June 30, 2001, File No. 1-8841)	x	
*4(k)	Officer's Certificate of FPL Group Capital, dated February 4, 2002, creating the Series A Debentures due February 16, 2007 (filed as Exhibit 4(j) to Form 10-K for the year ended December 31, 2001, File No. 1-8841)	x	
*4(l)	Officer's Certificate of FPL Group Capital, dated April 11, 2003, creating the 3 1/4% Debentures, Series due April 11, 2006 (filed as Exhibit 4(ao) to Post-Effective Amendment No. 1 to Form S-3, File Nos. 333-102173, 333-102173-01, 333-102173-02 and 333-102173-03)	x	
*4(m)	Officer's Certificate of FPL Group Capital, dated September 30, 2003, creating the Floating Rate Debentures, Series due March 30, 2005 (filed as Exhibit 4(ap) to Post-Effective Amendment No. 2 to Form S-3, File Nos. 333-102173, 333-102173-01, 333-102173-02 and 333-102173-03)	x	
*4(n)	Officer's Certificate of FPL Group Capital, dated September 30, 2003, creating the 1 7/8% Debentures, Series due March 30, 2005 (filed as Exhibit 4(aq) to Post-Effective Amendment No. 2 to Form S-3, File Nos. 333-102173, 333-102173-01, 333-102173-02 and 333-102173-03)	x	
*4(o)	Purchase Contract Agreement, dated as of February 1, 2002, between FPL Group and The Bank of New York, as Purchase Contract Agent and Trustee (filed as Exhibit 4(k) to Form 10-K for the year ended December 31, 2001, File No. 1-8841)	x	
*4(p)	Pledge Agreement, dated as of February 1, 2002, by and among FPL Group, JPMorgan Chase Bank, as Collateral Agent, Custodial Agent and Securities Intermediary, and The Bank of New York, as Purchase Contract Agent (filed as Exhibit 4(l) to Form 10-K for the year ended December 31, 2001, File No. 1-8841)	x	
*4(q)	Officer's Certificate of FPL Group Capital, dated June 12, 2002, creating the Series B Debentures due February 16, 2008 (filed as Exhibit 4(a) to Form 10-Q for the quarter ended June 30, 2002, File No. 1-8841)	x	
*4(r)	Purchase Contract Agreement, dated as of June 1, 2002, between FPL Group and The Bank of New York, as Purchase Contract Agent and Trustee (filed as Exhibit 4(b) to Form 10-Q for the quarter ended June 30, 2002, File No. 1-8841)	x	

Exhibit Number	Description	FPL Group	FPL
*4(s)	Pledge Agreement, dated as of June 1, 2002, by and among FPL Group, JPMorgan Chase Bank, as Collateral Agent, Custodial Agent and Securities Intermediary, and The Bank of New York, as Purchase Contract Agent (filed as Exhibit 4(c) to Form 10-Q for the quarter ended June 30, 2002, File No. 1-8841)	x	
*10(a)	FPL Group Supplemental Executive Retirement Plan, amended and restated effective April 1, 1997 (filed as Exhibit 10(a) to Form 10-K for the year ended December 31, 1999, File No. 1-8841)	x	x
*10(b)	Amendments # 1 and 2 effective January 1, 1998 to FPL Group Supplemental Executive Retirement Plan, amended and restated effective April 1, 1997 (filed as Exhibit 10(b) to Form 10-K for the year ended December 31, 1999, File No. 1-8841)	x	x
*10(c)	Amendment #3 effective January 1, 1999 to FPL Group Supplemental Executive Retirement Plan, amended and restated effective April 1, 1997 (filed as Exhibit 10(c) to Form 10-K for the year ended December 31, 1999, File No. 1-8841)	x	x
*10(d)	Supplemental Executive Retirement Plan for Dennis P. Coyle effective November 15, 1993 (filed as Exhibit 10(f) to Form 10-K for the year ended December 31, 2000, File No. 1-8841)	x	x
*10(e)	Supplement to the FPL Group Supplemental Executive Retirement Plan as it applies to Lewis Hay III effective March 22, 2002 (filed as Exhibit 10(g) to Form 10-K for the year ended December 31, 2001, File No. 1-8841)	x	x
*10(f)	FPL Group Amended and Restated Long Term Incentive Plan, as amended and restated December 20, 2002 (filed as Exhibit 10(g) to Form 10-K for the year ended December 31, 2002, File No. 1-8841)	x	x
*10(g)	Form of 2003 Annual Incentive Plan (filed as Exhibit 10(i) to Form 10-K for the year ended December 31, 2002, File No. 1-8841)	x	x
10(h)	*Form of Annual Incentive Plan*	x	x
*10(i)	FPL Group Deferred Compensation Plan, amended and restated effective January 1, 2001 (filed as Exhibit 10(a) to Form 10-Q for the quarter ended June 30, 2001, File No. 1-8841)	x	x
*10(j)	FPL Group Deferred Compensation Plan, amended and restated effective January 1, 2003 (filed as Exhibit 10(k) to Form 10-K for the year ended December 31, 2002, File No. 1-8841)	x	x
*10(k)	FPL Group Executive Long Term Disability Plan effective January 1, 1995 (filed as Exhibit 10(g) to Form 10-K for the year ended December 31, 1995, File No. 1-8841)	x	x
*10(l)	Employment Agreement between FPL Group and Dennis P. Coyle, amended and restated as of May 10, 1999 (filed as Exhibit 10(b) to Form 10-Q for the quarter ended September 30, 1999, File No. 1-8841)	x	x
*10(m)	Employment Agreement between FPL Group and Lewis Hay III, dated as of September 13, 1999 (filed as Exhibit 10(d) to Form 10-Q for the quarter ended September 30, 1999, File No. 1-8841)	x	x
*10(n)	Employment Agreement between FPL Group and Lawrence J. Kelleher, amended and restated as of May 10, 1999 (filed as Exhibit 10(e) to Form 10-Q for the quarter ended September 30, 1999, File No. 1-8841)	x	x

Exhibit Number	Description	FPL Group	FPL
*10(o)	Employment Agreement between FPL Group and Armando J. Olivera, dated as of June 12, 2000 (filed as Exhibit 10(a) to Form 10-Q for the quarter ended June 30, 2000, File No. 1-8841)	x	x
*10(p)	Employment Agreement between FPL Group and Antonio Rodriguez, dated as of June 12, 2000 (filed as Exhibit 10(b) to Form 10-Q for the quarter ended June 30, 2000, File No. 1-8841)	x	x
*10(q)	FPL Group Non-Employee Directors Stock Plan dated as of March 17, 1997 (filed as Appendix A to FPL Group's 1997 Proxy Statement, File No. 1-8841)	x	
*10(r)	Form of Split-Dollar Agreement between FPL Group and each of Dennis P. Coyle, Lewis Hay III, Lawrence J. Kelleher, Armando J. Olivera and James L. Robo (filed as Exhibit 10(w) to Form 10-K for the year ended December 31, 2000, File No. 1-8841)	x	x
*10(s)	Form of Amendment to Employment Agreement between FPL Group and each of Dennis P. Coyle, Lewis Hay III, Lawrence J. Kelleher, Armando J. Olivera and Antonio Rodriguez (filed as Exhibit 10(c) to Form 10-Q for the quarter ended June 30, 2002, File No. 1-8841)	x	x
*10(t)	Generic Form of Executive Retention Employment Agreement between FPL Group and each of Dennis P. Coyle, Lewis Hay III, Lawrence J. Kelleher, Armando J. Olivera and Antonio Rodriguez (filed as Exhibit 10(a) to Form 10-Q for the quarter ended June 30, 2002, File No. 1-8841)	x	x
*10(u)	Generic Form of Executive Retention Employment Agreement between FPL Group and each of Moray P. Dewhurst, John A. Stall and James L. Robo (filed as Exhibit 10(b) to Form 10-Q for the quarter ended June 30, 2002, File No. 1-8841)	x	x
*10(v)	Amendment to Employment Agreement between FPL Group and Armando J. Olivera, dated as of October 17, 2003 (filed as Exhibit 10(a) to Form 10-Q for the quarter ended September 30, 2003, File No. 1-8841)	x	x
*10(w)	Guarantee Agreement between FPL Group and FPL Group Capital, dated as of October 14, 1998 (filed as Exhibit 10(y) to Form 10-K for the year ended December 31, 2001, File No. 1-8841)	x	
12(a)	Computation of Ratio of Earnings to Fixed Charges	x	
12(b)	Computation of Ratios		x
21	Subsidiaries of FPL Group and FPL	x	x
23	Independent Auditors' Consent	x	x
31(a)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of FPL Group	x	
31(b)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of FPL Group	x	
31(c)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of FPL		x
31(d)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of FPL		x
32(a)	Section 1350 Certification of FPL Group	x	
32(b)	Section 1350 Certification of FPL		x

*Incorporated herein by reference

FPL Group and FPL agree to furnish to the SEC upon request any instrument with respect to long-term debt that FPL Group and FPL have not filed as an exhibit pursuant to the exemption provided by Item 601(b)(4)(iii)(A) of Regulation S-K.

(b) Reports on Form 8-K

Exhibit Number	Description	FPL Group	FPL

A current report on Form 8-K was filed with the SEC on October 3, 2003 by FPL Group reporting one event under Item 5. Other Events and Regulation FD Disclosure.

FPL GROUP, INC. SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FPL Group, Inc.

LEWIS HAY III
Lewis Hay III
Chairman of the Board, President,
Chief Executive Officer and Director
(Principal Executive Officer)

Date: February 26, 2004

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

Signature and Title as of February 26, 2004:

MORAY P. DEWHURST
Moray P. Dewhurst
Vice President, Finance and
Chief Financial Officer
(Principal Financial Officer)

K. MICHAEL DAVIS
K. Michael Davis
Controller and Chief Accounting Officer
(Principal Accounting Officer)

Directors:

H. JESSE ARNELLE
H. Jesse Arnelle

ALEXANDER W. DREYFOOS, JR
Alexander W. Dreyfoos, Jr.

SHERRY S. BARRAT
Sherry S. Barrat

FREDERIC V. MALEK
Frederic V. Malek

ROBERT M. BEALL, II
Robert M. Beall, II

MICHAEL H. THAMAN
Michael H. Thaman

J. HYATT BROWN
J. Hyatt Brown

PAUL R. TREGURTHA
Paul R. Tregurtha

JAMES L. CAMAREN
James L. Camaren

FRANK G. ZARB
Frank G. Zarb

FLORIDA POWER & LIGHT COMPANY SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Florida Power & Light Company

ARMANDO J. OLIVERA
Armando J. Olivera
President and Director

Date: February 26, 2004

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

Signature and Title as of February 26, 2004:

LEWIS HAY III
Lewis Hay III
Chairman of the Board, Chief Executive Officer
and Director (Principal Executive Officer)

MORAY P. DEWHURST
Moray P. Dewhurst
Senior Vice President, Finance
and Chief Financial Officer and Director
(Principal Financial Officer)

K. MICHAEL DAVIS
K. Michael Davis
Vice President, Accounting,
Controller and Chief Accounting Officer
(Principal Accounting Officer)

Directors:

DENNIS P. COYLE
Dennis P. Coyle

ANTONIO RODRIGUEZ
Antonio Rodriguez

LAWRENCE J. KELLEHER
Lawrence J. Kelleher

JOHN A. STALL
John A. Stall

Exhibit 12(a)

FPL GROUP, INC. AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

	Years Ended December 31,				
	2003	2002	2001	2000	1999
	(millions of dollars)				
Earnings, as defined:					
Income before cumulative effect of changes in accounting principles	$ 893	$ 695	$ 781	$ 704	$ 697
Income taxes	368	244	379	336	323
Fixed charges included in the determination of net income, as below	397	328	337	296	234
Amortization of capitalized interest	4	2	1	-	-
Distributed income of independent power investments	68	96	62	80	75
Less: Equity in earnings of independent power investments	89	76	81	45	50
Total earnings, as defined	$1,641	$1,289	$1,479	$1,371	$1,279
Fixed charges, as defined:					
Interest charges	$ 379	$ 311	$ 324	$ 278	$ 222
Rental interest factor	17	14	8	9	4
Fixed charges included in nuclear fuel cost	1	3	5	9	8
Fixed charges included in the determination of net income	397	328	337	296	234
Capitalized interest	88	91	55	23	9
Total fixed charges, as defined	$ 485	$ 419	$ 392	$ 319	$ 243
Ratio of earnings to fixed charges	3.38	3.08	3.77	4.30	5.26

Exhibit 12(b)

FLORIDA POWER & LIGHT COMPANY
COMPUTATION OF RATIOS

	Years Ended December 31,				
	2003	2002	2001	2000	1999
	(millions of dollars)				
RATIO OF EARNINGS TO FIXED CHARGES					
Earnings, as defined:					
Net income	$ 755	$ 732	$ 694	$ 622	$ 591
Income taxes	403	413	383	341	324
Fixed charges, as below	186	177	198	192	174
Total earnings, as defined	$ 1,344	$ 1,322	$ 1,275	$ 1,155	$ 1,089
Fixed charged, as defined:					
Interest charges	$ 173	$ 166	$ 187	$ 176	$ 163
Rental interest factor	8	8	6	7	3
Fixed charges included in nuclear fuel cost	1	3	5	9	8
Capitalized interest	4	-	-	-	-
Total fixed charges, as defined	$ 186	$ 177	$ 198	$ 192	$ 174
Ratio of earnings to fixed charges	7.23	7.47	6.44	6.02	6.26
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS					
Earnings, as defined:					
Net income	$ 755	$ 732	$ 694	$ 622	$ 591
Income taxes	403	413	383	341	324
Fixed charges, as below	186	177	198	192	174
Total earnings, as defined	$ 1,344	$ 1,322	$ 1,275	$ 1,155	$ 1,089
Fixed charged, as defined:					
Interest charges	$ 173	$ 166	$ 187	$ 176	$ 163
Rental interest factor	8	8	6	7	3
Fixed charges included in nuclear fuel cost	1	3	5	9	8
Capitalized interest	4	-	-	-	-
Total fixed charges, as defined	186	177	198	192	174
Non-tax deductible preferred stock dividends	13	15	15	15	15
Ratio of income before income taxes to net income	1.53	1.56	1.55	1.55	1.55
Preferred stock dividends before income taxes	20	23	23	23	23
Combined fixed charges and preferred stock dividends	$ 206	$ 200	$ 221	$ 215	$ 197
Ratio of earnings to combined fixed charges and preferred stock dividends	6.52	6.61	5.77	5.37	5.53

Exhibit 21

SUBSIDIARIES OF FPL GROUP, INC. AND FLORIDA POWER & LIGHT COMPANY

FPL Group Inc.'s principal subsidiaries as of December 31, 2003 are listed below. All other subsidiaries, including subsidiaries of Florida Power & Light Company, if considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary.

Subsidiary	State or Jurisdiction of Incorporation
1. Florida Power & Light Company (100%-owned)	Florida
2. FPL Group Capital Inc (100%-owned)	Florida
3. FPL Energy, LLC [a] [b]	Delaware
4. Bay Loan and Investment Bank [b]	Rhode Island
5. Palms Insurance Company, Limited [b]	Cayman Islands

[a] Includes 214 subsidiaries that operate in the United States in the same line of business as FPL Energy, LLC

[b] 100%-owned subsidiary of FPL Group Capital Inc

Exhibit 23

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in the following Registration Statements of FPL Group, Inc., Florida Power & Light Company, FPL Group Capital Inc, FPL Group Capital Trust I, and FPL Group Capital Trust II of our report dated February 19, 2004 (which expresses an unqualified opinion and includes explanatory paragraphs relating to FPL Group, Inc.'s and Florida Power & Light Company's changes in 2003 in their methods of accounting for special-purpose entities and for asset retirement obligations and to FPL Group, Inc.'s change in 2002 in its method of accounting for goodwill), appearing in this Annual Report on Form 10-K of FPL Group, Inc. and Florida Power Light Company for the year ended December 31, 2003:

FPL Group, Inc.

Form S-3	No. 333-102169
Form S-8	No. 33-57673
Form S-8	No. 33-11631
Form S-3	No. 33-57470
Form S-8	No. 333-27079
Form S-8	No. 333-87869
Form S-8	No. 333-88067
Form S-3	No. 333-75482
Form S-3	No. 333-85218
Form S-3, as amended	No. 333-102173

Florida Power & Light Company

Form S-3	No. 33-40123

FPL Group Capital Inc

Form S-3	No. 333-75482-01
Form S-3	No. 333-85218-01
Form S-3, as amended	No. 333-102173-01

FPL Group Capital Trust I

Form S-3, as amended	No. 333-102173-03

FPL Group Capital Trust II

Form S-3, as amended	No. 333-102173-02

DELOITTE & TOUCHE LLP

Miami, Florida
February 26, 2004

Exhibit 31(a)

Rule 13a-14(a)/15d-14(a) Certification

I, Lewis Hay III, Chief Executive Officer of FPL Group, Inc. (FPL Group), certify that:

1. I have reviewed the annual report on Form 10-K for the year ended December 31, 2003 of FPL Group (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2004

LEWIS HAY III

Lewis Hay III
Chairman of the Board, President
and Chief Executive Officer

Exhibit 31(b)

Rule 13a-14(a)/15d-14(a) Certification

I, Moray P. Dewhurst, Chief Financial Officer of FPL Group, Inc. (FPL Group), certify that:

1. I have reviewed the annual report on Form 10-K for the year ended December 31, 2003 of FPL Group, (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2004

MORAY P. DEWHURST
Moray P. Dewhurst
Vice President, Finance
and Chief Financial Officer

Exhibit 31(c)

Rule 13a-14(a)/15d-14(a) Certification

I, Lewis Hay III, Chief Executive Officer of Florida Power & Light Company (FPL), certify that:

1. I have reviewed the annual report on Form 10-K for the year ended December 31, 2003 of FPL (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2004

LEWIS HAY III

Lewis Hay III
Chairman of the Board
and Chief Executive Officer

Exhibit 31(d)

Rule 13a-14(a)/15d-14(a) Certification

I, Moray P. Dewhurst, Chief Financial Officer of Florida Power & Light Company (FPL), certify that:

1. I have reviewed the annual report on Form 10-K for the year ended December 31, 2003 of FPL (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2004

MORAY P. DEWHURST
Moray P. Dewhurst
Senior Vice President, Finance
and Chief Financial Officer

Exhibit 32(a)

Section 1350 Certification

We, Lewis Hay III, Chief Executive Officer of FPL Group, Inc. (FPL Group) and Moray P. Dewhurst, Chief Financial Officer of FPL Group, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of FPL Group for the year ended December 31, 2003 (Report) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of FPL Group.

Dated: February 26, 2004

LEWIS HAY III

Lewis Hay III
Chairman of the Board, President
and Chief Executive Officer

MORAY P. DEWHURST

Moray P. Dewhurst
Vice President, Finance
and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to FPL Group and will be retained by FPL Group and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of FPL Group under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit 32(b)

Section 1350 Certification

We, Lewis Hay III, Chief Executive Officer of Florida Power & Light Company (FPL) and Moray P. Dewhurst, Chief Financial Officer of FPL, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of FPL for the year ended December 31, 2003 (Report) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of FPL.

Dated: February 26, 2004

LEWIS HAY III

Lewis Hay III
Chairman of the Board
and Chief Executive Officer

MORAY P. DEWHURST

Moray P. Dewhurst
Senior Vice President, Finance
and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to FPL and will be retained by FPL and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of FPL under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit (c)-2

Florida Power & Light Company
and Subsidiaries

Consolidated Statement of Capitalization
Millions of Dollars

	As of December 31, 2003
Common stock (No par value)	$ 1,373
Retained earnings and other shareholder's equity	4,631
Total common shareholder's equity	6,004
Preferred stock without sinking fund requirements	5
Long-term debt (a)	3,074
Total capitalization	$ 9,083
Commercial paper	$ 630

(a) Excludes current maturities and includes debt of FPL Fuels, Inc., which was consolidated effective July 2003, pursuant to Financial Accounting Standards Board Interpretation No. 46.

Exhibit (c)-3

FLORIDA POWER & LIGHT COMPANY
COMPUTATION OF RATIOS

	Years Ended December 31,				
	2003	2002	2001	2000	1999
	(millions of dollars)				
RATIO OF EARNINGS TO FIXED CHARGES					
Earnings, as defined:					
Net income	$ 755	$ 732	$ 694	$ 622	$ 591
Income taxes	403	413	383	341	324
Fixed charges, as below	186	177	198	192	174
Total earnings, as defined	$1,344	$1,322	$1,275	$1,155	$1,089
Fixed charged, as defined:					
Interest charges	$ 173	$ 166	$ 187	$ 176	$ 163
Rental interest factor	8	8	6	7	3
Fixed charges included in nuclear fuel cost	1	3	5	9	8
Capitalized interest	4	-	-	-	-
Total fixed charges, as defined	$ 186	$ 177	$ 198	$ 192	$ 174
Ratio of earnings to fixed charges	7.23	7.47	6.44	6.02	6.26
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS					
Earnings, as defined:					
Net income	$ 755	$ 732	$ 694	$ 622	$ 591
Income taxes	403	413	383	341	324
Fixed charges, as below	186	177	198	192	174
Total earnings, as defined	$1,344	$1,322	$1,275	$1,155	$1,089
Fixed charged, as defined:					
Interest charges	$ 173	$ 166	$ 187	$ 176	$ 163
Rental interest factor	8	8	6	7	3
Fixed charges included in nuclear fuel cost	1	3	5	9	8
Capitalized interest	4	-	-	-	-
Total fixed charges, as defined	186	177	198	192	174
Non-tax deductible preferred stock dividends	13	15	15	15	15
Ratio of income before income taxes to net income	1.53	1.56	1.55	1.55	1.55
Preferred stock dividends before income taxes	20	23	23	23	23
Combined fixed charges and preferred stock dividends	$ 206	$ 200	$ 221	$ 215	$ 197
Ratio of earnings to combined fixed charges and preferred stock dividends	6.52	6.61	5.77	5.37	5.53

Exhibit (d)-1

$78,785,000
ST. LUCIE COUNTY, FLORIDA

Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

UNDERWRITING AGREEMENT

UNDERWRITING AGREEMENT, dated April 30, 2003, between St. Lucie County, Florida (the "Issuer"), and Wachovia Bank, National Association (the "Underwriter").

1. Description of Bonds. The Issuer proposes to issue and sell $78,785,000 aggregate principal amount of its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003, with the terms specified in Schedule I hereto (the "Bonds"), pursuant to a Trust Indenture, to be dated as of May 1, 2003 (the "Indenture"), by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee (the "Trustee"), and pursuant to a resolution adopted by the Issuer on April 1, 2003 (the "Resolution"). The Bonds will be payable, except to the extent payable from bond proceeds and other moneys pledged therefor, solely from, and secured by a pledge of, the revenues to be derived by the Issuer under a Loan Agreement, to be dated as of May 1, 2003 (the "Loan Agreement"), by and between the Issuer and Florida Power & Light Company (the "Company").

2. Purchase, Sale and Closing. On the basis of the representations and warranties contained herein and in the Letter of Representation, hereinafter defined, and subject to the terms and conditions set forth herein and in the Official Statement, hereinafter defined, the Underwriter will purchase from the Issuer, and the Issuer will sell to such Underwriter, the Bonds. The price for the Bonds will be 100% of the principal amount thereof and shall be payable in immediately available funds. The closing will be held at the office of Steel Hector & Davis LLP, 1900 Phillips Point West, 777 South Flagler Drive, West Palm Beach, Florida 33401, at 9:00 A.M. Eastern time on May 1, 2003, or such other date, time or place as may be agreed upon by the parties hereto. The hour and date of such closing are herein called the "Closing Date". The Bonds will be delivered in New York, New York in registered form in the name of a nominee of The Depository Trust Company, and will be made available to the Underwriter for inspection and packaging upon delivery at The Depository Trust Company, New York, New York, or at such other place as may be agreed upon by the Issuer, the Company and the Underwriter. As compensation for the services of the Underwriter as contemplated herein, the Company agrees to pay the Underwriter (a) a fee in the amount of $26,730 and (b) such expenses as are specified in the Letter of Representation (as defined below).

3. Representations of the Issuer. The Issuer represents and warrants to the Underwriter that:

(a) The Issuer has approved the delivery of an Official Statement, dated April 30, 2003, for use in connection with the sale and distribution of the Bonds. Appendix A to such Official Statement describes certain matters relating to the Company and is sometimes herein separately referred to as "Appendix A." Such Official Statement, as amended and supplemented, including Appendix A and all documents incorporated by reference therein, Appendix B, Appendix C and Appendix D is herein referred to as the "Official Statement," and all references herein to matters described, contained or set forth in the Official Statement shall, unless specifically stated otherwise, include Appendix A and all documents incorporated by reference therein, Appendix B, Appendix C and Appendix D. For the purposes of this Agreement, all documents filed by the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") after the date of the Official Statement and incorporated by reference in the Official Statement shall be deemed to be a supplement to the Official Statement. The information with respect to the Issuer contained in the Official Statement under the heading "Disclosure Required by Florida Blue Sky Regulations" does not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Issuer assumes no responsibilities for the accuracy, sufficiency or fairness of any statements in the Official Statement or any supplements thereto other than statements and information therein relating to the Issuer under the captions "Introductory Statement" and "Disclosure Required by Florida Blue Sky Regulations".

(b) The Issuer will not at any time authorize an amendment or supplement (including an amendment or supplement resulting from the filing of a document incorporated by reference) to the Official Statement without prior notice to the Company, the Underwriter, and Hunton & Williams, counsel for the Underwriter, or any such amendment or supplement to which the Company or the Underwriter shall reasonably object in writing, or which shall be unsatisfactory to Hunton & Williams LLP ("Hunton & Williams"). At the date hereof, the information with respect to the Issuer in the Official Statement is true and correct.

(c) The Issuer is a validly existing political subdivision of the State of Florida with full legal right, power and authority under the laws of the State of Florida, including particularly Part II of Chapter 159, Florida Statutes, as amended, and Section 163.01, Florida Statutes, as amended, and pursuant to the Interlocal Agreements (as defined in the Indenture) to consummate the transactions involving the Issuer contemplated herein and in the Official Statement and to fulfill the terms hereof on the part of the Issuer to be fulfilled.

(d) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms hereof on the part of the Issuer to be fulfilled have been duly authorized by all necessary action of the Issuer in accordance with the laws of the State of Florida.

(e) The execution and delivery by the Issuer of the Loan Agreement and the Indenture, the pledge and assignment by the Issuer to the Trustee of certain of its rights under the Loan Agreement, the consummation by the Issuer on its part of the transactions contemplated herein

and in the Official Statement and the fulfillment of the terms hereof by the Issuer and the compliance by the Issuer with all the terms and provisions of the Indenture and the Loan Agreement will not conflict with, or constitute a breach of or default under, any constitutional provision, statute or ordinance, any indenture, mortgage, deed of trust, resolution or other agreement or instrument to which the Issuer is now a party or by which it is now bound, or, to the knowledge of the Issuer, any order, rule or regulation applicable to the Issuer of any court or governmental agency or body having jurisdiction over the Issuer or any of its activities or properties.

(f) Except as disclosed in or contemplated by the Official Statement, as it may be amended or supplemented, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board or body to which the Issuer is a party, pending or, to the knowledge of the Issuer, threatened against the Issuer, (i) to restrain or enjoin the issuance or sale of the Bonds or the performance by the Issuer of the Loan Agreement or the Indenture including without limitation assignment to the Trustee of the Issuer's right to receive Loan Repayments and certain other rights under the Loan Agreement as security for the Bonds, or (ii) wherein an unfavorable decision, ruling or finding would (A) have a material adverse effect on the transactions contemplated herein or in the Official Statement or (B) adversely affect or put in question the validity or enforceability of the Bonds, the Indenture, the Loan Agreement, this Agreement, the Letter of Representation, dated the date hereof, in the form attached hereto as Exhibit F (the "Letter of Representation") from the Company to the Issuer and the Underwriter or any other agreement, instrument or document to which the Issuer is a party or by which it is bound relating to the consummation of the transactions contemplated herein or in the Official Statement.

4. Underwriter's Representation. The Underwriter intends to make a public offering of the Bonds for sale upon the terms and conditions set forth in the Official Statement.

5. Covenants of the Issuer. The Issuer agrees that:

(a) It has delivered herewith or will cause to be delivered to the Underwriter as soon as practicable, a copy of the Official Statement and will deliver or cause to be delivered to the Underwriter promptly, which in no event will be later than seven business days after the date hereof, as many copies of the Official Statement as the Underwriter may reasonably request. Upon the issuance thereof, the Issuer will deliver to the Underwriter copies of all amendments and supplements to the Official Statement (other than documents incorporated by reference therein).

(b) It will cooperate with the Company and the Underwriter in connection with the preparation of the Official Statement and any amendment or supplement thereto which the Company may be required to furnish the Underwriter pursuant to the Letter of Representation.

(c) It will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Underwriter may designate, provided that the Issuer shall not be required to qualify as a

dealer in securities, or to file any consents to service of process, under the laws of any jurisdiction, or to meet other requirements deemed by the Issuer to be unduly burdensome.

(d) It will not take or omit to take any action the taking or omission of which would cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Indenture and the Loan Agreement, as each may be amended from time to time.

(e) At the request of the Underwriter or the Company, it will take such action as is necessary and within its power and at the sole expense of the Company to assure or maintain the status of the interest on the Bonds as excluded from gross income for purposes of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations thereunder.

The foregoing covenants are conditioned upon the Company's compliance with Section 2 of the Letter of Representation.

6. Conditions of Underwriter's Obligation. The obligation of the Underwriter to purchase and pay for the Bonds shall be subject to the accuracy of, and compliance with, the representations and warranties of the Issuer and the Company contained herein and in the Letter of Representation, respectively, to the performance by the Issuer and the Company of their obligations to be performed hereunder and under the Letter of Representation, respectively, at and prior to the Closing Date and to the following conditions:

(a) At the Closing Date, the Indenture, the Loan Agreement, the Letter of Representation and the Continuing Disclosure Agreement to be dated as of May 1, 2003, between the Company and the Trustee (the "Continuing Disclosure Agreement"), shall be in full force and effect, and if executed subsequent to the execution hereof and prior to the Closing Date, shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; provided, however, that the acceptance of delivery of the Bonds by the Underwriter on the Closing Date shall be deemed to constitute such approval; and the Underwriter shall have received an executed counterpart or certified copy of the Indenture, the Loan Agreement, the Letter of Representation and the Continuing Disclosure Agreement.

(b) At the Closing Date, the Bonds shall have been duly authorized, executed and authenticated in accordance with the provisions of the Indenture.

(c) At the Closing Date, no order, decree or injunction of any court of competent jurisdiction shall have been issued, or proceedings therefor shall have been commenced, nor shall any order, ruling, regulation or official statement by any governmental official, body or board, have been issued, nor shall any legislation have been enacted, with the purpose or effect of prohibiting or limiting the issuance, offering or sale of the Bonds as contemplated herein or in the Official Statement or the performance of the Indenture or the Loan Agreement, in accordance with their respective terms.

(d) At the Closing Date, there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the participation of the Company in the transactions contemplated herein and in the Official Statement, and containing no provision unacceptable to

the Underwriter by reason of the fact that it is materially adverse to the Company, it being understood that no authorization in effect at the time of the execution hereof by the Underwriter contains any such unacceptable provision.

(e) At the Closing Date, the Underwriter shall have received opinions, dated the Closing Date, of the County Attorney for St. Lucie County, Florida, Squire, Sanders & Dempsey L.L.P., as Bond Counsel, Steel Hector & Davis LLP and Thelen Reid & Priest LLP, counsel to the Company, and Hunton & Williams, as counsel for the Underwriter, substantially in the forms thereof attached hereto as Exhibits A, B-1, B-2, C, D, and E, respectively, but with such changes as the Underwriter shall approve.

(f) At the Closing Date, the Underwriter shall have received from Deloitte & Touche LLP, to the extent permitted by Statement of Auditing Standards No. 72, a letter to the effect that (i) they are independent public accountants with respect to the Company within the meaning of Rule 101 of the American Institute of Certified Public Accountants' *Code of Professional Conduct* and its interpretations and rulings; (ii) on the basis of a reading of any unaudited condensed consolidated financial statements of the Company incorporated by reference in Appendix A to the Official Statement, the latest available interim unaudited consolidated financial statements of the Company since the close of the Company's most recent audited fiscal year, if different from any unaudited condensed consolidated financial statements of the Company incorporated by reference in Appendix A to the Official Statement, the minutes and consents of the Board of Directors, the Finance Committee of the Board of Directors, the Stock Issuance Committee of the Board of Directors, and Shareholder of the Company since the end of the most recent audited fiscal year, and inquiries of officials of the Company who have responsibility for financial and accounting matters (it being understood that the foregoing procedures do not constitute an audit made in accordance with generally accepted auditing standards and they would not necessarily reveal matters of significance with respect to the comments made in such letter, and accordingly that Deloitte & Touche LLP make no representation as to the sufficiency of such procedures for the Underwriter's purposes), nothing has come to their attention which caused them to believe that (a) at the date of the latest available interim balance sheet read by them, if different from the consolidated balance sheet incorporated by reference in Appendix A to the Official Statement, and at a specified date not more than five days prior to the Closing Date there was any change in the common stock, additional paid-in capital, preferred stock or long-term debt of the Company, or decrease in its shareholder's equity, in each case as compared with amounts shown in the most recent consolidated balance sheet incorporated by reference in Appendix A to the Official Statement, except in all instances for changes or decreases which Appendix A to the Official Statement, as amended or supplemented, discloses have occurred or may occur, or as occasioned by the declaration, provision for, or payment of dividends, or which are described in such letter or (b) for the period from the date of the most recent consolidated balance sheet incorporated by reference in Appendix A to the Official Statement to the latest available interim balance sheet read by them and for the period from the latest available interim balance sheet read by them to a specified date not more than five days prior to the Closing Date, there were any decreases, as compared with the corresponding period in the preceding year, in total consolidated operating revenues or in net income or net income available to FPL Group, Inc., except in all instances for decreases which Appendix A to the Official Statement, as amended or supplemented, discloses have occurred or may occur, or which are described in such letter and (iii) they have carried out

certain procedures and made certain findings, as specified in such letter, with respect to certain amounts included in Appendix A to the Official Statement and such other items as the Underwriter may reasonably request.

(g) At the Closing Date, the Underwriter shall have received from the Issuer a certificate of its Chairman or Vice Chairman of the Board of County Commissioners, dated the Closing Date, stating in effect that each of the representations and warranties of the Issuer set forth herein is true, accurate and complete in all material respects at and as of the Closing Date and that each of the obligations of the Issuer hereunder to be performed by it at or prior to the Closing Date has been performed.

(h) At the Closing Date, the Underwriter shall have received a certified copy of the Resolution of the Issuer authorizing the issuance and sale of the Bonds.

(i) Since the date of the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference), and up to the Closing Date, there shall have been no material adverse change in the business, properties or financial condition of the Company, except as disclosed in or contemplated by the Official Statement, as it may be so amended or supplemented, and, since such date and up to the Closing Date, there shall have been no material transaction entered into by the Company other than transactions disclosed in or contemplated by the Official Statement, as it may be so amended or supplemented, and transactions in the ordinary course of business.

(j) At the Closing Date, the Underwriter shall have received from the Company a certificate, dated the Closing Date, signed by the President or any Vice President or the Treasurer or an Assistant Treasurer of the Company to the effect of paragraph (i) above and stating in effect that the representations and warranties of the Company set forth in the Letter of Representation are true, accurate and complete in all material respects at and as of the Closing Date and that each of the obligations of the Company under the Letter of Representation to be performed at or prior to the Closing Date has been performed.

(k) At the Closing Date, the Company shall have delivered to the Underwriter a wire or check payable in immediately available funds in an amount equal to and representing the Underwriter's fee specified in Section 2 hereof.

In case any of the conditions specified above in this Section 6 shall not have been fulfilled, this Agreement may be terminated by the Underwriter upon mailing or delivering written notice thereof to the Issuer and the Company. Any such termination shall be without liability of any party to any other party except as otherwise provided in Section 3 of the Letter of Representation.

7. Termination. (a) This Agreement may be terminated by the Underwriter by delivering written notice thereof to the Issuer and the Company, at or prior to the Closing Date if after the date hereof and at or prior to the Closing Date:

(i) there shall have occurred any general suspension of trading in securities on the New York Stock Exchange, Inc. (the "NYSE") or there shall have been established by the NYSE or by the Securities and Exchange Commission or by any federal or state agency or by the decision of any court any limitation on prices for such trading or any general restrictions on the distribution of securities, or trading in any securities of the Company shall have been suspended or limited by any exchange located in the United States or on the over-the-counter market located in the United States or a general banking moratorium declared by New York or federal authorities;

(ii) there shall have occurred any new material outbreak of hostilities, including, but not limited to, an escalation of hostilities which existed prior to the date of this Agreement, any other national or international calamity or crisis or any material adverse change in financial, political or economic conditions affecting the United States, the effect of which on the financial markets of the United States shall be such as to make it, in the reasonable judgment of the Underwriter, impracticable or inadvisable for the Underwriter to enforce contracts for the sale of the Bonds;

(iii) (A) there shall have been any downgrading or any notice of any intended or potential downgrading in the ratings accorded to the Bonds or any securities of the Company which are of the same class as the Company's obligations with respect to the Loan Agreement or the Bonds by either Moody's Investor Service, Inc. ("Moody's") or Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("S&P"), or (B) either Moody's or S&P shall have publicly announced that either has under surveillance or review, with possible negative implications, its ratings of the Bonds or any securities of the Company which are of the same class as the Company's obligations with respect to the Loan Agreement or the Bonds, the effect of any such event specified in (A) or (B) above being such as to make it, in the reasonable judgment of the Underwriter, impracticable or inadvisable to proceed with the offering of the Bonds as contemplated in the Official Statement or for the Underwriter to enforce contracts for the sale of the Bonds;

(iv) legislation shall be enacted by the Congress or adopted by either House thereof or a decision shall be rendered by a federal court, including the Tax Court of the United States, or a ruling, regulation or order by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be issued or proposed with respect to the imposition of federal income taxation upon receipts, revenues or other income of the same kind and character expected to be derived by the Issuer, including, without limitation, Loan Repayments and other amounts under the Loan Agreement, or upon interest received on bonds of the same kind and character as the Bonds, with the result in any such case that, in the reasonable judgment of the Underwriter, it is impractical or inadvisable to proceed with the offering of the Bonds as contemplated in the Official Statement or to enforce contracts for the sale of the Bonds; or

(v) the subject matter of any amendment or supplement to the Official Statement prepared and furnished by the Issuer or the Company after the date hereof reflects a material adverse

change in the business, properties or financial condition of the Company and its subsidiaries taken as a whole which renders it, in the judgment of the Underwriter, either inadvisable to proceed with the offering or inadvisable to proceed with the delivery of the Bonds to be purchased hereunder.

(b) This Agreement shall terminate upon the termination of the Letter of Representation as provided in Section 4 thereof.

(c) Any termination of this Agreement pursuant to this Section 7 shall be without liability of any party to any other party except as otherwise provided in Section 3 of the Letter of Representation.

8. Truth-In-Bonding Statement. The Issuer is proposing to issue $78,785,000 principal amount of the Bonds for the purpose of retiring an equal aggregate principal amount of bonds previously issued by the Issuer, Broward County, Florida, and Martin County, Florida. The Bonds are expected to be repaid over a period of 21 years. The Bonds will initially bear interest at a variable rate. At an assumed interest rate of 1.30%, total interest paid over the life of the debt or obligation will be $21,508,305.

The source of repayment for this proposal is the payments by the Company under the Loan Agreement. Authorizing this debt or obligation will not affect the amount of Issuer moneys available to finance the other services of the Issuer.

9. Miscellaneous. The validity and interpretation of this Agreement shall be governed by the law of the State of Florida. This Agreement shall inure to the benefit of the Issuer, the Underwriter and the Company, and their respective successors. Nothing in this Agreement is intended or shall be construed to give to any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. The term "successors" as used in this Agreement shall not include any purchaser, as such purchaser, of any Bonds from or through the Underwriter. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

The representations and warranties of the Issuer contained in Section 3 hereof shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, and shall survive the delivery of the Bonds.

10. Notices and other Actions. All notices, demands and formal actions hereunder will be in writing mailed, telegraphed or delivered to:

The Issuer:

St. Lucie County, Florida
2300 Virginia Avenue
Fort Pierce, Florida 34982
Attention: Clerk of the Board of County Commissioners, with a copy to the County Attorney

The Company:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-8801 Attention: Treasurer
The Underwriter:	Wachovia Bank, National Association 301 South College Street, DC-8 Charlotte, North Carolina 28288-0600 Attention: Municipal Trading Desk

(1) The Issuer is a validly existing political subdivision of the State of Florida with full legal right, power and authority under the laws of the State of Florida, including particularly Part II of Chapter 159, Florida Statutes, as amended, and Section 163.01, Florida Statutes, as amended, and pursuant to the Interlocal Agreement, dated March 25, 2003, between the Issuer and Broward County, Florida, and the Interlocal Agreement, dated as of April 1, 2003, between the Issuer and Martin County, Florida (collectively, the "Interlocal Agreements) (i) to issue and sell the Bonds; (ii) to lend the proceeds of the Bonds to the Company under the Loan Agreement, dated as of May 1, 2003, between the Company and the Issuer (the "Loan Agreement"); (iii) to execute and perform its obligations under the Interlocal Agreements, the Loan Agreement, the Underwriting Agreement, dated April 30, 2003 (the "Underwriting Agreement"), between the Issuer and Wachovia Bank, National Association (the "Underwriter"), the Indenture and the Bonds; and (iv) to accept the Letter of Representation, dated April 30, 2003, from the Company to the Issuer and the Underwriter (the "Letter of Representation").

(2) The Resolution is a valid resolution of the Issuer, duly adopted by the Issuer at a meeting duly noticed, called and held in accordance with the Constitution and laws of the State of Florida.

(3) The acceptance by the Board of the Letter of Representation has been duly authorized, and said Letter of Representation has been validly accepted by the Board.

(4) The Board has duly approved the use and distribution of the Official Statement at the meeting wherein the Resolution was adopted and has duly authorized such changes, insertions and omissions as may be approved by its Chairman or its Vice Chairman as evidenced by the execution and delivery of the Indenture.

(5) To the best of my knowledge, neither the making or the performance by the Issuer of the Loan Agreement, the Indenture, the Underwriting Agreement or either of the Interlocal Agreements, nor the acceptance by the Issuer of the Letter of Representation, violates or conflicts with any constitutional provision, statute, indenture, mortgage, deed of trust, lease, resolution or other agreement or instrument to which the Issuer is a party or by which it is bound, or, to my knowledge, any order, rule or regulation applicable to the Issuer of any court or governmental agency or body having jurisdiction over the Issuer or any of its activities or properties.

(6) Except as disclosed in or contemplated by the Official Statement, I have not been made aware of any action, suit, proceeding or investigation at law or in equity or before or by any court, public board or body, to which the Issuer is a party which is pending or, to the best of my knowledge, threatened against or affecting the Issuer wherein an unfavorable decision, finding or ruling would adversely affect (i) the transactions contemplated by the Indenture, the Loan Agreement, the Official Statement, the Underwriting Agreement or either of the Interlocal Agreements, (ii) the validity or enforceability of the Bonds, the Indenture, the Loan Agreement, the Underwriting Agreement or either of the Interlocal Agreements or (iii) the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Very truly yours,

IN WITNESS WHEREOF, the parties hereto, in consideration of the mutual covenants set forth herein and intending to be legally bound, have caused this Agreement to be executed and delivered as of the date first written above.

ST. LUCIE COUNTY, FLORIDA

By: _____
Chairman, Board of County Commissioners

Attest:

_____
Deputy Clerk

Approved as to Form:

By: _____
County Attorney

WACHOVIA BANK, NATIONAL ASSOCIATION

By: _____

Approved:

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

IN WITNESS WHEREOF, the parties hereto, in consideration of the mutual covenants set forth herein and intending to be legally bound, have caused this Agreement to be executed and delivered as of the date first written above.

ST. LUCIE COUNTY, FLORIDA

By: _____
Chairman, Board of County Commissioners

Attest:

_____
Deputy Clerk

Approved as to Form:

By: _____
County Attorney

WACHOVIA BANK, NATIONAL ASSOCIATION

By: _____
SVP

Approved:

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

SCHEDULE I

Underwriting Agreement dated	April 30, 2003
Issuer:	St. Lucie County, Florida
Bonds:	
Designation:	Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003.
Principal Amount:	$78,785,000
Date of Maturity:	May 1, 2024
Purchase Price:	100% of the principal amount thereof.
Public Offering Price:	100% of the principal amount thereof.
Redemption Provisions:	The Bonds will be subject to redemption by the Issuer, in whole or in part, at the direction of Florida Power & Light Company, as set forth in the Official Statement.
Underwriter's Fee:	$26,730

EXHIBIT A

May 1, 2003

St. Lucie County, Florida
Fort Pierce, Florida

Squire, Sanders & Dempsey L.L.P.
Tampa, Florida

The Bank of New York Trust
Company of Florida, N.A.
Jacksonville, Florida

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600
(the "Underwriter" named in the
Underwriting Agreement dated
April 30, 2003 relating to the Bonds
referred to below)

Ladies and Gentlemen:

I am County Attorney for St. Lucie County, Florida, (the "Issuer") and as such have acted as Issuer's counsel in connection with the issuance and sale of $78,785,000 aggregate principal amount of the Issuer's Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds"). The Bonds are being issued pursuant to Resolution No. 03-93 adopted by the Board of County Commissioners (the "Board") of the Issuer on April 1, 2003 (the "Resolution") to refund and redeem on May 2, 2003 $5,315,000 principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1992, to refund and redeem on July 29, 2003 $65,420,000 original principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2000B, to refund and redeem on May 2, 2003 $4,000,000 original principal amount of Broward County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991, and to refund and redeem on July 29, 2003 $4,050,000 original principal amount of Martin County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1993.

The Bonds are being issued under the provisions of the Trust Indenture, dated as of May 1, 2003 (the "Indenture"), between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee (the "Trustee"). The issuance of the Bonds was approved by the Issuer in the Resolution.

Based upon such review as I deemed necessary, I am of the opinion that:

EXHIBIT B-1

May 1, 2003

To: St. Lucie County, Florida
Fort Pierce, Florida

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by St. Lucie County, Florida (the "Issuer") of its $78,785,000 St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Series 2003 Bonds"). The Series 2003 Bonds are being issued pursuant to Part II of Chapter 159, Florida Statutes, as amended, for the purpose of making a loan to Florida Power & Light Company (the "Company") to refund and redeem on May 2, 2003 $5,315,000 principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1992 (the "St. Lucie Series 1992 Bonds"), to refund and redeem on July 29, 2003 $65,420,000 original principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2000B (the "St. Lucie Series 2000B Bonds"), to refund and redeem on May 2, 2003 $4,000,000 original principal amount of Broward County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "Broward Bonds"), and to refund and redeem on July 29, 2003 $4,050,000 original principal amount of Martin County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1993 (the "Martin Bonds").

The proceeds of the St. Lucie Series 2000B Bonds were used, together with funds provided by the Company, to refund and redeem $48,900,000 principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2000A (the "St. Lucie Series 2000A Bonds"), and $16,520,000 principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "St. Lucie Series 1991 Bonds"). The proceeds of the St. Lucie Series 2000A Bonds were used to refinance, and the proceeds of the St. Lucie Series 1991 Bonds and the St. Lucie Series 1992 Bonds were used to finance, a portion of the cost of acquisition, installation and construction of certain solid waste disposal facilities at Units 1 and 2 of the St. Lucie Electrical Generating Plant, an undivided interest in which is owned by the Company. The proceeds of the Broward Bonds were used to finance a portion of the cost of acquisition, installation and construction of certain solid waste disposal and sewage facilities at Units 4 and 5 of the Lauderdale Electrical Generating Plant, owned by the Company.

The proceeds of the Martin Bonds were used to finance a portion of the cost of acquisition, installation and construction of certain solid waste disposal and sewage facilities at Units 3 and 4 of the Martin County Electrical Generating Plant, owned by the Company.

The Series 2003 Bonds are being issued under the provisions of a Trust Indenture, dated as of May 1, 2003 (the "Indenture"), between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee (the "Trustee").

In rendering this opinion, we have examined the transcript of proceedings (the "Transcript") relating to the issuance of the Series 2003 Bonds. The Transcript documents include executed counterparts of an Interlocal Agreement, dated March 25, 2003, between the Issuer and Broward County, Florida, an Interlocal Agreement, dated as of April 1, 2003, between the Issuer and Martin County, Florida, a Loan Agreement, dated as of May 1, 2003 (the "Loan Agreement"), between the Issuer and the Company, and the Indenture. We also have examined an executed Series 2003 Bond.

Based on this examination, we are of the opinion that, under existing law:

1. The Series 2003 Bonds, the Indenture and the Loan Agreement are valid, legal, binding and enforceable in accordance with their respective terms, subject to bankruptcy laws and other laws affecting creditors' rights and to the exercise of judicial discretion.

2. The Series 2003 Bonds constitute limited obligations of the Issuer, the principal of and interest and any premium on which (collectively, "debt service") are payable solely from the revenues and other moneys pledged and assigned by the Indenture to secure that payment. Those revenues and other moneys include the Loan Repayments required to be made by the Company under the Loan Agreement. The Series 2003 Bonds and the payment of debt service thereon are not secured by an obligation or pledge of any moneys raised by taxation, and the Series 2003 Bonds do not represent or constitute a debt or pledge of the faith and credit of the Issuer, Broward County, Florida, Martin County, Florida, the State of Florida or any political subdivision thereof.

3. The interest on the Series 2003 Bonds is excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), except interest on any Series 2003 Bonds for any period during which it is held by a "substantial user" or a "related person" as those terms are used in Section 147(a) of the Code, and is an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals and corporations. The Series 2003 Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. We express no opinion as to any other tax consequences regarding the Series 2003 Bonds.

Under the Code, interest on the Series 2003 Bonds may be subject to a branch profits tax imposed on certain foreign corporations doing business in the United States and to a tax imposed on excess net passive income of certain S corporations.

In giving the foregoing opinions we have assumed and relied upon compliance with the covenants of the Issuer and the Company and the accuracy, which we have not independently verified, of the representations and certifications of the Issuer and the Company contained in the Transcript. The accuracy of those representations and certifications, and compliance by the Issuer and the Company with those covenants, may be necessary for the interest on the Series 2003 Bonds to be and to remain excluded from gross income for federal income tax purposes and for certain of the other tax effects stated above. Failure to comply with certain of those covenants subsequent to the issuance of the Series 2003 Bonds could cause the interest thereon to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2003 Bonds. We also have relied upon the opinion of Steel Hector & Davis LLP, as counsel for the Company, as to all matters concerning the due authorization, execution and delivery by, and the binding effect upon and enforceability against, the Company of the Loan Agreement. We have further assumed the due authorization, execution and delivery by, and the binding effect upon and enforceability against, the Trustee of the Indenture.

Respectfully submitted,

EXHIBIT B-2

May 1, 2003

To: St. Lucie County, Florida
Fort Pierce, Florida

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600

Ladies and Gentlemen:

This supplemental opinion is rendered at your request in connection with the issuance by St. Lucie County, Florida (the "Issuer") of its $78,785,000 St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Series 2003 Bonds"). In connection with the issuance of the Series 2003 Bonds, we have delivered to each of you our approving legal opinion as Bond Counsel (the "Approving Opinion"). In rendering this opinion, we have examined and relied upon the matters contained, referred to and identified, and to the same extent stated, in the Approving Opinion. We also have examined (i) the Official Statement, dated April 30, 2003, relating to the Series 2003 Bonds (the "Official Statement") and (ii) the Securities Act of 1933, as amended (the "1933 Act"), the Trust Indenture Act of 1939, as amended (the "1939 Act"), and the rules, regulations and interpretations under those acts. All terms used in this supplemental opinion and not defined herein shall have the same meaning as assigned in the Approving Opinion.

Based on such examination, we are of the opinion that, under existing law:

(1) The Issuer is a validly existing political subdivision of the State of Florida with full authority to execute and deliver the Indenture, the Loan Agreement and the Interlocal Agreements and to issue and sell the Series 2003 Bonds pursuant to the Act.

(2) The Underwriting Agreement, dated April 30, 2003, between the Issuer and Wachovia Bank, National Association has been duly and validly authorized by all necessary action of the Issuer, has been duly and validly executed and delivered by the Issuer and is a valid and binding agreement of the Issuer enforceable in accordance with its terms, subject to bankruptcy laws and other laws affecting creditors' rights and to the exercise of judicial discretion.

(3) In connection with the offering and sale of the Series 2003 Bonds to the public, neither the Series 2003 Bonds nor any securities evidenced thereby are required to be registered under the 1933 Act and neither the Indenture nor any other instrument is required to be qualified under the 1939 Act.

(4) The statements in the Official Statement relating to the Series 2003 Bonds, the Indenture and the Loan Agreement under the captions "The Series 2003 Bonds" (except for the information and statements provided by The Depository Trust Company under "The Series 2003 Bonds -- Book-Entry System", as to which, with your permission, we express no opinion), "The Agreement" and "The Indenture", insofar as they describe the provisions of the Series 2003 Bonds, the Loan Agreement and the Indenture, fairly and accurately summarize the material provisions of those documents. The statements pertaining to the Series 2003 Bonds in the Official Statement under the caption "Tax Matters" fairly and accurately present the information purported to be shown.

(5) No approval, consent or authorization of any Florida governmental authority or public agency or authority not already obtained is required in connection with the consummation by the Issuer of the transactions contemplated by the Official Statement, or by the Underwriting Agreement, dated April 30, 2003, between the Issuer and Wachovia Bank, National Association (the "Underwriting Agreement") or the performance of the Issuer's obligations under the Loan Agreement, the Indenture, the Interlocal Agreements or the Underwriting Agreement.

This letter is furnished by us solely for your benefit in connection with the original issuance and delivery of the Series 2003 Bonds and may not, without our express written consent, be relied upon by any other person.

Respectfully submitted,

EXHIBIT C

May 1, 2003

To: St. Lucie County, Florida
Fort Pierce, Florida

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600
(the "Underwriter" named in
the Underwriting Agreement dated
April 30, 2003 (the "Underwriting Agreement")
relating to the Bonds referred to below)

Ladies and Gentlemen:

We have acted as counsel for Florida Power & Light Company (the "Company") in connection with the issuance and sale by St. Lucie County, Florida (the "Issuer") of $78,785,000 aggregate principal amount of the Issuer's Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds"), issued under the Trust Indenture, dated as of May 1, 2003 (the "Indenture"), by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee (the "Trustee"), and in connection with the sale of the Bonds to the Underwriter in accordance with the Underwriting Agreement. We are delivering this opinion at the request of the Company.

We have participated in the preparation of or reviewed (1) the Indenture and the Loan Agreement, dated as of May 1, 2003 (the "Loan Agreement"), by and between the Company and the Issuer; (2) the Letter of Representation, dated April 30, 2003 (the "Letter of Representation"), from the Company to the Issuer and the Underwriter; (3) the Official Statement, dated April 30, 2003, relating to the Bonds, including Appendix A and all documents incorporated by reference therein (the "Official Statement") and (4) such corporate records, certificates and other documents and such questions of law as we have considered necessary or appropriate for purposes of this opinion. We have also participated in the preparation of the Company's application to the Florida Public Service Commission for the authorization of, among other things, the issuance and sale of debt securities during 2003.

Upon the basis of the foregoing and at the request of the Company, we advise you that:

I. The Company is a validly organized and existing corporation and is in good standing under the laws of the State of Florida and has valid franchises, licenses and permits adequate for the conduct of its business.

II. The Company is a corporation duly authorized by its Restated Articles of Incorporation, as amended (the "Charter"), to conduct the business which it is now conducting as set forth in the

Official Statement; the Company is subject, as to retail rates and services, issuance of securities, accounting and certain other matters, to the jurisdiction of the Florida Public Service Commission; and the Company is subject, as to wholesale rates, accounting and certain other matters, to the jurisdiction of the Federal Energy Regulatory Commission.

III. Except as stated or referred to in the Official Statement, as amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated therein by reference), to our knowledge after due inquiry there is no material pending legal proceeding to which the Company is a party or of which property of the Company is the subject which is reasonably likely to be determined adversely and, if determined adversely, might reasonably be expected to have a material adverse effect on the Company, and, to the best of our knowledge, no such proceeding is known by us to be contemplated by governmental authorities. We know of no litigation or proceedings, pending or threatened, challenging the validity of the Loan Agreement or the Letter of Representation or seeking to enjoin the performance of the Company's obligations thereunder.

IV. The Loan Agreement has been duly authorized by the Company by all necessary corporate action, has been duly and validly executed and delivered by the Company, and is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium and other laws affecting the rights and remedies of creditors generally and general principles of equity and the effect of applicable public policy on the enforceability of provisions relating to indemnification contained in Section 7.3 therein.

V. The consummation by the Company of the transactions contemplated in the Letter of Representation, and the fulfillment by the Company of the terms of the Loan Agreement and the Letter of Representation, will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or by-laws of the Company, as amended to the date hereof, or any indenture, mortgage, deed of trust or other agreement or instrument, the terms of which are known to us, to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of the Company.

VI. The Loan Agreement is being executed and delivered pursuant to the authority contained in an order of the Florida Public Service Commission, which authority is adequate to permit such action. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body (other than in connection or in compliance with the provisions of the blue sky laws of any jurisdiction as to which we express no opinion) is legally required for the performance of the Company's obligations under the Loan Agreement; provided that the issuance of First Mortgage Bonds (as defined in the Loan Agreement) shall, at the time of issuance thereof, be subject to proper authority having been granted by the Florida Public Service Commission.

VII. The statements made in the Official Statement under the captions "The Series 2003 Bonds", "The Agreement", and "The Indenture", insofar as they purport to constitute summaries

of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

VIII. At the time they were filed with the Securities and Exchange Commission, the documents incorporated by reference in Appendix A to the Official Statement, as amended or supplemented (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended, and the applicable instructions, rules and regulations of the Securities and Exchange Commission thereunder.

IX. The offer and sale of the Bonds do not require registration of the Bonds under the Securities Act of 1933, as amended, and, in connection therewith, the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended; provided that, in giving this opinion, we have, with your consent, relied on the opinion of even date herewith rendered to you by Squire, Sanders & Dempsey L.L.P. as Bond Counsel, that the interest on the Bonds is excluded from gross income for federal income tax purposes and we have made no independent investigation with respect to such exclusion.

X. The Letter of Representation has been duly and validly authorized, executed and delivered by the Company.

Other than with respect to the opinions expressed regarding the Official Statement in Paragraphs VII and VIII, we have not ourselves checked the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Official Statement. We have generally reviewed and discussed such information with certain officers and employees of the Company, certain of its other legal counsel, its independent public accountants, Bond Counsel, and your representatives. Additionally, as counsel to the Company, we have responsibility for certain of its legal matters. On the basis of such consideration, review and discussion, but without independent check or verification except as stated, nothing has come to our attention that would lead us to believe that the Official Statement, as amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated therein by reference) (except as to the information regarding the exclusion from gross income for federal income tax purposes of interest on the Bonds and the financial statements and other financial or statistical data included or incorporated by reference therein and the information regarding the Issuer, as to which we express no belief), at the date of the Official Statement (as set forth on the cover page thereof) contained or at the date hereof contains, any untrue statement of a material fact or at the date of the Official Statement (as set forth on the cover page thereof) omitted, or, at the date hereof omits, to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We are members of the Florida Bar and do not hold ourselves out as experts on the laws of New York and accordingly, this opinion is limited to the laws of Florida (other than the blue sky laws thereof) and the federal laws of the United States insofar as they bear on matters covered hereby. As to all matters of New York law, we have relied, with your consent,

upon the opinion of even date herewith rendered to you by Thelen Reid & Priest LLP, New York, New York. As to all matters of Florida law, Thelen Reid & Priest LLP and Hunton & Williams LLP are hereby authorized to rely upon this opinion as though it were rendered to each of them.

This opinion is rendered to you in connection with the above-described transaction. This opinion may not be relied upon by you for any other purpose, or relied upon or furnished to any other person, firm or corporation without our prior written permission. This opinion is expressed as of the date hereof, and we do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to our attention, or any change in law that hereafter occurs.

Very truly yours,

May 1, 2003

To: Squire, Sanders & Dempsey L.L.P.
Tampa, Florida

Ladies and Gentlemen:

Attached hereto is an executed copy of our opinion of even date herewith, to the issuer and the underwriter of $78,785,000 aggregate principal amount of St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003. You are hereby authorized to rely upon such opinion as though it were addressed to you.

Very truly yours,

EXHIBIT D

May 1, 2003

To: St. Lucie County, Florida
Fort Pierce, Florida

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600
(the "Underwriter" named in the Underwriting Agreement dated April 30, 2003 (the "Underwriting Agreement") relating to the Bonds referred to below)

Ladies and Gentlemen:

With reference to the issuance by St. Lucie County, Florida (the "Issuer"), and sale to the Underwriter named in the Underwriting Agreement of $78,785,000 aggregate principal amount of the Issuer's Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds"), issued under the Trust Indenture, dated as of May 1, 2003 (the "Indenture"), by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee, we advise you that, as special counsel for Florida Power & Light Company (the "Company"), we have reviewed (a) the Indenture and the Loan Agreement, dated as of May 1, 2003 (the "Loan Agreement"), by and between the Company and the Issuer; (b) the Letter of Representation, dated April 30, 2003 (the "Letter of Representation"), from the Company to the Issuer and the Underwriter; (c) the Official Statement, dated April 30, 2003, relating to the Bonds, including Appendix A and all documents incorporated by reference therein (the "Official Statement"); (d) the Company's Restated Articles of Incorporation and by-laws, each as amended to the date hereof (respectively, the "Charter" and "By-laws"); (e) the application by the Company to the Florida Public Service Commission (the "FPSC") for authorization of, among other things, the issuance and sale of debt securities during 2003; and (f) the final order of the FPSC, dated December 6, 2002, authorizing the Company to issue and sell securities during 2003. We are delivering this opinion at the request of the Company.

On the basis of the foregoing and at the request of the Company, we advise you as follows:

I. The Loan Agreement has been duly authorized, executed and delivered by the Company, and is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium and other laws affecting the rights and remedies of creditors generally and general principles of equity and the effect of

applicable public policy on the enforceability of provisions relating to indemnification contained in Section 7.3 therein.

II. The statements made in the Official Statement under the captions "The Series 2003 Bonds," "The Agreement," and "The Indenture," insofar as they purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

III. At the time they were filed with the Securities and Exchange Commission, the documents incorporated by reference in Appendix A to the Official Statement, as amended or supplemented (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended, and the applicable instructions, rules and regulations of the Securities and Exchange Commission thereunder.

IV. Registration of the offer and sale of the Bonds under the Securities Act of 1933, as amended, is not required and, in connection therewith, the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended.

V. The Letter of Representation has been duly and validly authorized, executed and delivered by the Company.

VI. The consummation by the Company of the transactions contemplated in the Letter of Representation, and the fulfillment by the Company of the terms of the Loan Agreement and the Letter of Representation, will not result in a breach of any of the terms or provisions of, or constitute a default under the Charter or By-laws of the Company or any indenture, mortgage, deed of trust or other agreement or instrument, of which we are aware, to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of the Company.

Other than with respect to the opinion expressed regarding the Official Statement under paragraph II, we have not ourselves confirmed the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Official Statement. We have generally reviewed and discussed with certain officers and employees of the Company, certain of its other legal counsel, its independent public accountants, Bond Counsel, and your representatives and legal counsel the information furnished, whether or not subject to our confirmation and verification. On the basis of such consideration, review and discussion, but without independent confirmation or verification except as stated, nothing has come to our attention that would lead us to believe that the Official Statement, as amended or supplemented (except as to the information regarding the exclusion from gross income for federal income tax purposes of interest on the Bonds and the financial statements and other financial or statistical data included or incorporated by reference therein and the information regarding the Issuer, as to which we express no opinion), at the date of the Official Statement or at the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances

under which they were made, not misleading.

We are members of the New York Bar and do not hold ourselves out as experts on the laws of Florida. We do not pass upon matters relating to the incorporation of the Company. We have relied, with your consent, upon an opinion of even date herewith addressed to you by Steel Hector & Davis LLP, West Palm Beach, Florida, counsel for the Company, as to all matters of Florida law addressed in such opinion. As to all matters of New York law, Steel Hector & Davis LLP is hereby authorized to rely upon this opinion as though it were rendered to Steel Hector & Davis LLP. With respect to the opinion expressed in paragraph IV above, we have relied, with your consent, upon the opinions of even date herewith rendered to you by Squire, Sanders & Dempsey L.L.P., as Bond Counsel, that the interest on the Bonds is excluded from gross income for federal income tax purposes and we have made no independent factual investigation with respect to such exclusion.

Very truly yours,

May 1, 2003

To: Squire, Sanders & Dempsey L.L.P.
Tampa, Florida

Ladies and Gentlemen:

Referring to the sale by St. Lucie County, Florida today of $78,785,000 aggregate principal amount of its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003, we hand you herewith signed copies of our opinion of even date herewith to St. Lucie County, Florida (the "Issuer") and Wachovia Bank, National Association (the "Underwriter") and authorize you to treat said opinion as having been rendered to you as well as to the Issuer and the Underwriter.

Very truly yours,

EXHIBIT E

May 1, 2003

To: Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600
(the "Underwriter" named in the Underwriting Agreement dated April 30, 2003 (the "Underwriting Agreement") relating to the Bonds referred to below)

Ladies and Gentlemen:

We have acted as counsel for the Underwriter in connection with your purchase from St. Lucie County, Florida (the "Issuer") of $78,785,000 aggregate principal amount of the Issuer's Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds"), issued under a Trust Indenture, dated as of May 1, 2003 (the "Indenture"), by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee (the "Trustee"), pursuant to the Underwriting Agreement, and in connection with the related (1) Loan Agreement, dated as of May 1, 2003 (the "Loan Agreement"), by and between Florida Power & Light Company (the "Company") and the Issuer; (2) Letter of Representation, dated April 30, 2003 (the "Letter of Representation"), from the Company to the Issuer and the Underwriter; and (3) Official Statement, dated April 30, 2003, including Appendix A and all documents incorporated by reference therein (the "Official Statement").

We have, with your consent, relied upon the opinion of even date herewith addressed to you by Steel Hector & Davis LLP, counsel for the Company, as to matters covered in such opinion relating to the laws of the State of Florida. With respect to the opinion expressed in paragraph (3) below, we have, with your consent, relied on the opinion of even date herewith of Squire, Sanders & Dempsey L.L.P., as Bond Counsel, that interest on the Bonds is excluded from gross income for federal income tax purposes and have made no independent factual investigation with respect to such exclusion. We have also examined such documents and satisfied ourselves as to such other matters as we have deemed necessary in order to enable us to express the opinion set forth below.

In such examination, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals of such latter documents.

We are of the opinion that:

(1) The Loan Agreement has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered and is a valid and binding agreement of

the Company enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium and other laws affecting the rights and remedies of creditors generally and of general principles of equity and the effect of applicable public policy on the enforceability of provisions relating to indemnification provision contained in Section 7.3 therein.

(2) The statements made in the Official Statement under the captions "The Series 2003 Bonds," "The Agreement," and "The Indenture," insofar as they purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

(3) The offer and sale of the Bonds do not require registration of the Bonds under the Securities Act of 1933, as amended, and, in connection therewith, the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended.

(4) The Letter of Representation has been duly and validly authorized, executed and delivered by the Company.

While we have examined the Official Statement, we have necessarily assumed the correctness and completeness of the statements made or included therein, or constituting a part thereof, and take no responsibility therefor, except insofar as such statements relate to us and as set forth in paragraph (2) above. In the course of the preparation of the Official Statement, we had conferences with certain of the Company's officers and representatives, with counsel for the Company, with Deloitte & Touche LLP, the independent public accountants who audited certain of the financial statements included in the Official Statement, with Bond Counsel and with your representative. Our examination of the Official Statement, and our discussions in the above-mentioned conferences, did not disclose to us any information which gives us reason to believe that the Official Statement, as amended or supplemented (except the information regarding the exclusion from gross income for federal income tax purposes of interest on the Bonds or the financial statements and other financial or statistical data included or incorporated by reference therein and the information regarding the Issuer, as to which we express no opinion) at its issue date or at the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading..

This opinion is rendered to you in connection with the above-described transaction. This opinion may not be relied upon by you for any other purpose, or relied upon or furnished to any other person, firm or corporation without our prior written permission. This opinion is expressed as of the date hereof, and we do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to our attention, or any change in law that hereafter occurs.

Very truly yours,

EXHIBIT F

FLORIDA POWER & LIGHT COMPANY

LETTER OF REPRESENTATION

April 30, 2003

To: St. Lucie County, Florida
Fort Pierce, Florida
Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600
(the "Underwriter" named in the Underwriting Agreement dated the date hereof (the "Underwriting Agreement") relating to the Bonds referred to below)

Ladies and Gentlemen:

In consideration of the issuance and sale by St. Lucie County, Florida (the "Issuer") of $78,785,000 aggregate principal amount of its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds") and the purchase of the Bonds by the Underwriter pursuant to the Underwriting Agreement, Florida Power & Light Company (the "Company") represents, warrants and covenants to and agrees with the Issuer and the Underwriter, and the Issuer and the Underwriter by their acceptance hereof agree with the Company as follows (all terms not specifically defined in this Letter of Representation shall have the same meanings herein as in the Underwriting Agreement):

1. Representations and Warranties of the Company. The Company represents and warrants that:

(a) The Official Statement, at the date it was issued and at the Closing Date, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference), did not and will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the foregoing representations and warranties in this subsection (a) shall not apply to statements in or omissions from the Official Statement under the captions "Tax Matters", "Underwriting" (second paragraph only) and "Disclosure Required By Florida Blue Sky Regulations" or in Appendices B, C and D or in the statements on the cover page with respect to the initial public offering price, tax matters

or terms of offering or in the statement on the second page with respect to stabilization of the market price of the Bonds by the Underwriter.

(b) The documents incorporated by reference in Appendix A to the Official Statement, as amended or supplemented, fully complied, at the time they were filed with the Securities and Exchange Commission (the "Commission"), in all material respects with the applicable provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder.

(c) The financial statements contained or incorporated by reference in Appendix A to the Official Statement present fairly the financial condition and operations of the Company at the respective dates or for the respective periods to which they apply; and such financial statements have been prepared in each case in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as otherwise indicated in the Official Statement.

(d) Since the respective most recent dates as of which information is given in the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference), there has not been any material adverse change in the business, properties or financial condition of the Company nor has any material transaction been entered into by the Company, other than changes and transactions reflected in or contemplated by the Official Statement, as it may be amended or supplemented, and transactions in the ordinary course of business. The Company does not have any material contingent obligation, which is not reflected in or contemplated by the Official Statement, as it may be amended or supplemented.

(e) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms of the Loan Agreement and this Letter of Representation, on the part of the Company to be fulfilled, have been duly authorized by all necessary corporate action of the Company in accordance with the provisions of its Restated Articles of Incorporation, as amended (the "Charter"), by-laws, as amended, (the "By-laws") and applicable law, and this Letter of Representation constitutes, and the Loan Agreement when executed and delivered by the Company will constitute, legal, valid and binding obligations of the Company in accordance with their terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium and other laws affecting rights and remedies of creditors generally and of general equity principles, and subject to any principles of public policy limiting the right to enforce the indemnification provisions contained in Section 6 herein and Section 7.3 of the Loan Agreement.

(f) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms of the Loan Agreement and this Letter of Representation will not result in a breach of any of the terms or provisions of, or constitute a default under the Charter or By-laws of the Company or any indenture, mortgage, deed of trust or other agreement or instrument to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties, or financial condition of the Company.

(g) The terms and conditions of the Underwriting Agreement as they relate to the Company and the Company's participation in the transactions contemplated thereby are satisfactory to it.

2. Covenants of the Company. The Company agrees that:

(a) At its expense, it will cause to be prepared and, upon the approval of and authorization by the Issuer, furnished to the Underwriter as many copies of the Official Statement (as amended or supplemented from time to time, but excluding any documents incorporated by reference therein) as the Underwriter may reasonably request for the public offering of the Bonds. At its expense, it will cause to be prepared and furnished to the Underwriter one copy of each of the documents incorporated by reference in the Official Statement, as it may be amended or supplemented, and as many additional copies of such documents incorporated by reference as shall be requested of the Underwriter by prospective purchasers of the Bonds.

(b) During the period ending 25 days after the end of the underwriting period as defined in Rule 15c2-12 of the Exchange Act, if any event relating to or affecting the Company or of which the Company shall be advised in writing by the Underwriter shall occur which, in the Company's opinion, should be set forth in a supplement to or in an amendment of the Official Statement in order to make the Official Statement not misleading in the light of the circumstances when it is delivered to a purchaser, the Company will either (i) prepare and furnish to the Underwriter at the Company's expense a reasonable number of copies of a supplement or supplements or an amendment or amendments to the Official Statement or (ii) make an appropriate filing pursuant to Section 13 or 14 of the Exchange Act, which will, in either case, supplement or amend the Official Statement so that as supplemented or amended it will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances when the Official Statement is delivered to a purchaser, not misleading; provided, that should such event relate solely to activities of the Underwriter, then the Underwriter shall assume the expense of preparing and furnishing any such amendment or supplement.

(c) It will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Underwriter may designate, provided that the Company shall not be required to qualify as a foreign corporation or dealer in securities, or to file any consents to service of process, under the laws of any jurisdiction, or to meet other requirements deemed by the Company to be unduly burdensome.

(d) It will not take or omit to take any action the taking or omission of which would cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Indenture and the Loan Agreement as they are amended from time to time.

3. Expenses.

(a) Upon the issuance and delivery of the Bonds by the Issuer to the Underwriter, the Company will pay, or cause to be paid, all expenses (including reasonable out-of-pocket expenses of the Underwriter) and costs incident to the authorization, issuance, printing, sale and delivery, as the case may be, of the underwriting papers, the Bonds, the Official Statement, this

Letter of Representation and the blue sky survey, including without limitation (A) any taxes, other than transfer taxes, in connection with the issuance of the Bonds hereunder; (B) any rating agency fees; (C) fees and expenses, including reasonable counsel fees, of the Trustee; (D) the fees and disbursements of Bond Counsel and counsel to the Issuer and the Company; (E) the fees to the Issuer; (F) the fees and disbursements of Hunton & Williams, counsel for the Underwriter and (G) the fees and disbursements (including filing fees) of Hunton & Williams, counsel for the Underwriter, in connection with the qualification of the Bonds for sale under the securities or blue sky laws of various jurisdictions, not in excess, however, of an aggregate of $5,000.

(b) If the Underwriting Agreement is terminated in accordance with the provisions of Section 6 or 7(b) thereof, the Company will pay all the expenses referred to in subsection (a) of this Section 3, and the reasonable out-of-pocket expenses of the Underwriter, not in excess, however, of an aggregate of $5,000, the Underwriter to pay the remainder of their expenses.

(c) If the Underwriting Agreement is terminated in accordance with the provisions of Section 7(a) thereof, the Company will pay all the expenses referred to in subsection (a) of this Section 3, the Underwriter to pay the remainder of their expenses.

(d) If the Underwriter shall fail or refuse, otherwise than for some reason sufficient to justify, in accordance with the terms of the Underwriting Agreement, the cancellation or termination of their obligation thereunder, to purchase and pay for the Bonds as provided in Section 2 thereof, the Underwriter will pay all the expenses referred to in subsection (a) of this Section 3.

(e) The Issuer shall not in any event be liable to the Underwriter for any expenses or costs incident to the issuance and sale of the Bonds nor for damages on account of loss of anticipated profits. The Company shall not in any event be liable to the Underwriter for damages on account of loss of anticipated profits. Nothing herein shall be construed to relieve the Underwriter of its liability for its default under the Underwriting Agreement.

4. Conditions of the Company's Obligation. The obligation of the Company to participate in the transactions contemplated herein and in the Official Statement shall be subject to the condition that, on the Closing Date, there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the participation of the Company in such transactions, and containing no provision unacceptable to the Company by reason of the fact that it is materially adverse to the Company, it being understood that no authorization in effect at the time of execution of this Letter of Representation contains any such unacceptable provision. In case the aforesaid condition shall not have been fulfilled, this Letter of Representation and the Company's obligation to participate in the transactions contemplated herein and in the Official Statement may be terminated by the Company, upon mailing or delivering written notice thereof to the Underwriter.

5. Representation of the Issuer. The acceptance and confirmation of this Letter of Representation by the Issuer shall constitute a representation and warranty by the Issuer to the Company that the representations and warranties contained in Section 3 of the Underwriting Agreement are true as of the date hereof and will be true in all material respects as of the Closing Date.

6. Indemnification.

(a) The Company agrees to indemnify and hold harmless the Issuer and any official or employee thereof, the Underwriter, each officer and director of the Underwriter and each person who controls the Underwriter within the meaning of Section 15 of the Securities Act of 1933, as amended (the "Securities Act") or Section 20 of the Securities Exchange Act of 1934 (the "Exchange Act"), against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or any other statute or common law and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Official Statement, as amended or supplemented (if any amendments or supplements thereto, including documents incorporated by reference), or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that the indemnity agreement contained in this subsection (a) of Section 6 shall not apply to the Underwriter (or any person controlling the Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising out of, or based upon, any such untrue statement or alleged untrue statement, or any such omission or alleged omission, under the captions "Tax Matters" (except to the extent that such statement or omission is based upon an untrue statement of or an omission to state, or an alleged untrue statement of or omission to state, a material fact in the engineering facts and representations and conclusions of the Company concerning the Project (as defined in the Loan Agreement) contained in the closing certificate furnished to Squire, Sanders & Dempsey L.L.P., as Bond Counsel, and except to the extent that such statement or omission is based upon the Company's continuing compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder) and "Underwriting" (second paragraph only) or in the statement on the second page with respect to stabilization of the market price of the Bonds by the Underwriter or in the statements on the cover page with respect to the initial public offering price, terms of offering or tax matters (except to the extent that such statement or omission is based upon an untrue statement of or an omission to state, or an alleged untrue statement of or omission to state, a material fact in the engineering facts and representations and conclusions of the Company concerning the Project contained in the closing certificate furnished to Squire, Sanders & Dempsey L.L.P., as Bond Counsel, and except to the extent that such statement or omission is based upon the Company's continuing compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder); and provided, further, that the indemnity agreement contained in this subsection (a) of Section 6 shall not inure to the benefit of the Underwriter (or of any person controlling such Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising from the sale of Bonds to any person if such Underwriter shall have failed to send or give to such person (i) with or prior to the written confirmation of such sale, a copy of the Official Statement or the Official Statement as amended or supplemented, if any amendments or supplements thereto shall have been timely furnished at or prior to the time of written confirmation of the sale involved, but exclusive of any documents incorporated by reference therein unless, with respect to the delivery of any amendment or supplement, the alleged omission or alleged untrue statement is not corrected in

such amendment or supplement at the time of confirmation, or (ii) with or prior to the delivery of such Bonds to such person, a copy of any amendment or supplement to the Official Statement which shall have been furnished subsequent to such written confirmation and prior to the delivery of such Bonds to such person, but exclusive of any documents incorporated by reference therein unless, with respect to the delivery of any amendment or supplement, the alleged omission or alleged untrue statement was not corrected in such amendment or supplement at the time of such delivery. The indemnity agreement of the Company contained in this subsection (a) of Section 6 and the representations and warranties of the Company in Section 3 hereof shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Underwriter, officer, director or any such controlling person, and shall survive the delivery of the Bonds. The Issuer agrees to notify promptly the Company, and the Underwriter agrees to notify promptly the Company and the Issuer, of the commencement of any litigation or proceedings against it, any of its aforesaid officials or employees or any person controlling it as aforesaid, in connection with the issuance and sale of the Bonds.

(b) The Underwriter agrees to indemnify and hold harmless the Issuer and any official or employee thereof, and the Company, its officers and directors, and each person who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or any other statute or common law and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities, or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Official Statement, as amended or supplemented (if any amendments or supplements thereto shall have been furnished), or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, but only with respect to information contained under the caption "Underwriting" (second paragraph only) or in the statements on the cover page with respect to the initial public offering price and terms of offering or in the statement on the second page with respect to stabilization of the market price of the Bonds by the Underwriter. The indemnity agreement of the Underwriter contained in this subsection (b) of Section 6 shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Company or any of its officers or directors or any such controlling person, and shall survive the delivery of the Bonds. The Issuer and the Company agree promptly to notify the Underwriter, the Issuer and the Company, as the case may be, of the commencement of any litigation or proceedings against it, any of its aforesaid officials or employees, or any of its aforesaid officers and directors or any person controlling it as aforesaid, in connection with the issuance and sale of the Bonds.

(c) The Company, the Underwriter and the Issuer each agree that, upon the receipt of notice of the commencement of any action against it, any of its aforesaid officers and directors, any of its aforesaid officials or employees or any person controlling it as aforesaid, as the case may be, in respect of which indemnity may be sought under the provisions of this Section 6, it will promptly give written notice of the commencement thereof to the party or parties against whom indemnity shall be sought hereunder, but the omission so to notify such indemnifying party or

parties of any such action shall not relieve such indemnifying party or parties from any liability which it or they may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, such indemnifying party shall be entitled to participate at its own expense in the defense or, if it so elects, to assume (in conjunction with any other indemnifying parties) the defense of such action, in which event such defense shall be conducted by counsel chosen by such indemnifying party or parties reasonably satisfactory to the indemnified party or parties and who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the indemnifying party shall elect not to assume the defense of such action, such indemnifying party will reimburse such indemnified party or parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and counsel for the indemnifying party shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both the indemnifying party and the indemnified party, the indemnified party or parties shall have the right to select separate counsel, reasonably satisfactory to the indemnifying party or parties, to participate in the defense of such action on behalf of such indemnified party or parties at the expense of the indemnifying party or parties (it being understood, however, that the indemnifying party or parties shall not be liable for the expenses of more than one separate counsel representing the indemnified parties who are parties to such action). The Company, the Underwriter and the Issuer each agree that without the prior written consent of the other parties to such action who are parties to this agreement, which consent shall not be unreasonably withheld, it will not settle, compromise or consent to the entry of any judgment in any claim or proceeding in respect of which such party intends to seek indemnity or contribution under the provisions of this Section 6, unless such settlement, compromise or consent (i) includes an unconditional release of such other parties from all liability arising out of such claim or proceeding and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of such other parties.

(d) If, or to the extent, the indemnification provided for in subsections (a) or (b) above shall be unenforceable under applicable law by an indemnified party, each indemnifying party agrees to contribute to such indemnified party with respect to any and all losses, claims, damages, liabilities and expenses for which each such indemnification provided for in subsections (a) or (b) above shall be unenforceable, in such proportion as shall be appropriate to reflect (i) the relative fault of the Company on the one hand and the Underwriter on the other in connection with the statements or omissions which have resulted in such losses, claims, damages, liabilities and expenses, (ii) the relative benefits received by the Company on the one hand and the Underwriter on the other hand from the offering of the Bonds pursuant to this agreement, and (iii) any other relevant equitable considerations; provided, however, that no indemnified party guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution with respect thereto from any indemnifying party not guilty of such fraudulent misrepresentation. Relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Underwriter and each such party's relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Company and the Underwriter agree that it would not be just and equitable if contribution pursuant to this

subsection (d) were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this subsection (d), the Underwriter shall not be required to contribute in excess of the amount equal to the excess of (i) the total price at which the Bonds underwritten by it were offered to the public, over (ii) the amount of any damages which the Underwriter has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission.

7. Miscellaneous. The validity and interpretation of this Letter of Representation shall be governed by the law of the State of New York. This Letter of Representation shall inure to the benefit of the Company, the Issuer, the Underwriter and, with respect to the provisions of Section 6 hereof, each official, employee, officer, director and controlling person referred to in said Section 6, and their respective successors. Nothing in this Letter of Representation is intended or shall be construed to give any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Letter of Representation or any provision herein contained. The term "successors" as used herein shall not include any purchaser, as such purchaser, of any Bonds from or through the Underwriter.

The indemnity agreements of the Company and the Underwriter contained in Section 6 hereof and the representations and warranties of the Company and the Issuer contained herein shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Issuer or any official or employee thereof, the Underwriter or any controlling person thereof, or the Company or any director, officer or controlling person thereof, and shall survive the delivery of the Bonds. The agreements contained in Section 3 hereof to pay expenses shall survive the termination of the Underwriting Agreement and this Letter of Representation.

This Letter of Representation may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same agreement. This Letter of Representation shall become effective upon the execution and acceptance thereof and the effectiveness of the Underwriting Agreement, and it shall terminate as provided in Section 4 hereof or upon the termination of the Underwriting Agreement.

8. Notices. All communications hereunder shall be in writing or by telegram and, if to the Underwriter, shall be mailed or delivered to them or, if to the Issuer, shall be mailed or delivered to it at St. Lucie County, Florida, 2300 Virginia Avenue, Fort Pierce, Florida 34982, Attention: Chairman of the Board of County Commissioners with a copy to the County Attorney or, if to the Company, shall be mailed or delivered to Florida Power & Light Company, 700 Universe Boulevard, Juno Beach, Florida 33408-8801, Attention: Treasurer.

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter agreement and your acceptance shall constitute a binding agreement between us.

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____

Paul I. Cutler
Treasurer

Accepted and confirmed as of the date first above written:

ST. LUCIE COUNTY, FLORIDA

By: _____
Chairman of the Board of County
Commissioners of St. Lucie County, Florida

Approved by the County Attorney as to Form:

By: _____
County Attorney for
St. Lucie County, Florida

Attest:

_____
Deputy Clerk

WACHOVIA BANK, NATIONAL ASSOCIATION

_____
(Wachovia Bank, National Association)

Exhibit (d)-1A

$15,000,000
MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

UNDERWRITING AGREEMENT

UNDERWRITING AGREEMENT, dated June 24, 2003, between Miami-Dade County Industrial Development Authority (the "Issuer"), and Wachovia Bank, National Association (the "Underwriter").

1. Description of Bonds. The Issuer proposes to issue and sell $15,000,000 aggregate principal amount of its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003, with the terms specified in Schedule I hereto (the "Bonds"), pursuant to a Trust Indenture, to be dated as of June 1, 2003 (the "Indenture"), by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee (the "Trustee"), and pursuant to a resolution adopted by the Issuer on March 25, 2003 (the "Resolution"). The Bonds will be payable, except to the extent payable from bond proceeds and other moneys pledged therefor, solely from, and secured by a pledge of, the revenues to be derived by the Issuer under a Loan Agreement, to be dated as of June 1, 2003 (the "Loan Agreement"), by and between the Issuer and Florida Power & Light Company (the "Company").

2. Purchase, Sale and Closing. On the basis of the representations and warranties contained herein and in the Letter of Representation, hereinafter defined, and subject to the terms and conditions set forth herein and in the Official Statement, hereinafter defined, the Underwriter will purchase from the Issuer, and the Issuer will sell to such Underwriter, the Bonds. The price for the Bonds will be 100% of the principal amount thereof and shall be payable in immediately available funds. The closing will be held at the office of Steel Hector & Davis LLP, 1900 Phillips Point West, 777 South Flagler Drive, West Palm Beach, Florida 33401, at 9:00 A.M. Eastern time on June 25, 2003, or such other date, time or place as may be agreed upon by the parties hereto. The hour and date of such closing are herein called the "Closing Date". The Bonds will be delivered in New York, New York in registered form in the name of a nominee of The Depository Trust Company, and will be made available to the Underwriter for inspection and packaging upon delivery at The Depository Trust Company, New York, New York, or at such other place as may be agreed upon by the Issuer, the Company and the Underwriter. As compensation for the services of the Underwriter as contemplated herein, the Company agrees to pay the Underwriter (a) a fee in the amount of $30,000 and (b) such expenses as are specified in the Letter of Representation (as defined below).

3. Representations of the Issuer. The Issuer represents and warrants to the Underwriter that:

(a) The Issuer has approved the delivery of an Official Statement, dated June 24, 2003, for use in connection with the sale and distribution of the Bonds. Appendix A to such Official Statement describes certain matters relating to the Company and is sometimes herein separately referred to as "Appendix A." Such Official Statement, as amended and supplemented, including Appendix A and all documents incorporated by reference therein, Appendix B, Appendix C and Appendix D is herein referred to as the "Official Statement," and all references herein to matters described, contained or set forth in the Official Statement shall, unless specifically stated otherwise, include Appendix A and all documents incorporated by reference therein, Appendix B, Appendix C and Appendix D. For the purposes of this Agreement, all documents filed by the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") after the date of the Official Statement and incorporated by reference in the Official Statement shall be deemed to be a supplement to the Official Statement. The information with respect to the Issuer contained in the Official Statement under the heading "Disclosure Required by Florida Blue Sky Regulations" does not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Issuer assumes no responsibilities for the accuracy, sufficiency or fairness of any statements in the Official Statement or any supplements thereto other than statements and information therein relating to the Issuer under the captions "Introductory Statement" and "Disclosure Required by Florida Blue Sky Regulations".

(b) The Issuer will not at any time authorize an amendment or supplement (including an amendment or supplement resulting from the filing of a document incorporated by reference) to the Official Statement without prior notice to the Company, the Underwriter, and Hunton & Williams LLP ("Hunton & Williams"), counsel for Underwriter, or any such amendment or supplement to which the Company or the Underwriter shall reasonably object in writing, or which shall be unsatisfactory to Hunton & Williams. At the date hereof, the information with respect to the Issuer in the Official Statement is true and correct.

(c) The Issuer is a public body corporate and politic and a public instrumentality created and validly existing under the Constitution and laws of the State of Florida with full legal right, power and authority under the laws of the State of Florida, including particularly Part II of Chapter 159, Florida Statutes, as amended, to consummate the transactions involving the Issuer contemplated herein and in the Official Statement and to fulfill the terms hereof on the part of the Issuer to be fulfilled.

(d) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms hereof on the part of the Issuer to be fulfilled have been duly authorized by all necessary action of the Issuer in accordance with the laws of the State of Florida.

(e) The execution and delivery by the Issuer of the Loan Agreement and the Indenture, the pledge and assignment by the Issuer to the Trustee of certain of its rights under the Loan Agreement, the consummation by the Issuer on its part of the transactions contemplated herein

and in the Official Statement and the fulfillment of the terms hereof by the Issuer and the compliance by the Issuer with all the terms and provisions of the Indenture and the Loan Agreement will not conflict with, or constitute a breach of or default under, any constitutional provision, statute or ordinance, any indenture, mortgage, deed of trust, resolution or other agreement or instrument to which the Issuer is now a party or by which it is now bound, or, to the knowledge of the Issuer, any order, rule or regulation applicable to the Issuer of any court or governmental agency or body having jurisdiction over the Issuer or any of its activities or properties.

(f) Except as disclosed in or contemplated by the Official Statement, as it may be amended or supplemented, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board or body to which the Issuer is a party, pending or, to the knowledge of the Issuer, threatened against the Issuer, (i) to restrain or enjoin the issuance or sale of the Bonds or the performance by the Issuer of the Loan Agreement or the Indenture including without limitation assignment to the Trustee of the Issuer's right to receive Loan Repayments and certain other rights under the Loan Agreement as security for the Bonds, or (ii) wherein an unfavorable decision, ruling or finding would (A) have a material adverse effect on the transactions contemplated herein or in the Official Statement or (B) adversely affect or put in question the validity or enforceability of the Bonds, the Indenture, the Loan Agreement, this Agreement, the Letter of Representation, dated the date hereof, in the form attached hereto as Exhibit F (the "Letter of Representation") from the Company to the Issuer and the Underwriter or any other agreement, instrument or document to which the Issuer is a party or by which it is bound relating to the consummation of the transactions contemplated herein or in the Official Statement.

4. Underwriter's Representation. The Underwriter intends to make a public offering of the Bonds for sale upon the terms and conditions set forth in the Official Statement.

5. Covenants of the Issuer. The Issuer agrees that:

(a) It has delivered herewith or will cause to be delivered to the Underwriter as soon as practicable, a copy of the Official Statement and will deliver or cause to be delivered to the Underwriter promptly, which in no event will be later than seven business days after the date hereof, as many copies of the Official Statement as the Underwriter may reasonably request. Upon the issuance thereof, the Issuer will deliver to the Underwriter copies of all amendments and supplements to the Official Statement (other than documents incorporated by reference therein).

(b) It will cooperate with the Company and the Underwriter in connection with the preparation of the Official Statement and any amendment or supplement thereto which the Company may be required to furnish the Underwriter pursuant to the Letter of Representation.

(c) It will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Underwriter may designate, provided that the Issuer shall not be required to qualify as a

dealer in securities, or to file any consents to service of process, under the laws of any jurisdiction, or to meet other requirements deemed by the Issuer to be unduly burdensome.

(d) It will not take or omit to take any action the taking or omission of which would cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Indenture and the Loan Agreement, as each may be amended from time to time.

(e) At the request of the Underwriter or the Company, it will take such action as is necessary and within its power and at the sole expense of the Company to assure or maintain the status of the interest on the Bonds as excluded from gross income for purposes of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations thereunder.

The foregoing covenants are conditioned upon the Company's compliance with Section 2 of the Letter of Representation.

6. Conditions of Underwriter's Obligation. The obligation of the Underwriter to purchase and pay for the Bonds shall be subject to the accuracy of, and compliance with, the representations and warranties of the Issuer and the Company contained herein and in the Letter of Representation, respectively, to the performance by the Issuer and the Company of their obligations to be performed hereunder and under the Letter of Representation, respectively, at and prior to the Closing Date and to the following conditions:

(a) At the Closing Date, the Indenture, the Loan Agreement, the Letter of Representation and the Continuing Disclosure Agreement to be dated as of June 25, 2003, between the Company and the Trustee (the "Continuing Disclosure Agreement"), shall be in full force and effect, and if executed subsequent to the execution hereof and prior to the Closing Date, shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; provided, however, that the acceptance of delivery of the Bonds by the Underwriter on the Closing Date shall be deemed to constitute such approval; and the Underwriter shall have received an executed counterpart or certified copy of the Indenture, the Loan Agreement, the Letter of Representation and the Continuing Disclosure Agreement.

(b) At the Closing Date, the Bonds shall have been duly authorized, executed and authenticated in accordance with the provisions of the Indenture.

(c) At the Closing Date, no order, decree or injunction of any court of competent jurisdiction shall have been issued, or proceedings therefor shall have been commenced, nor shall any order, ruling, regulation or official statement by any governmental official, body or board, have been issued, nor shall any legislation have been enacted, with the purpose or effect of prohibiting or limiting the issuance, offering or sale of the Bonds as contemplated herein or in the Official Statement or the performance of the Indenture or the Loan Agreement, in accordance with their respective terms.

(d) At the Closing Date, there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the participation of the Company in the transactions contemplated herein and in the Official Statement, and containing no provision unacceptable to

the Underwriter by reason of the fact that it is materially adverse to the Company, it being understood that no authorization in effect at the time of the execution hereof by the Underwriter contains any such unacceptable provision.

(e) At the Closing Date, the Underwriter shall have received opinions, dated the Closing Date, of the County Attorney for Miami-Dade County, Florida, Adorno & Yoss, P.A. and Clyne & Self, P.A., as Co-Bond Counsel, Steel Hector & Davis LLP and Thelen Reid & Priest LLP, counsel to the Company, and Hunton & Williams, as counsel for the Underwriter, substantially in the forms thereof attached hereto as Exhibits A, B-1, B-2, C, D, and E, respectively, but with such changes as the Underwriter shall approve.

(f) At the Closing Date, the Underwriter shall have received from Deloitte & Touche LLP, to the extent permitted by Statement of Auditing Standards No. 72, a letter to the effect that (i) they are independent public accountants with respect to the Company within the meaning of Rule 101 of the American Institute of Certified Public Accountants' *Code of Professional Conduct* and its interpretations and rulings; (ii) they have read the unaudited condensed consolidated financial statements of the Company incorporated by reference in Appendix A to the Official Statement, the latest available interim unaudited consolidated financial statements of the Company since the close of the Company's most recent audited fiscal year, if different from any unaudited condensed consolidated financial statements of the Company incorporated by reference in Appendix A to the Official Statement, and the minutes and consents of the Board of Directors, the Finance Committee of the Board of Directors, the Stock Issuance Committee of the Board of Directors, and Shareholder of the Company since the end of the most recent audited fiscal year, and have made inquiries of officials of the Company who have responsibility for financial and accounting matters (it being understood that the foregoing procedures do not constitute an audit made in accordance with generally accepted auditing standards and they would not necessarily reveal matters of significance with respect to the comments made in such letter, and accordingly that Deloitte & Touche LLP make no representation as to the sufficiency of such procedures for the Underwriter's purposes), and such officials of the Company have stated that (a) at the date of the latest available interim balance sheet read by them, if different from the consolidated balance sheet incorporated by reference in Appendix A to the Official Statement, and at a specified date not more than five days prior to the Closing Date there were no changes in the common stock, additional paid-in capital, preferred stock or long-term debt, including current maturities and excluding amortization of unamortized discount on long term-debt of the Company, or any decrease in its shareholder's equity, in each case as compared with amounts shown in the most recent consolidated balance sheet incorporated by reference in Appendix A to the Official Statement, except in all instances for changes or decreases which Appendix A to the Official Statement, as amended or supplemented, discloses have occurred or may occur, or as occasioned by the declaration, provision for, or payment of dividends, or which are described in such letter or (b) for the period from the date of the most recent consolidated balance sheet incorporated by reference in Appendix A to the Official Statement to the latest available interim balance sheet read by them and for the period from the latest available interim balance sheet read by them to a specified date not more than five days prior to the Closing Date, there were any decreases, as compared with the corresponding period in the preceding year, in total consolidated operating revenues or in net income or net income available to FPL Group, Inc., except in all instances for decreases which Appendix A to the Official Statement, as amended or supplemented, discloses

have occurred or may occur, or which are described in such letter and (iii) they have carried out certain procedures and made certain findings, as specified in such letter, with respect to certain amounts included in Appendix A to the Official Statement and such other items as the Underwriter may reasonably request.

(g) At the Closing Date, the Underwriter shall have received from the Issuer a certificate of its Chairman or Vice Chairman, dated the Closing Date, stating in effect that each of the representations and warranties of the Issuer set forth herein is true, accurate and complete in all material respects at and as of the Closing Date and that each of the obligations of the Issuer hereunder to be performed by it at or prior to the Closing Date has been performed.

(h) At the Closing Date, the Underwriter shall have received a certified copy of the Resolution of the Issuer authorizing the issuance and sale of the Bonds.

(i) Since the date of the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference), and up to the Closing Date, there shall have been no material adverse change in the business, properties or financial condition of the Company, except as disclosed in or contemplated by the Official Statement, as it may be so amended or supplemented, and, since such date and up to the Closing Date, there shall have been no material transaction entered into by the Company other than transactions disclosed in or contemplated by the Official Statement, as it may be so amended or supplemented, and transactions in the ordinary course of business.

(j) At the Closing Date, the Underwriter shall have received from the Company a certificate, dated the Closing Date, signed by the President or any Vice President or the Treasurer or an Assistant Treasurer of the Company to the effect of paragraph (i) above and stating in effect that the representations and warranties of the Company set forth in the Letter of Representation are true, accurate and complete in all material respects at and as of the Closing Date and that each of the obligations of the Company under the Letter of Representation to be performed at or prior to the Closing Date has been performed.

(k) At the Closing Date, the Company shall have delivered to the Underwriter a wire or check payable in immediately available funds in an amount equal to and representing the Underwriter's fee specified in Section 2 hereof.

In case any of the conditions specified above in this Section 6 shall not have been fulfilled, this Agreement may be terminated by the Underwriter upon mailing or delivering written notice thereof to the Issuer and the Company. Any such termination shall be without liability of any party to any other party except as otherwise provided in Section 3 of the Letter of Representation.

7. Termination. (a) This Agreement may be terminated by the Underwriter by delivering written notice thereof to the Issuer and the Company, at or prior to the Closing Date if after the date hereof and at or prior to the Closing Date:

(i) there shall have occurred any general suspension of trading in securities on the New York Stock Exchange, Inc. (the "NYSE") or there shall have been established by the NYSE or by the Securities and Exchange Commission or by any federal or state agency or by the decision of any court any limitation on prices for such trading or any general restrictions on the distribution of securities, or trading in any securities of the Company shall have been suspended or limited by any exchange located in the United States or on the over-the-counter market located in the United States or a general banking moratorium declared by New York or federal authorities;

(ii) there shall have occurred any new material outbreak of hostilities, including, but not limited to, an escalation of hostilities which existed prior to the date of this Agreement, any other national or international calamity or crisis or any material adverse change in financial, political or economic conditions affecting the United States, the effect of which on the financial markets of the United States shall be such as to make it, in the reasonable judgment of the Underwriter, impracticable or inadvisable for the Underwriter to enforce contracts for the sale of the Bonds;

(iii) (A) there shall have been any downgrading or any notice of any intended or potential downgrading in the ratings accorded to the Bonds or any securities of the Company which are of the same class as the Company's obligations with respect to the Loan Agreement or the Bonds by either Moody's Investor Service, Inc. ("Moody's") or Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("S&P"), or (B) either Moody's or S&P shall have publicly announced that either has under surveillance or review, with possible negative implications, its ratings of the Bonds or any securities of the Company which are of the same class as the Company obligations with respect to the Loan Agreement or the Bonds, the effect of any such event specified in (A) or (B) above being such as to make it, in the reasonable judgment of the Underwriter, impracticable or inadvisable to proceed with the offering of the Bonds as contemplated in the Official Statement or for the Underwriter to enforce contracts for the sale of the Bonds;

(iv) legislation shall be enacted by the Congress or adopted by either House thereof or a decision shall be rendered by a federal court, including the Tax Court of the United States, or a ruling, regulation or order by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be issued or proposed with respect to the imposition of federal income taxation upon receipts, revenues or other income of the same kind and character expected to be derived by the Issuer, including, without limitation, Loan Repayments and other amounts under the Loan Agreement, or upon interest received on bonds of the same kind and character as the Bonds, with the result in any such case that in the reasonable judgment of the Underwriter, it is impractical or inadvisable to proceed with the offering of the Bonds as contemplated in the Official Statement or to enforce contracts for the sale of the Bonds; or

(v) the subject matter of any amendment or supplement to the Official Statement prepared and furnished by the Issuer or the Company after the date hereof reflects a material adverse change in the business, properties or financial condition of the Company and its subsidiaries taken as a whole which renders it, in the judgment of the Underwriter, either inadvisable to proceed with the offering or inadvisable to proceed with the delivery of the Bonds to be purchased hereunder.

(b) This Agreement shall terminate upon the termination of the Letter of Representation as provided in Section 4 thereof.

(c) Any termination of this Agreement pursuant to this Section 7 shall be without liability of any party to any other party except as otherwise provided in Section 3 of the Letter of Representation.

8. Truth-In-Bonding Statement. The Issuer is proposing to issue $15,000,000 principal amount of the Bonds for the purpose of retiring an equal aggregate principal amount of bonds previously issued by the Issuer. The Bonds are expected to be repaid over a period of 19⅔ years. The Bonds will initially bear interest at a variable rate. At an assumed interest rate of [ ]%, total interest paid over the life of the debt or obligation will be $[_____].

The source of repayment for this proposal is the payments by the Company under the Loan Agreement. Authorizing this debt or obligation will not affect the amount of Issuer moneys available to finance the other services of the Issuer.

9. Miscellaneous. The validity and interpretation of this Agreement shall be governed by the law of the State of Florida. This Agreement shall inure to the benefit of the Issuer, the Underwriter and the Company, and their respective successors. Nothing in this Agreement is intended or shall be construed to give to any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. The term "successors" as used in this Agreement shall not include any purchaser, as such purchaser, of any Bonds from or through the Underwriter. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

The representations and warranties of the Issuer contained in Section 3 hereof shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, and shall survive the delivery of the Bonds.

10. Notices and other Actions. All notices, demands and formal actions hereunder will be in writing mailed, telegraphed or delivered to:

The Issuer:	Miami-Dade County Industrial Development Authority Brickell Bay View Centre 80 S.W. 8th Street Suite 2801 Miami, Florida 33130 Attention: Executive Director
The Company:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-8801 Attention: Treasurer

The Underwriter:	Wachovia Bank, National Association 301 South College Street, DC-8 Charlotte, North Carolina 28288-0600 Attention: Municipal Trading Desk

IN WITNESS WHEREOF, the parties hereto, in consideration of the mutual covenants set forth herein and intending to be legally bound, have caused this Agreement to be executed and delivered as of the date first written above.

MIAMI-DADE COUNTY
INDUSTRIAL DEVELOPMENT
AUTHORITY

By: _____
Chairman

Attest:

_____
Secretary, Ex Officio

Approved as to Form:

By: _____
Assistant County Attorney

WACHOVIA BANK, NATIONAL ASSOCIATION

By: _____

Approved:

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

IN WITNESS WHEREOF, the parties hereto, in consideration of the mutual covenants set forth herein and intending to be legally bound, have caused this Agreement to be executed and delivered as of the date first written above.

MIAMI-DADE COUNTY
INDUSTRIAL DEVELOPMENT
AUTHORITY

By: _____
Chairman

Attest:

_____
Secretary, Ex Officio

Approved as to Form:

By: _____
Assistant County Attorney

WACHOVIA BANK, NATIONAL ASSOCIATION

By: _____
SVP

Approved:

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

IN WITNESS WHEREOF, the parties hereto, in consideration of the mutual covenants set forth herein and intending to be legally bound, have caused this Agreement to be executed and delivered as of the date first written above.

MIAMI-DADE COUNTY
INDUSTRIAL DEVELOPMENT
AUTHORITY

By: _____
Chairman

Attest:

_____
Secretary, Ex Officio

Approved as to Form:

By: _____
Assistant County Attorney

WACHOVIA BANK, NATIONAL ASSOCIATION

By: _____

Approved:

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

SCHEDULE I

Underwriting Agreement dated	June 24, 2003
Issuer:	Miami-Dade County Industrial Development Authority
Bonds:	
Designation:	Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003.
Principal Amount:	$15,000,000
Date of Maturity:	February 1, 2023
Purchase Price:	100% of the principal amount thereof.
Public Offering Price:	100% of the principal amount thereof.
Redemption Provisions:	The Bonds will be subject to redemption by the Issuer, in whole or in part, at the direction of Florida Power & Light Company, as set forth in the Official Statement.
Underwriter's Fee:	$30,000

EXHIBIT A

June 25, 2003

Dade County Industrial
Development Authority,
Miami, Florida

The Bank of New York Trust Company of
Florida, N.A.,
Jacksonville, Florida

Wachovia Bank, National Association.
Charlotte, North Carolina

Adorno & Yoss, P.A.
Miami, Florida

Florida Power & Light Company
Miami, Florida

Clyne & Self, P.A.
Palm Beach, Florida

Re: $15,000,000 Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project) Series 2003

Ladies and Gentlemen:

The Office of the Miami-Dade County Attorney served as counsel for the Miami-Dade County Industrial Development Authority (the "Authority") in connection with the issuance and sale of the captioned bonds (the "Bonds") by the Authority pursuant to an Underwriting Agreement (the "Underwriting Agreement") between the Authority and Wachovia Bank, National Association (the "Underwriter"). The proceeds of the Bonds are to be used to refund and redeem on June 26, 2003, the Dade County Industrial Development Authority Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project) Series 1991 in the principal amount of $15,000,000 pursuant to the Trust Indenture dated as of June 1, 2003 (the "Trust Indenture"), between the Authority and The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida (the "Trustee").

All capitalized and undefined terms shall have the meanings ascribed to them in the Trust Indenture and the Underwriting Agreement.

In our capacity as Authority's counsel, we have reviewed: (i) the Underwriting Agreement; (ii) the Loan Agreement (the "Loan Agreement") between the Authority and the Florida Power & Light Company (the "Company"); (iii) the Trust Indenture; (iv) the Bonds; (v) the Official Statement dated June 24, 2003; and (vi) all other documents executed by the Authority in connection with the issuance of the Bonds. The documents in (i) through (iii) and (vi) are referred to as the "Authority Documents."

We have also examined all proceedings and documents in connection with the organization of the Authority; appropriate and applicable provisions of the Florida Constitution (the "Constitution") and laws of the State of Florida (the "State"); certain certificates of officers of the Authority; and such other documents, records and matters of law which we deemed necessary or appropriate for this letter, including the Resolution adopted by the Authority (the "Authority Resolution") which approved the issuance of the Bonds and the execution and delivery by the Authority of the Authority Documents and the Resolution adopted by Miami-Dade County (the "County Resolution") approving the issuance of the Bonds as required by Section 147 of the Internal Revenue Code of 1986, as amended.

Based on the foregoing, we are of the opinion that:

(1) The Authority has been duly created and is a public body corporate and politic organized, existing and in good standing under the Constitution and laws of the State, and has full power and authority to lend the proceeds of the Bonds to the Company under the Loan Agreement, adopt the Authority Resolution and to enter into and perform the obligations of the Authority under the Authority Documents and the Bonds and to carry out and consummate all related transactions, including the distribution of the Official Statement and the acceptance of the Letter of Representation dated June 24, 2003 (the "Letter of Representation") from the Company to the Authority and the Underwriter.

(2) The Authority has duly authorized, executed and delivered the Bonds and the Authority Documents and as a result, they are in full force and effect and, assuming the due authorization, execution or endorsement by the other parties with respect to the Authority Documents, constitute legal, valid and binding obligations of the Authority in accordance with their respective terms.

(3) The Authority Resolution and the County Resolution were adopted in the manner required by Constitution and Laws of the State, have not been rescinded, modified or amended since their adoption and constitute the legal and binding obligations of the Authority and the County, respectively.

(5) The execution and delivery of the Bonds and the Authority Documents, and compliance by the Authority with their terms, will not, to the best of our knowledge after due inquiry, contravene any provision of existing law or regulation, or of the Authority's organizational documents, and will not conflict with, or result in any breach of any of the provisions of, or constitute a default under, or result in the creation or imposition of any lien upon any of the property of the Authority pursuant to the provisions of any indenture, mortgage, agreement or other instrument to which the Authority is a party or to which it or its assets are bound or subject.

(6) To the extent of our knowledge after due inquiry, there are no actions, suits, proceedings or investigations pending or threatened against or affecting the Authority or any property of the Authority (nor any basis therefor) in the court or before any arbitrator of any kind or before any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality which, if adversely determined, will affect adversely the

transactions contemplated by the Authority Resolution, the County Resolution, the Bonds, the Letter of Representation or the Authority Documents, including their validity or enforceability.

The opinions expressed in this letter are generally qualified as follows:

(a) All opinions relating to enforceability with respect to the Authority are subject to and limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws, in each case relating to or affecting the enforcement of creditors' rights, generally, and equitable principles that may affect remedies or injunctive or other equitable relief.

(b) All opinions are predicated upon present laws, facts and circumstances, and we assume no affirmative obligation to update the opinions if such laws, facts or circumstances change after the date of this opinion.

(c) Our opinions do not pertain to any law other than the laws of the State of Florida and the laws of the United States. No opinion is expressed as to the requirements of any federal laws which may govern the issuance, offering and sale of the Bonds, except as specifically set forth in this letter, or which may govern the exclusion from income for federal income tax purposes of the interest on the Bonds.

(d) The opinions expressed in this letter are for the sole benefit of the parties named above and no other individual or entity may rely upon them without our prior approval or acknowledgement.

Very truly yours,

OFFICE OF THE MIAMI-DADE
COUNTY, ATTORNEY

By:_____

EXHIBIT B-1

June 25, 2003

To: Miami-Dade County Industrial Development Authority
80 S.W. 8th Street, Suite 2440
Miami, Florida 33130

Re: $15,000,000 Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003

Ladies and Gentlemen:

We have acted as co-bond counsel in connection with the issuance by the Miami-Dade County Industrial Development Authority (the "Authority") of its $15,000,000 Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds") pursuant to the Constitution and laws of the State of Florida, including particularly Parts II and III of Chapter 159, Florida Statutes, and other applicable provisions of law (collectively, the "Act"), a resolution duly adopted by the Authority on March 25, 2003 (the "Resolution") and a Trust Indenture between the Authority and The Bank of New York Trust Company of Florida, N.A. (the "Trustee"), dated as of June 25, 2003 (the "Indenture").

The Bonds are payable solely out of loan payments and other amounts to be paid to the Authority by Florida Power & Light Company (the "Company") pursuant to the Loan Agreement between the Authority and the Company dated as of June 25, 2003 (the "Loan Agreement").

The Bonds are being issued for the purpose of refunding the Authority's $15,000,000 Dade County Industrial Development Authority Solid Waste Disposal Revenue Bonds (Florida Power & Light Company Project), Series 1991 (the "Prior Bonds").

The proceeds of the Prior Bonds were used, together with funds provided by the Company, to finance the acquisition, installation and construction of certain sewage and solid waste disposal facilities at Units 3 and 4 of the Turkey Point Electrical Generating Plant in Miami-Dade County, Florida, and Units 5 and 6 of the Cutler Electrical Generating Plant in Miami-Dade County, Florida, all of which are owned by the Company.

Reference is made to the opinions of even date herewith, upon which we have relied, of Steel Hector & Davis LLP and Thelen Reid & Priest LLP, co-counsel to the Company, with respect to, among other matters, the corporate status of the Company, the good standing and qualification to do business of the Company, the corporate power of the Company to enter into and perform its obligations under the Loan Agreement, the authorization, execution and delivery

of the Loan Agreement, and the binding effect and enforceable nature of the Loan Agreement upon the Company.

We have examined the Act, the Resolution, the Indenture and the Loan Agreement and such certified copies of the proceedings of the Authority and the Miami-Dade County Commission, and such other documents as we have deemed necessary to render this opinion. As to the questions of fact material to our opinion, we have relied upon representations of the Authority contained in the Resolution, the Indenture, the certified proceedings and other closing documents, representations of the Company set forth in the Loan Agreement and other closing documents, and certifications of public officials and officers of the Authority and the Company furnished to us without undertaking to verify such representations by independent investigation.

Based on the foregoing, we are of the opinion that, under existing law:

1. The Authority is a public body corporate and politic and a public instrumentality duly created and validly existing under the laws of the State of Florida, including, in particular, the Act, with the power to enter into, execute and deliver the Indenture and the Loan Agreement, to perform its obligations thereunder and to issue the Bonds.

2. The Resolution has been duly adopted by the Authority and constitutes a valid and binding obligation of the Authority, enforceable in accordance with its terms.

3. The Indenture and the Loan Agreement have been duly authorized, executed and delivered by the Authority and constitute valid and binding agreements of the Authority enforceable against the Authority in accordance with their respective terms. The Indenture creates a valid lien on the trust estate created thereby.

4. The issuance and sale of the Bonds have been duly authorized by the Authority and the Bonds constitute valid and binding limited obligations of the Authority, enforceable in accordance with their terms, payable in accordance with, and as limited by, the terms of the Resolution and the Indenture. The Bonds are issued pursuant to the Act and do not constitute a debt, liability or obligation, either general or special, of the Authority, the County, the State or of any political subdivision thereof within the meaning of any constitutional or statutory provisions whatsoever. Neither the Authority, the County, the State nor any political subdivision thereof, shall be obligated to pay the principal of or the premium, if any, or interest on the Bonds, except from the loan payments, revenues and other amounts derived by the Authority under the Loan Agreement. Neither the faith, revenues, credit nor the taxing power of the County or of the State or of any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Bonds. The Authority has no taxing power.

5. Under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds is excluded from gross income for federal income tax purposes, except for interest on any Bond for any period during which such Bond is held by a "substantial user" of the facilities refinanced by the Bonds or a "related person" within the meaning of

Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"). However, interest on the Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Ownership of the Bonds may result in collateral federal tax consequences to certain taxpayers. We express no opinion regarding other federal tax consequences resulting from the ownership, receipt or accrual of interest on, or disposition of, the Bonds.

In addition to the foregoing exceptions, the opinion set forth in the preceding paragraph assumes continuing compliance by the Authority and the Company with certain requirements of the Code that must be met after the date of the issuance of the Bonds in order for interest on the Bonds to be excluded from gross income for federal income tax purposes. The failure to meet these requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Authority has covenanted in the Indenture and the Company has covenanted in the Loan Agreement to take the actions necessary to comply with such requirements and to refrain from taking any actions that would cause interest on the Bonds to be included in gross income for federal income tax purposes.

6. The Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

This opinion is qualified to the extent that the rights of the holders of the Bonds and the enforceability of the Bonds, the Indenture and the Loan Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, now or hereafter in effect, and by the exercise of judicial discretion in appropriate cases in accordance with equitable principles.

We express no opinion herein regarding the accuracy, adequacy or completeness of the Official Statement relating to the Bonds, or regarding the perfection or priority of the lien on the trust estate related by the Indenture.

Respectfully submitted,

ADORNO & YOSS, P.A.

CLYNE & SELF, P.A.

EXHIBIT B-2

June 25, 2003

To: Miami-Dade County Industrial Development Authority
Miami, Florida

Ladies and Gentlemen:

This supplemental opinion is rendered at your request in connection with the issuance by Miami-Dade County Industrial Development Authority (the "Issuer") of its $15,000,000 Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Series 2003 Bonds"). In connection with the issuance of the Bonds, we have delivered to each of you our approving legal opinion as Bond Counsel (the "Approving Opinion"). In rendering this opinion, we have examined and relied upon the matters contained, referred to and identified, and to the same extent stated, in the Approving Opinion. We also have examined (i) the Official Statement, dated June 24, 2003, relating to the Series 2003 Bonds (the "Official Statement") and (ii) the Securities Act of 1933, as amended (the "1933 Act"), the Trust Indenture Act of 1939, as amended (the "1939 Act"), and the rules, regulations and interpretations under those acts. All terms used in this supplemental opinion and not defined herein shall have the same meaning as assigned in the Approving Opinion.

Based on such examination, we are of the opinion that, under existing law:

(1) The Underwriting Agreement, dated June 24,2003, between the Issuer and Wachovia Bank, National Association has been duly and validly authorized by all necessary action of the Issuer, has been duly and validly executed and delivered by the Issuer and is a valid and binding agreement of the Issuer enforceable in accordance with its terms, subject to bankruptcy laws and other laws affecting creditors' rights and to the exercise of judicial discretion.

(2) In connection with the offering and sale of the Series 2003 Bonds to the public, neither the Series 2003 Bonds nor any securities evidenced thereby are required to be registered under the 1933 Act and neither the Indenture nor any other instrument is required to be qualified under the 1939 Act.

(3) The statements in the Official Statement relating to the Series 2003 Bonds, the Indenture and the Loan Agreement under the captions "The Series 2003 Bonds" (except for the information and statements provided by The Depository Trust Company under "The Series 2003 Bonds -- Book-Entry System", as to which, with your permission, we express no opinion), "The Agreement" and "The Indenture", insofar as they describe the provisions of the Series 2003 Bonds, the Loan Agreement and the Indenture, fairly and accurately summarize the material provisions of those documents. The statements pertaining to the Series 2003 Bonds in the

Official Statement under the caption "Tax Matters" fairly and accurately present the information purported to be shown.

(4) No approval, consent or authorization of any Florida governmental authority or public agency or authority not already obtained is required in connection with the consummation by the Issuer of the transactions contemplated by the Official Statement, or by the Underwriting Agreement, dated June 24, 2003, between the Issuer and Wachovia Bank, National Association (the "Underwriting Agreement") or the performance of the Issuer's obligations under the Loan Agreement, the Indenture or the Underwriting Agreement.

This letter is furnished by us solely for your benefit in connection with the original issuance and delivery of the Series 2003 Bonds and may not, without our express written consent, be relied upon by any other person.

Respectfully submitted,

ADORNO & YOSS, P.A..

CLYNE & SELF, P.A.

June 25, 2003

To: The Bank of New York Trust Company of Florida, N.A.
Jacksonville, Florida

Wachovia Bank, National Association
Charlotte, North Carolina

Thelen Reid & Priest LLP
New York, New York

Hunton & Williams LLP
New York, New York

Ladies and Gentlemen:

Attached hereto is an executed copy of our opinions of even date herewith, to the issuer of $15,000,000 aggregate principal amount of Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003. You are hereby authorized to rely upon such opinions as though they were addressed to you.

Respectfully submitted,

ADORNO & YOSS, P.A.

CLYNE & SELF, P.A.

EXHIBIT C

June 25, 2003

To: Miami-Dade County Industrial Development Authority
Miami, Florida

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600
(the "Underwriter" named in
the Underwriting Agreement dated
June 24, 2003 (the "Underwriting Agreement") relating
to the Bonds referred to below)

Ladies and Gentlemen:

We have acted as counsel for Florida Power & Light Company (the "Company") in connection with the issuance and sale by Miami-Dade County Industrial Development Authority (the "Issuer") of $15,000,000 aggregate principal amount of the Issuer's Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds"), issued under the Trust Indenture, dated as of June 25, 2003 (the "Indenture"), by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee (the "Trustee"), and in connection with the sale of the Bonds to the Underwriter in accordance with the Underwriting Agreement. We are delivering this opinion at the request of the Company.

We have participated in the preparation of or reviewed (1) the Indenture and the Loan Agreement, dated as of June 25, 2003 (the "Loan Agreement"), by and between the Company and the Issuer; (2) the Letter of Representation, dated June 24, 2003 (the "Letter of Representation"), from the Company to the Issuer and the Underwriter; (3) the Official Statement, dated June 24, 2003, relating to the Bonds, including Appendix A and all documents incorporated by reference therein (the "Official Statement") and (4) such corporate records, certificates and other documents and such questions of law as we have considered necessary or appropriate for purposes of this opinion. We have also participated in the preparation of the Company's application to the Florida Public Service Commission for the authorization of, among other things, the issuance and sale of debt securities during 2003.

Upon the basis of the foregoing and at the request of the Company, we advise you that:

I. The Company is a validly organized and existing corporation and is in good standing under the laws of the State of Florida and has valid franchises, licenses and permits adequate for the conduct of its business.

II. The Company is a corporation duly authorized by its Restated Articles of Incorporation, as amended (the "Charter"), to conduct the business which it is now conducting as set forth in the

Official Statement; the Company is subject, as to retail rates and services, issuance of securities, accounting and certain other matters, to the jurisdiction of the Florida Public Service Commission; and the Company is subject, as to wholesale rates, accounting and certain other matters, to the jurisdiction of the Federal Energy Regulatory Commission.

III. Except as stated or referred to in the Official Statement, as amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated therein by reference), to our knowledge after due inquiry there is no material pending legal proceeding to which the Company is a party or of which property of the Company is the subject which is reasonably likely to be determined adversely and, if determined adversely might reasonably be expected to have a material adverse effect on the Company, and, to the best of our knowledge, no such proceeding is known by us to be contemplated by governmental authorities. We know of no litigation or proceedings, pending or threatened, challenging the validity of the Loan Agreement or the Letter of Representation or seeking to enjoin the performance of the Company's obligations thereunder.

IV. The Loan Agreement has been duly authorized by the Company by all necessary corporate action, has been duly and validly executed and delivered by the Company, and is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium and other laws affecting the rights and remedies of creditors generally and of general principles of equity and the effect of applicable public policy on the enforceability of provisions relating to indemnification contained in Section 7.3 therein.

V. The consummation by the Company of the transactions contemplated in the Letter of Representation, and the fulfillment by the Company of the terms of the Loan Agreement and the Letter of Representation, will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or by-laws of the Company, as amended to the date hereof, or any indenture, mortgage, deed of trust or other agreement or instrument, the terms of which are known to us, to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of the Company.

VI. The Loan Agreement is being executed and delivered pursuant to the authority contained in an order of the Florida Public Service Commission, which authority is adequate to permit such action. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body (other than in connection or in compliance with the provisions of the blue sky laws of any jurisdiction as to which we express no opinion) is legally required for the performance of the Company's obligations under the Loan Agreement; provided that the issuance of First Mortgage Bonds (as defined in the Loan Agreement) shall, at the time of issuance thereof, be subject to proper authority having been granted by the Florida Public Service Commission.

VII. The statements made in the Official Statement under the captions "The Series 2003 Bonds", "The Agreement", and "The Indenture", insofar as they purport to constitute summaries

of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

VIII. At the time they were filed with the Securities and Exchange Commission, the documents incorporated by reference in Appendix A to the Official Statement, as amended or supplemented (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended, and the applicable instructions, rules and regulations of the Securities and Exchange Commission thereunder.

IX. The offer and sale of the Bonds do not require registration of the Bonds under the Securities Act of 1933, as amended, and, in connection therewith, the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended; provided that, in giving this opinion, we have, with your consent, relied on the opinion of even date herewith rendered to you by Adorno & Yoss, P.A. and Clyne & Self, P.A. as Co-Bond Counsel, that the interest on the Bonds is excluded from gross income for federal income tax purposes and we have made no independent investigation with respect to such exclusion.

X. The Letter of Representation has been duly and validly authorized, executed and delivered by the Company.

Other than with respect to the opinions expressed regarding the Official Statement in Paragraphs VII and VIII, we have not ourselves checked the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Official Statement. We have generally reviewed and discussed such information with certain officers and employees of the Company, certain of its legal counsel, its independent public accountants, Co-Bond Counsel, and your representatives. Additionally, as counsel to the Company, we have responsibility for certain of its legal matters. On the basis of such consideration, review and discussion, but without independent check or verification except as stated, nothing has come to our attention that would lead us to believe that the Official Statement, as amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated therein by reference) (except the information regarding the exclusion from gross income for federal income tax purposes of interest on the Bonds and the financial statements and other financial or statistical data included or incorporated by reference therein and the information regarding the Issuer, as to which we express no belief), at the date of the Official Statement (as set forth on the cover page thereof) contained or at the date hereof contains, any untrue statement of a material fact or at the date of the Official Statement (as set forth on the cover page thereof) omitted, or, at the date hereof omits, to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

We are members of the Florida Bar and do not hold ourselves out as experts on the laws of New York and accordingly, this opinion is limited to the laws of Florida (other than the blue sky laws thereof) and the federal laws of the United States insofar as they bear on matters covered hereby. As to all matters of New York law, we have relied, with your consent,

upon the opinion of even date herewith rendered to you by Thelen Reid & Priest LLP, New York, New York. As to all matters of Florida law, Thelen Reid & Priest LLP and Hunton & Williams LLP are hereby authorized to rely upon this opinion as though it were rendered to each of them.

This opinion is rendered to you in connection with the above-described transaction. This opinion may not be relied upon or furnished to any other person, firm or corporation without our prior written permission. This opinion is expressed as of the date hereof, and we do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to our attention, or any change in law that hereafter occurs.

Very truly yours,

STEEL HECTOR & DAVIS LLP

June 25, 2003

To: Adorno & Yoss, P.A.
Miami, Florida

Clyne & Self, P.A.
West Palm Beach, Florida

Ladies and Gentlemen:

Attached hereto is an executed copy of our opinion of even date herewith, to the issuer and the underwriter of $15,000,000 aggregate principal amount of Miami-Dade County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003. You are hereby authorized to rely upon such opinion as though it were addressed to you.

Very truly yours,

STEEL HECTOR & DAVIS LLP

EXHIBIT D

June 25, 2003

To: Miami-Dade County Industrial Development Authority
Miami, Florida

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600
(the "Underwriter" named in
the Underwriting Agreement dated
June 24, 2003 (the "Underwriting Agreement") relating
to the Bonds referred to below)

Ladies and Gentlemen:

With reference to the issuance by Miami-Dade County Industrial Development Authority (the "Issuer") and sale to the Underwriter named in the Underwriting Agreement of $15,000,000 aggregate principal amount of the Issuer's Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds"), issued under the Trust Indenture, dated as of June 25, 2003 (the "Indenture"), by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee, we advise you that, as special counsel for Florida Power & Light Company (the "Company"), we have reviewed (a) the Indenture and the Loan Agreement, dated as of June 25, 2003 (the "Loan Agreement"), by and between the Company and the Issuer; (b) the Letter of Representation, dated June 24, 2003 (the "Letter of Representation"), from the Company to the Issuer and the Underwriter; (c) the Official Statement, dated June 24, 2003, relating to the Bonds, including Appendix A and all documents incorporated by reference therein (the "Official Statement"); (d) the Company's Restated Articles of Incorporation and by-laws, each as amended to the date hereof (respectively, the "Charter" and "By-laws") and (e) the application by the Company to the Florida Public Service Commission (the "FPSC") for authorization of, among other things, the issuance and sale of debt securities during 2003; and (f) the final order of the FPSC, dated December 6, 2002, authorizing the Company to issue and sell securities during 2003. We are delivering this opinion at the request of the Company.

On the basis of the foregoing and at the request of the Company, we advise you as follows:

I. The Loan Agreement has been duly authorized, executed and delivered by the Company and is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as limited or effected by bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium and other laws affecting the rights and remedies of creditors generally and of general principles of equity and the effect of

applicable public policy on the enforceability of provisions relating to indemnification contained in Section 7.3 therein.

II. The statements made in the Official Statement under the captions "The Series 2003 Bonds," "The Agreement," and "The Indenture," insofar as they purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

III. At the time they were filed with the Securities and Exchange Commission, the documents incorporated by reference in Appendix A to the Official Statement, as amended or supplemented (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended, and the applicable, instructions, rules and regulations of the Securities and Exchange Commission thereunder.

IV. Registration of the offer and sale of the Bonds under the Securities Act of 1933, as amended, is not required and, in connection therewith, the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended.

V. The Letter of Representation has been duly and validly authorized, executed and delivered by the Company.

VI. The consummation by the Company of the transactions contemplated in the Letter of Representation, and the fulfillment by the Company of the terms of the Loan Agreement and the Letter of Representation, will not result in a breach of any of the terms or provisions of, or constitute a default under the Charter or By-laws of the Company or any indenture, mortgage, deed of trust or other agreement or instrument, of which we are aware to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of the Company.

Other than with respect to the opinion expressed regarding the Official Statement under paragraph II, we have not ourselves confirmed the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Official Statement. We have generally reviewed and discussed with certain officers and employees of the Company, certain of its other legal counsel, its independent public accountants, Bond Counsel, and your representatives and legal counsel the information furnished, whether or not subject to our confirmation and verification. On the basis of such consideration, review and discussion, but without independent confirmation or verification except as stated, nothing has come to our attention that would lead us to believe that the Official Statement, as amended or supplemented (except as to the information regarding the exclusion from gross income for federal income tax purposes of interest on the Bonds and the financial statements and other financial or statistical data included or incorporated by reference therein and the information regarding the Issuer, as to which we express no opinion), at the date of the Official Statement or at the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state a

material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We are members of the New York Bar and do not hold ourselves out as experts on the laws of Florida. We do not pass upon matters relating to the incorporation of the Company. We have relied, with your consent, upon an opinion of even date herewith addressed to you by Steel Hector & Davis LLP, West Palm Beach, Florida, counsel for the Company, as to all matters of Florida law addressed in such opinion. As to all matters of New York law, Steel Hector & Davis LLP is hereby authorized to rely upon this opinion as though it were rendered to Steel Hector & Davis LLP. With respect to the opinion expressed in paragraph IV above, we have relied, with your consent, upon the opinions of even date herewith rendered to you by Adorno & Yoss, P.A. and Clyne & Self, P.A., as Co-Bond Counsel, that the interest on the Bonds is excluded from gross income for federal income tax purposes and we have made no independent factual investigation with respect to such exclusion.

Very truly yours,

THELEN REID & PRIEST LLP

June 25, 2003

To: Adorno & Yoss, P.A.
Miami, Florida

Clyne & Self, P.A.
West Palm Beach, Florida

Ladies and Gentlemen:

Referring to the sale by Miami-Dade County Industrial Development Authority today of $15,000,000 aggregate principal amount of its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003, we hand you herewith signed copies of our opinion of even date herewith to Miami-Dade County Industrial Development Authority (the "Issuer") and Wachovia Bank, National Association (the "Underwriter") and authorize you to treat said opinion as having been rendered to you as well as to the Issuer and the Underwriter.

Very truly yours,

THELEN REID & PRIEST LLP

EXHIBIT E

June 25, 2003

To: Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600
(the "Underwriter" named in the Underwriting Agreement dated June 24, 2003 (the "Underwriting Agreement") relating to the Bonds referred to below)

Ladies and Gentlemen:

We have acted as counsel for the Underwriter in connection with your purchase from Miami-Dade County Industrial Development Authority (the "Issuer") of $15,000,000 aggregate principal amount of the Issuer's Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds"), issued under a Trust Indenture, dated as of [June 25], 2003 (the "Indenture"), by and between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee (the "Trustee"), pursuant to the Underwriting Agreement, and in connection with the related (1) Loan Agreement, dated as of [June 25], 2003 (the "Loan Agreement"), by and between Florida Power & Light Company (the "Company") and the Issuer; (2) Letter of Representation, dated June 24, 2003 (the "Letter of Representation"), from the Company to the Issuer and the Underwriter; and (3) Official Statement, dated June 24, 2003, including Appendix A and all documents incorporated by reference therein (the "Official Statement").

We have, with your consent, relied upon the opinion of even date herewith addressed to you by Steel Hector & Davis LLP, counsel for the Company, as to matters covered in such opinion relating to the laws of the State of Florida. With respect to the opinion expressed in paragraph (3) below, we have, with your consent, relied on the opinion of even date herewith of Adorno & Yoss, P.A. and Clyne & Self, P.A., as Co-Bond Counsel, that interest on the Bonds is excluded from gross income for federal income tax purposes and have made no independent factual investigation with respect to such exclusion. We have also examined such documents and satisfied ourselves as to such other matters as we have deemed necessary in order to enable us to express the opinion set forth below.

In such examination, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals of such latter documents.

We are of the opinion that:

(1) The Loan Agreement has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered and is a valid and binding agreement of the Company enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium and other laws affecting the rights and remedies of creditors generally and of general principles of equity and the effect of applicable public policy on the enforceability of provisions relating to indemnification provision contained in Section 7.3 therein.

(2) The statements made in the Official Statement under the captions "The Series 2003 Bonds," "The Agreement," and "The Indenture," insofar as they purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

(3) The offer and sale of the Bonds do not require registration of the Bonds under the Securities Act of 1933, as amended, and, in connection therewith, the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended.

(4) The Letter of Representation has been duly and validly authorized, executed and delivered by the Company.

While we have examined the Official Statement, we have necessarily assumed the correctness and completeness of the statements made or included therein, or constituting a part thereof, and take no responsibility therefor, except insofar as such statements relate to us and as set forth in paragraph (2) above. In the course of the preparation of the Official Statement, we had conferences with certain of the Company's officers and representatives, with counsel for the Company, with Deloitte & Touche LLP, the independent public accountants who audited certain of the financial statements included in the Official Statement, with Bond Counsel and with your representative. Our examination of the Official Statement, and our discussions in the above-mentioned conferences, did not disclose to us any information which gives us reason to believe that the Official Statement, as amended or supplemented (except the information regarding the exclusion from gross income for federal income tax purposes of interest on the Bonds or the financial statements and other financial or statistical data included or incorporated by reference therein and the information regarding the Issuer, as to which we express no opinion) at its issue date or at the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

This opinion is rendered to you in connection with the above-described transaction. This opinion may not be relied upon by you for any other purpose, or relied upon or furnished to any other person, firm or corporation without our prior written permission. This opinion is expressed as of the date hereof, and we do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to our attention, or any change in law that hereafter occurs.

Very truly yours,

HUNTON & WILLIAMS LLP

EXHIBIT F

FLORIDA POWER & LIGHT COMPANY

LETTER OF REPRESENTATION

June 24, 2003

To: Miami-Dade County Industrial Development Authority
Miami, Florida

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600
(the "Underwriter" named in the Underwriting Agreement dated the date hereof (the "Underwriting Agreement") relating to the Bonds referred to below)

Ladies and Gentlemen:

In consideration of the issuance and sale by Miami-Dade County Industrial Development Authority (the "Issuer") of $15,000,000 aggregate principal amount of its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds") and the purchase of the Bonds by the Underwriter pursuant to the Underwriting Agreement, Florida Power & Light Company (the "Company") represents, warrants and covenants to and agrees with the Issuer and the Underwriter, and the Issuer and the Underwriter by their acceptance hereof agree with the Company as follows (all terms not specifically defined in this Letter of Representation shall have the same meanings herein as in the Underwriting Agreement):

1. Representations and Warranties of the Company. The Company represents and warrants that:

(a) The Official Statement, at the date it was issued and at the Closing Date, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference), did not and will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the foregoing representations and warranties in this subsection (a) shall not apply to statements in or omissions from the Official Statement under the captions "Tax Matters", "Underwriting" (second paragraph

only) and "Disclosure Required By Florida Blue Sky Regulations" or in Appendices B, C and D or in the statements on the cover page with respect to the initial public offering price, tax matters or terms of offering or in the statement on the second page with respect to stabilization of the market price of the Bonds by the Underwriter.

(b) The documents incorporated by reference in Appendix A to the Official Statement, as amended or supplemented, fully complied, at the time they were filed with the Securities and Exchange Commission (the "Commission"), in all material respects with the applicable provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder.

(c) The financial statements contained or incorporated by reference in Appendix A to the Official Statement present fairly the financial condition and operations of the Company at the respective dates or for the respective periods to which they apply; and such financial statements have been prepared in each case in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as otherwise indicated in the Official Statement.

(d) Since the respective most recent dates as of which information is given in the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference), there has not been any material adverse change in the business, properties or financial condition of the Company nor has any material transaction been entered into by the Company, other than changes and transactions reflected in or contemplated by the Official Statement, as it may be amended or supplemented, and transactions in the ordinary course of business. The Company does not have any material contingent obligation, which is not reflected in or contemplated by the Official Statement, as it may be amended or supplemented.

(e) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms of the Loan Agreement and this Letter of Representation, on the part of the Company to be fulfilled, have been duly authorized by all necessary corporate action of the Company in accordance with the provisions of its Restated Articles of Incorporation, as amended (the "Charter"), by-laws, as amended, (the "By-laws") and applicable law, and this Letter of Representation constitutes, and the Loan Agreement when executed and delivered by the Company will constitute, legal, valid and binding obligations of the Company in accordance with their terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium and other laws affecting rights and remedies of creditors generally and of general equity principles, and subject to any principles of public policy limiting the right to enforce the indemnification provisions contained in Section 6 herein and Section 7.3 of the Loan Agreement.

(f) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms of the Loan Agreement and this Letter of Representation will not result in a breach of any of the terms or provisions of, or constitute a default under the Charter or By-laws of the Company or any indenture, mortgage, deed of trust or other agreement or

instrument to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties, or financial condition of the Company.

(g) The terms and conditions of the Underwriting Agreement as they relate to the Company and the Company's participation in the transactions contemplated thereby are satisfactory to it.

2. Covenants of the Company. The Company agrees that:

(a) At its expense, it will cause to be prepared and, upon the approval of and authorization by the Issuer, furnished to the Underwriter as many copies of the Official Statement (as amended or supplemented from time to time, but excluding any documents incorporated by reference therein) as the Underwriter may reasonably request for the public offering of the Bonds. At its expense, it will cause to be prepared and furnished to the Underwriter one copy of each of the documents incorporated by reference in the Official Statement, as it may be amended or supplemented, and as many additional copies of such documents incorporated by reference as shall be requested of the Underwriter by prospective purchasers of the Bonds.

(b) During the period ending 25 days after the end of the underwriting period as defined in Rule 15c2-12 of the Exchange Act, if any event relating to or affecting the Company or of which the Company shall be advised in writing by the Underwriter shall occur which, in the Company's opinion, should be set forth in a supplement to or in an amendment of the Official Statement in order to make the Official Statement not misleading in the light of the circumstances when it is delivered to a purchaser, the Company will either (i) prepare and furnish to the Underwriter at the Company's expense a reasonable number of copies of a supplement or supplements or an amendment or amendments to the Official Statement or (ii) make an appropriate filing pursuant to Section 13 or 14 of the Exchange Act, which will, in either case, supplement or amend the Official Statement so that as supplemented or amended it will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances when the Official Statement is delivered to a purchaser, not misleading; provided, that should such event relate solely to activities of the Underwriter, then the Underwriter shall assume the expense of preparing and furnishing any such amendment or supplement.

(c) It will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Underwriter may designate, provided that the Company shall not be required to qualify as a foreign corporation or dealer in securities, or to file any consents to service of process, under the laws of any jurisdiction, or to meet other requirements deemed by the Company to be unduly burdensome.

(d) It will not take or omit to take any action the taking or omission of which would cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Indenture and the Loan Agreement as they are amended from time to time.

3. Expenses.

(a) Upon the issuance and delivery of the Bonds by the Issuer to the Underwriter, the Company will pay, or cause to be paid, all expenses (including reasonable out-of-pocket expenses of the Underwriter) and costs incident to the authorization, issuance, printing, sale and delivery, as the case may be, of the underwriting papers, the Bonds, the Official Statement, this Letter of Representation and the blue sky survey, including without limitation (A) any taxes, other than transfer taxes, in connection with the issuance of the Bonds hereunder; (B) any rating agency fees; (C) fees and expenses, including reasonable counsel fees, of the Trustee; (D) the fees and disbursements of Bond Counsel and counsel to the Issuer and the Company; (E) the fees to the Issuer; (F) the fees and disbursements of Hunton & Williams, counsel for the Underwriter and (G) the fees and reasonable disbursements (including filing fees) of Hunton & Williams, counsel for the Underwriter, in connection with the qualification of the Bonds for sale under the securities or blue sky laws of various jurisdictions, provided, however, that such fees of Hunton & Williams shall not exceed an aggregate of $5,000.

(b) If the Underwriting Agreement is terminated in accordance with the provisions of Section 6 or 7(b) thereof, the Company will pay all the expenses referred to in subsection (a) of this Section 3, and the reasonable out-of-pocket expenses of the Underwriter, not in excess, however, of an aggregate of $5,000, the Underwriter to pay the remainder of their expenses.

(c) If the Underwriting Agreement is terminated in accordance with the provisions of Section 7(a) thereof, the Company will pay all the expenses referred to in subsection (a) of this Section 3, the Underwriter to pay the remainder of their expenses.

(d) If the Underwriter shall fail or refuse, otherwise than for some reason sufficient to justify, in accordance with the terms of the Underwriting Agreement, the cancellation or termination of their obligation thereunder, to purchase and pay for the Bonds as provided in Section 2 thereof, the Underwriter will pay all the expenses referred to in subsection (a) of this Section 3.

(e) The Issuer shall not in any event be liable to the Underwriter for any expenses or costs incident to the issuance and sale of the Bonds nor for damages on account of loss of anticipated profits. The Company shall not in any event be liable to the Underwriter for damages on account of loss of anticipated profits. Nothing herein shall be construed to relieve the Underwriter of its liability for its default under the Underwriting Agreement.

4. Conditions of the Company's Obligation. The obligation of the Company to participate in the transactions contemplated herein and in the Official Statement shall be subject to the condition that, on the Closing Date, there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the participation of the Company in such transactions, and containing no provision unacceptable to the Company by reason of the fact that it is materially adverse to the Company, it being understood that no authorization in effect at the time of execution of this Letter of Representation contains any such unacceptable provision. In case the aforesaid condition shall not have been fulfilled, this Letter of Representation and the Company's obligation to participate in the transactions contemplated herein and in the Official

Statement may be terminated by the Company, upon mailing or delivering written notice thereof to the Underwriter.

5. Representation of the Issuer. The acceptance and confirmation of this Letter of Representation by the Issuer shall constitute a representation and warranty by the Issuer to the Company that the representations and warranties contained in Section 3 of the Underwriting Agreement are true as of the date hereof and will be true in all material respects as of the Closing Date.

6. Indemnification.

(a) The Company agrees to indemnify and hold harmless the Issuer and any official or employee thereof, the Underwriter, each officer and director of the Underwriter and each person who controls the Underwriter within the meaning of Section 15 of the Securities Act of 1933, as amended (the "Securities Act") or Section 20 of the Securities Exchange Act of 1934 (the "Exchange Act"), against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or any other statute or common law and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Official Statement, as amended or supplemented (if any amendments or supplements thereto, including documents incorporated by reference), or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that the indemnity agreement contained in this subsection (a) of Section 6 shall not apply to the Underwriter (or any person controlling the Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising out of, or based upon, any such untrue statement or alleged untrue statement, or any such omission or alleged omission, under the captions "Tax Matters" (except to the extent that such statement or omission is based upon an untrue statement of or an omission to state, or an alleged untrue statement of or omission to state, a material fact in the engineering facts and representations and conclusions of the Company concerning the Project (as defined in the Loan Agreement) contained in the closing certificate furnished to Adorno & Yoss, P.A. and Clyne & Self, P.A., as Co-Bond Counsel, and except to the extent that such statement or omission is based upon the Company's continuing compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder) and "Underwriting" (second paragraph only) or in the statement on the second page with respect to stabilization of the market price of the Bonds by the Underwriter or in the statements on the cover page with respect to the initial public offering price, terms of offering or tax matters (except to the extent that such statement or omission is based upon an untrue statement of or an omission to state, or an alleged untrue statement of or omission to state, a material fact in the engineering facts and representations and conclusions of the Company concerning the Projects contained in the closing certificate furnished to Adorno & Yoss, P.A. and Clyne & Self, P.A., as Co-Bond Counsel, and except to the extent that such statement or omission is based upon the Company's continuing compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder); and

provided, further, that the indemnity agreement contained in this subsection (a) of Section 6 shall not inure to the benefit of the Underwriter (or of any person controlling such Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising from the sale of Bonds to any person if such Underwriter shall have failed to send or give to such person (i) with or prior to the written confirmation of such sale, a copy of the Official Statement or the Official Statement as amended or supplemented, if any amendments or supplements thereto shall have been timely furnished at or prior to the time of written confirmation of the sale involved, but exclusive of any documents incorporated by reference therein unless, with respect to the delivery of any amendment or supplement, the alleged omission or alleged untrue statement is not corrected in such amendment or supplement at the time of confirmation, or (ii) with or prior to the delivery of such Bonds to such person, a copy of any amendment or supplement to the Official Statement which shall have been furnished subsequent to such written confirmation and prior to the delivery of such Bonds to such person, but exclusive of any documents incorporated by reference therein unless, with respect to the delivery of any amendment or supplement, the alleged omission or alleged untrue statement was not corrected in such amendment or supplement at the time of such delivery. The indemnity agreement of the Company contained in this subsection (a) of Section 6 and the representations and warranties of the Company in Section 3 hereof shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Underwriter, officer, director or any such controlling person, and shall survive the delivery of the Bonds. The Issuer agrees to notify promptly the Company, and the Underwriter agrees to notify promptly the Company and the Issuer, of the commencement of any litigation or proceedings against it, any of its aforesaid officials or employees or any person controlling it as aforesaid, in connection with the issuance and sale of the Bonds.

(b) The Underwriter agrees to indemnify and hold harmless the Issuer and any official or employee thereof, and the Company, its officers and directors, and each person who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or any other statute or common law and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities, or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Official Statement, as amended or supplemented (if any amendments or supplements thereto shall have been furnished), or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, but only with respect to information contained under the caption "Underwriting" (second paragraph only) or in the statements on the cover page with respect to the initial public offering price and terms of offering or in the statement on the second page with respect to stabilization of the market price of the Bonds by the Underwriter. The indemnity agreement of the Underwriter contained in this subsection (a) of Section 6 shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Company or any of its officers or directors or any such controlling person, and shall survive the delivery of the Bonds. The Issuer and the Company agree promptly to notify the Underwriter, the Issuer and the Company, as the case may be, of the commencement of any litigation or proceedings against it, any of its aforesaid officials or

employees, or any of its aforesaid officers and directors or any person controlling it as aforesaid, in connection with the issuance and sale of the Bonds.

(c) The Company, the Underwriter and the Issuer each agree that, upon the receipt of notice of the commencement of any action against it, any of its aforesaid officers and directors, any of its aforesaid officials or employees or any person controlling it as aforesaid, as the case may be, in respect of which indemnity may be sought under the provisions of this Section 6, it will promptly give written notice of the commencement thereof to the party or parties against whom indemnity shall be sought hereunder, but the omission so to notify such indemnifying party or parties of any such action shall not relieve such indemnifying party or parties from any liability which it or they may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, such indemnifying party shall be entitled to participate at its own expense in the defense or, if it so elects, to assume (in conjunction with any other indemnifying parties) the defense of such action, in which event such defense shall be conducted by counsel chosen by such indemnifying party or parties reasonably satisfactory to the indemnified party or parties and who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the indemnifying party shall elect not to assume the defense of such action, such indemnifying party will reimburse such indemnified party or parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and counsel for the indemnifying party shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both the indemnifying party and the indemnified party, the indemnified party or parties shall have the right to select separate counsel, reasonably satisfactory to the indemnifying party or parties, to participate in the defense of such action on behalf of such indemnified party or parties at the expense of the indemnifying party or parties (it being understood, however, that the indemnifying party or parties shall not be liable for the expenses of more than one separate counsel representing the indemnified parties who are parties to such action). The Company, the Underwriter and the Issuer each agree that without the prior written consent of the other parties to such action who are parties to this agreement, which consent shall not be unreasonably withheld, it will not settle, compromise or consent to the entry of any judgment in any claim or proceeding in respect of which such party intends to seek indemnity or contribution under the provisions of this Section 6, unless such settlement, compromise or consent (i) includes an unconditional release of such other parties from all liability arising out of such claim or proceeding and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of such other parties.

(d) If, or to the extent, the indemnification provided for in subsections (a) or (b) above shall be unenforceable under applicable law by an indemnified party, each indemnifying party agrees to contribute to such indemnified party with respect to any and all losses, claims, damages, liabilities and expenses for which each such indemnification provided for in subsections (a) or (b) above shall be unenforceable, in such proportion as shall be appropriate to reflect (i) the relative fault of the Company on the one hand and the Underwriter on the other in connection with the statements or omissions which have resulted in such losses, claims, damages, liabilities and expenses, (ii) the relative benefits received by the Company on the one hand and the Underwriter on the other hand from the offering of the Bonds pursuant to this agreement, and

(iii) any other relevant equitable considerations; provided, however, that no indemnified party guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution with respect thereto from any indemnifying party not guilty of such fraudulent misrepresentation. Relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Underwriter and each such party's relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Company and the Underwriter agree that it would not be just and equitable if contribution pursuant to this subsection (d) were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this subsection (d), the Underwriter shall not be required to contribute in excess of the amount equal to the excess of (i) the total price at which the Bonds underwritten by it were offered to the public, over (ii) the amount of any damages which the Underwriter has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission.

7. Miscellaneous. The validity and interpretation of this Letter of Representation shall be governed by the law of the State of New York. This Letter of Representation shall inure to the benefit of the Company, the Issuer, the Underwriter and, with respect to the provisions of Section 6 hereof, each official, employee, officer, director and controlling person referred to in said Section 6, and their respective successors. Nothing in this Letter of Representation is intended or shall be construed to give any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Letter of Representation or any provision herein contained. The term "successors" as used herein shall not include any purchaser, as such purchaser, of any Bonds from or through the Underwriter.

The indemnity agreements of the Company and the Underwriter contained in Section 6 hereof and the representations and warranties of the Company and the Issuer contained herein shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Issuer or any official or employee thereof, the Underwriter or any controlling person thereof, or the Company or any director, officer or controlling person thereof, and shall survive the delivery of the Bonds. The agreements contained in Section 3 hereof to pay expenses shall survive the termination of the Underwriting Agreement and this Letter of Representation.

This Letter of Representation may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same agreement. This Letter of Representation shall become effective upon the execution and acceptance thereof and the effectiveness of the Underwriting Agreement, and it shall terminate as provided in Section 4 hereof or upon the termination of the Underwriting Agreement.

8. Notices. All communications hereunder shall be in writing or by telegram and, if to the Underwriter, shall be mailed or delivered to them or, if to the Issuer, shall be mailed or delivered to it at Miami-Dade County Industrial Development Authority, Brickell Bay View Centre, 80 S.W. 8th Street, Suite 2801, Miami, Florida 33130, Attention: Executive Director, or, if to the

Company, shall be mailed or delivered to Florida Power & Light Company, 700 Universe Boulevard, Juno Beach, Florida 33408-8801, Attention: Treasurer.

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter agreement and your acceptance shall constitute a binding agreement between us.

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

Accepted and confirmed as of the date first above written:

MIAMI-DADE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: _____
Chairman

Approved by the County Attorney as to Form:

By: _____
Assistant County Attorney

Attest:

_____
Secretary Ex-Officio

WACHOVIA BANK, NATIONAL ASSOCIATION

_____
(Wachovia Bank, National Association)

Exhibit (d)-1B

FLORIDA POWER & LIGHT COMPANY

FIRST MORTGAGE BONDS

UNDERWRITING AGREEMENT

March 31, 2003

To the Representatives named in Schedule I
hereto of the Underwriters
named in Schedule II hereto

Ladies and Gentlemen:

1. Introductory. Florida Power & Light Company, a Florida corporation ("FPL"), proposes to issue and sell its First Mortgage Bonds of the series designation, with the terms and in the principal amount specified in Schedule I hereto (the "Bonds"). FPL hereby confirms its agreement with the several Underwriters (as defined below) as set forth herein.

The term "Underwriters" as used herein shall be deemed to mean the entity or several entities named in Schedule II hereto and any underwriter substituted as provided in Section 5 hereof and the term "Underwriter" shall be deemed to mean one of such Underwriters. If the entity or entities listed in Schedule I hereto (the "Representatives") are the same as the entity or entities listed in Schedule II hereto, then the terms "Underwriters" and "Representatives," as used herein, shall each be deemed to refer to such entity or entities. The Representatives represent that they have been authorized by each Underwriter to enter into this agreement on behalf of such Underwriter and to act for it in the manner herein provided. All obligations of the Underwriters hereunder are several and not joint. If more than one entity is named in Schedule I hereto, any action under or in respect of this agreement may be taken by such entities jointly as the Representatives or by one of the entities acting on behalf of the Representatives and such action will be binding upon all the Underwriters.

2. Description of the Bonds. The Bonds will be a series of first mortgage bonds ("First Mortgage Bonds") issued by FPL under its Mortgage and Deed of Trust, dated as of January 1, 1944, to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as Trustee (the "Mortgage Trustee"), and The Florida National Bank of Jacksonville (now resigned), as heretofore supplemented and as it will be further supplemented by a supplemental indenture relating to the Bonds ("Supplemental Indenture") in substantially the form heretofore delivered to the Representatives. Such Mortgage and Deed of Trust as it has been and will be so supplemented is hereinafter called the "Mortgage."

3. Representations and Warranties of FPL. FPL represents and warrants to the several Underwriters that:

(a) FPL has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3, as amended, including a prospectus ("Registration Statement No. 333-102172"), for the registration under the Securities Act of 1933, as amended (the "Securities Act"), of $1,000,000,000 aggregate principal amount of its First Mortgage Bonds. Such registration statement has been declared effective by the Commission and no stop order suspending such effectiveness has been issued under the Securities Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of FPL, threatened by the Commission. References herein to the term "Registration Statement" as of any given date shall mean Registration Statement No. 333-102172, as amended or supplemented to such date, including all documents incorporated by reference therein as of such date pursuant to Item 12 of Form S-3 ("Incorporated Documents"); provided that if FPL files a registration statement pursuant to Rule 462(b) under the Securities Act (the "Rule 462(b) Registration Statement"), then after such filing, all references to "Registration Statement" shall be deemed to include the Rule 462(b) Registration Statement. References herein to the term "Prospectus" as of any given date shall mean the prospectus forming a part of Registration Statement No. 333-102172, as supplemented by a prospectus supplement relating to the Bonds proposed to be filed pursuant to Rule 424 of the general rules and regulations of the Securities Act ("Rule 424"), and as further amended or supplemented as of such date (other than amendments or supplements relating to First Mortgage Bonds other than the Bonds), including all Incorporated Documents. References herein to the term "Effective Date" shall be deemed to refer to the later of the time and date that Registration Statement No. 333-102172 was declared effective and the time and date of the filing thereafter of FPL's most recent Annual Report on Form 10-K, if such filing is made prior to the Closing Date (as hereinafter defined). Prior to the termination of the offering of the Bonds, FPL will not file any amendment to the Registration Statement or any amendment or supplement to the Prospectus without prior notice to the Representatives and to Hunton & Williams, who are acting as counsel for the several Underwriters ("Counsel for the Underwriters"), or any such amendment or supplement to which the Representatives shall reasonably object in writing, or which shall be unsatisfactory to Counsel for the Underwriters.

(b) The Registration Statement, at the Effective Date, fully complied and the Prospectus both on the date it is filed with the Commission pursuant to Rule 424 (such date, the "424 Date") and at the Closing Date, and the Registration Statement and the Mortgage at the Closing Date, will fully comply, in all material respects with the applicable provisions of the Securities Act and the Trust Indenture Act of 1939, as amended (the "1939 Act"), respectively, and, in each case, the applicable instructions, rules and regulations of the Commission thereunder; the Registration Statement at the Effective Date, did not, and at the Closing Date, will not, contain any untrue statement of a material fact, or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the Prospectus, on the 424 Date and at the Closing Date, will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of

the circumstances under which they were made, not misleading; and the Incorporated Documents, when filed with the Commission, fully complied or will fully comply in all material respects with the applicable provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder; provided, that the foregoing representations and warranties in this subsection (b) shall not apply to statements or omissions made in reliance upon and in conformity with information furnished in writing to FPL by or on behalf of any Underwriter through the Representatives expressly for use in connection with the preparation of the Registration Statement or the Prospectus, or to any statements in or omissions from the Statement of Eligibility on Form T-1, or amendments thereto, of the Mortgage Trustee or to any statements or omissions made in the Registration Statement or Prospectus relating to The Depository Trust Company ("DTC") Book-Entry Only System that are based solely on information contained in published reports of DTC.

(c) The financial statements included as part of or incorporated by reference in the Registration Statement present fairly the financial condition and results of operations of FPL at the respective dates or for the respective periods to which they apply; such financial statements have been prepared in each case in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as otherwise indicated in the Registration Statement; and Deloitte & Touche LLP, who have audited the audited financial statements, are independent public accountants as required by the Securities Act and the Exchange Act and the rules and regulations of the Commission thereunder.

(d) Except as reflected in or contemplated by the Registration Statement and the Prospectus, since the respective most recent dates as of which information is given in the Registration Statement and Prospectus, there has not been any material adverse change in the business, properties or financial condition of FPL, whether or not in the ordinary course of business, nor has any transaction been entered into by FPL that is material to FPL, other than changes and transactions contemplated by the Registration Statement and Prospectus, and transactions in the ordinary course of business. FPL has no material contingent obligation which is not disclosed in or contemplated by the Registration Statement and Prospectus.

(e) The execution and delivery of this agreement, the consummation of the transactions herein contemplated and the fulfillment of the terms hereof on the part of FPL to be fulfilled have been duly authorized by all necessary corporate action of FPL in accordance with the provisions of its Restated Articles of Incorporation, as amended (the "Charter"), by-laws and applicable law, and the Bonds when issued and delivered as provided herein will constitute valid and binding obligations of FPL enforceable in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

(f) The execution and delivery of this agreement, the consummation of the transactions herein contemplated, the fulfillment of the terms hereof and the compliance by FPL with all the terms and provisions of the Mortgage will not result in a breach of

any of the terms or provisions of, or constitute a default under, FPL's Charter or by-laws, or any indenture, mortgage, deed of trust or other agreement or instrument to which FPL is now a party, or violate any law or any order, rule, decree or regulation applicable to FPL of any federal or state court, regulatory board or body or administrative agency having jurisdiction over FPL or any of its property, except where such breach, default or violation would not have a material adverse effect on the business, properties or financial condition of FPL.

(g) All the property to be subjected to the lien of the Mortgage will be adequately described therein.

(h) FPL is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

4. Purchase and Sale. On the basis of the representations and warranties herein contained, and subject to the terms and conditions in this agreement, FPL agrees to sell to the respective Underwriters named in Schedule II hereto, severally and not jointly, and the respective Underwriters agree, severally and not jointly, to purchase from FPL, the respective principal amounts of the Bonds set forth opposite their respective names in Schedule II hereto at the purchase prices for those Bonds set forth in Schedule I hereto.

The Underwriters agree to make a *bona fide* public offering of the Bonds as set forth in the Prospectus, such public offering to be made as soon after the execution of this agreement as practicable, subject, however, to the terms and conditions of this agreement. The Underwriters have advised FPL that the Bonds will be offered to the public at the amount per Bond as set forth in Schedule I hereto and to certain dealers selected by the Representatives at a price which represents a concession not in excess of the amount per Bond under the public offering price as set forth in Schedule I hereto.

5. Time, Date and Place of Closing, Default of Underwriter. Delivery of the Bonds and payment therefor by wire transfer in federal funds shall be made at the time, date and place set forth in Schedule I hereto, or at such other time, date or place as may be agreed upon in writing by FPL and the Representatives. The time and date of such delivery and payment are herein called the "Closing Date."

The Bonds shall be delivered to the Representatives for the respective accounts of the Underwriters against payment by the several Underwriters through the Representatives of the purchase price therefor. Delivery of the Bonds shall be made through the facilities of DTC unless FPL and the Representatives shall otherwise agree. For the purpose of expediting the checking of the Bonds by the Representatives on behalf of the Underwriters, FPL agrees to make such Bonds available to the Representatives for such purpose at the offices of Thelen Reid & Priest LLP, 875 Third Avenue, New York, New York 10022, not later than 2:00 P.M., New York City time, on the business day preceding the Closing Date, or at such other time, date or place as may be agreed upon by FPL and the Representatives.

If any Underwriter shall fail to purchase and pay for the principal amount of the Bonds which such Underwriter has agreed to purchase and pay for hereunder (otherwise than by reason

of any failure on the part of FPL to comply with any of the provisions contained herein), the non-defaulting Underwriters shall be obligated to purchase and pay for (in addition to the respective principal amount of the Bonds set forth opposite their respective names in Schedule II hereto) the principal amount of the Bonds which such defaulting Underwriter or Underwriters failed to purchase and pay for, up to a principal amount thereof equal to, in the case of each such remaining Underwriter, ten percent (10%) of the aggregate principal amount of the Bonds which are set forth opposite the name of such remaining Underwriter in said Schedule II, and such remaining Underwriters shall have the right, within 24 hours of receipt of such notice, either to (i) purchase and pay for (in such proportion as may be agreed upon among them) the remaining principal amount of the Bonds which the defaulting Underwriter or Underwriters agreed but failed to purchase, or (ii) substitute another Underwriter or Underwriters, satisfactory to FPL, to purchase and pay for the remaining principal amount of the Bonds which the defaulting Underwriter or Underwriters agreed but failed to purchase. If any of the Bonds would still remain unpurchased, then FPL shall be entitled to a further period of 24 hours within which to procure another party or other parties, members of the National Association of Securities Dealers, Inc. (or, if not members of such Association, who are not eligible for membership in said Association and who agree (i) to make no sales within the United States, its territories or its possessions or to persons who are citizens thereof or residents therein and (ii) in making sales to comply with said Association's Conduct Rules) and satisfactory to the Representatives to purchase such Bonds on the terms herein set forth. In the event that, within the respective prescribed periods, (i) the non-defaulting Underwriters notify FPL that they have arranged for the purchase of such Bonds or (ii) FPL notifies the non-defaulting Underwriters that it has arranged for the purchase of such Bonds, the non-defaulting Underwriters or FPL shall have the right to postpone the Closing Date for a period of not more than three full business days beyond the expiration of the respective prescribed periods in order to effect whatever changes may thus be made necessary in the Registration Statement, the Prospectus or in any other documents or arrangements. In the event that neither the non-defaulting Underwriters nor FPL has arranged for the purchase of such Bonds by another party or parties as above provided, then this agreement shall terminate without any liability on the part of FPL or any Underwriter (other than an Underwriter which shall have failed or refused, otherwise than for some reason sufficient to justify, in accordance with the terms hereof, the cancellation or termination of its obligations hereunder, to purchase and pay for the Bonds which such Underwriter has agreed to purchase as provided in Section 4 hereof), except as otherwise provided in Section 9 and subsections (c) and (e) of Section 6 hereof.

6. Covenants of FPL. FPL agrees with the several Underwriters that:

(a) FPL will promptly file the Prospectus with the Commission pursuant to Rule 424 under the Securities Act.

(b) FPL will deliver to the Representatives and to Counsel for the Underwriters one signed copy of the Registration Statement or, if a signed copy is not available, one conformed copy of the Registration Statement certified by an officer of FPL to be in the form as originally filed, including all Incorporated Documents and exhibits, except those incorporated by reference, which relate to the Bonds, including a signed or conformed copy of each consent and certificate included therein or filed as an exhibit thereto. As soon as practicable after the date of this agreement, FPL will deliver

to the Underwriters through the Representatives as many copies of the Prospectus as the Representatives may reasonably request for the purposes contemplated by the Securities Act.

(c) FPL will pay or cause to be paid all expenses in connection with the (i) preparation and filing of the Registration Statement and Prospectus, (ii) issuance and delivery of the Bonds as provided in Section 5 hereof, (iii) preparation, execution, filing and recording of the Supplemental Indenture and (iv) printing and delivery to the Representatives for the account of the Underwriters, in reasonable quantities, of copies of the Registration Statement, the Prospectus and the Supplemental Indenture. FPL will pay or cause to be paid all taxes, if any (but not including any transfer taxes), on the issuance of the Bonds and recordation of the Supplemental Indenture. FPL shall not, however, be required to pay any amount for any expenses of the Representatives or any of the Underwriters, except as provided in Sections 7 and 8 hereof and except that if this agreement shall be terminated in accordance with the provisions of Sections 7, 8 or 10 hereof, FPL will pay the fees and disbursements of Counsel for the Underwriters, whose fees and disbursements the Underwriters agree to pay in any other event. FPL shall not in any event be liable to any of the several Underwriters for damages on account of loss of anticipated profits.

(d) During a period of nine months after the date of this agreement, if any event relating to or affecting FPL shall occur which, in the opinion of FPL, should be set forth in a supplement to or an amendment of the Prospectus in order to make the Prospectus not misleading in the light of the circumstances when it is delivered to a purchaser, FPL will forthwith at its expense prepare and furnish to the Representatives a reasonable number of copies of a supplement or supplements or an amendment or amendments to the Prospectus which will supplement or amend the Prospectus so that as supplemented or amended it will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances when the Prospectus is delivered to a purchaser, not misleading; provided that should such event relate solely to activities of any of the Underwriters, then the Underwriters shall assume the expense of preparing and furnishing copies of any such amendment or supplement. In case any Underwriter is required to deliver a Prospectus after the expiration of nine months after the date of this agreement, FPL upon the request of the Representatives will furnish to the Representatives, at the expense of such Underwriter, a reasonable quantity of a supplemented or amended Prospectus or supplements or amendments to the Prospectus complying with Section 10 of the Securities Act.

(e) FPL will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Representatives may designate and will pay or cause to be paid filing fees and expenses (including fees of counsel not to exceed $5,000 and reasonable disbursements of counsel), provided that FPL shall not be required to qualify as a foreign corporation or dealer in securities, or to file any consents to service of process under the laws of any jurisdiction, or to meet other requirements deemed by FPL to be unduly burdensome.

(f) FPL will timely file such reports pursuant to the Exchange Act as are necessary in order to make generally available to its security holders (including holders of the Bonds) as soon as practicable an earnings statement (which need not be audited, unless required so to be under Section 11(a) of the Securities Act) for the purposes of, and to provide the benefits contemplated by, the last paragraph of Section 11(a) of the Securities Act.

(g) FPL will advise the Representatives promptly of the filing of the Prospectus pursuant to Rule 424 and of any amendment or supplement to the Prospectus or Registration Statement or, prior to the termination of the offering of the Bonds hereunder, of official notice of the institution of proceedings for, or the entry of, a stop order suspending the effectiveness of the Registration Statement and, if such a stop order should be entered, use every commercially reasonable effort to obtain the prompt removal thereof.

(h) On or before the Closing Date, FPL will, if applicable, cause (i) at least one counterpart of the Supplemental Indenture to be duly recorded in the States of Florida or Georgia and (ii) all intangible and documentary stamp taxes due in connection with the issuance of the Bonds and the recording of the Supplemental Indenture to be paid. Within 30 days following the Closing Date, FPL will, if applicable, cause the Supplemental Indenture to be duly recorded in all other counties in which property of FPL is located.

7. Conditions of Underwriters' Obligations to Purchase and Pay for the Bonds. The several obligations of the Underwriters to purchase and pay for the Bonds shall be subject to the performance by FPL of its obligations to be performed hereunder on or prior to the Closing Date and to the following conditions:

(a) The representations and warranties made by FPL herein shall be true and correct in all material respects as of the Closing Date as if made on and as of such date and the Representatives shall have received, prior to payment for the Bonds, a certificate from FPL dated the Closing Date and signed by an officer of FPL to that effect.

(b) No stop order suspending the effectiveness of the Registration Statement shall be in effect on the Closing Date; no order of the Commission directed to the adequacy of any Incorporated Document shall be in effect on the Closing Date; no proceedings for either such purpose shall be pending before, or threatened by, the Commission on such date; and the Representatives shall have received, prior to payment for the Bonds, a certificate from FPL dated the Closing Date and signed by an officer of FPL to the effect that, to the best of his or her knowledge, no such order is in effect and no proceedings for either such purpose are pending before, or to the knowledge of FPL threatened by, the Commission.

(c) On the Closing Date, there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the issuance and sale of the Bonds on the terms herein stated or contemplated, and containing no provision unacceptable to the Representatives by reason of the fact that it is materially adverse to

FPL, it being understood that no authorization provided to Counsel for the Underwriters and in effect at the date of this agreement contains any such unacceptable provision.

(d) On the Closing Date, the Representatives shall have received from Steel Hector & Davis LLP, counsel to FPL, Thelen Reid & Priest LLP, co-counsel to FPL, and Hunton & Williams, Counsel for the Underwriters, opinions (with a copy for each of the Underwriters) in substantially the form and substance prescribed in Schedules III, IV and V hereto (i) with such changes therein as may be agreed upon by FPL and the Representatives, with the approval of Counsel for the Underwriters, and (ii) if the Prospectus relating to the Bonds shall be supplemented or amended after the Prospectus shall have been filed with the Commission pursuant to Rule 424, with any changes therein necessary to reflect such supplementation or amendment.

(e) At the Closing Date, the Representatives shall have received from Deloitte & Touche LLP a letter (with copies thereof for each of the Underwriters) to the effect that (i) they are independent public accountants with respect to FPL within the meaning of the Securities Act and the Exchange Act and the applicable published rules and regulations thereunder; (ii) in their opinion, the consolidated financial statements audited by them and incorporated by reference in the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the published rules and regulations thereunder; (iii) on the basis of performing a review of interim financial information as described in Statement on Auditing Standards No. 71, Interim Financial Information, on the unaudited condensed consolidated financial statements of FPL, if any, incorporated by reference in the Prospectus, a reading of the latest available interim unaudited consolidated financial statements of FPL since the close of FPL's most recent audited fiscal year, the minutes and consents of the Board of Directors, the Finance Committee of the Board of Directors, the Stock Issuance Committee of the Board of Directors, and the sole common shareholder of FPL since the end of the most recent audited fiscal year, and inquiries of officials of FPL who have responsibility for financial and accounting matters (it being understood that the foregoing procedures do not constitute an audit made in accordance with generally accepted auditing standards and they would not necessarily reveal matters of significance with respect to the comments made in such letter, and accordingly that Deloitte & Touche LLP makes no representation as to the sufficiency of such procedures for the several Underwriters' purposes), nothing has come to their attention which caused them to believe that (a) the unaudited condensed consolidated financial statements of FPL, if any, incorporated by reference in the Prospectus (1) do not comply as to form in all material respects with the accounting requirements of the Securities Act and the Exchange Act and the published rules and regulations thereunder and (2) except as disclosed in the Prospectus, are not in conformity with generally accepted accounting principles applied on a basis substantially consistent with that of the audited consolidated financial statements of FPL incorporated by reference in the Prospectus, (b) at the date of the latest available interim balance sheet read by them and at a specified date not more than five days prior to the Closing Date there was any change in the common stock or additional paid-in capital, increase in the preferred stock or long-term debt of FPL and its subsidiaries, or decrease in its shareholders' equity, in each case as compared with amounts shown in the most recent consolidated balance sheet incorporated by reference

in the Prospectus, except in all instances for changes, increases or decreases which the Prospectus discloses have occurred or may occur, or as occasioned by the declaration, provision for, or payment of dividends, or which are described in such letter, or (c) for the period from the date of the most recent consolidated balance sheet incorporated by reference in the Prospectus to the latest available interim balance sheet read by them and for the period from the date of the latest available interim balance sheet read by them to a specified date not more than five days prior to the Closing Date, there were any decreases, as compared with the corresponding period in the preceding year, in total consolidated operating revenues or in net income or net income available to FPL Group, Inc., except in all instances for decreases which the Prospectus discloses have occurred or may occur, or which are described in such letter; and (iv) they have carried out certain procedures and made certain findings, as specified in such letter, with respect to certain amounts included in the Prospectus and Exhibit 12 to the Registration Statement and such other items as the Representatives may reasonably request.

(f) Since the respective most recent dates as of which information is given in the Registration Statement and Prospectus, and up to the Closing Date, (i) there shall have been no material adverse change in the business, properties or financial condition of FPL, except as disclosed in or contemplated by the Registration Statement and Prospectus, and (ii) there shall have been no material transaction entered into by FPL other than transactions disclosed in or contemplated by the Registration Statement and the Prospectus, and transactions in the ordinary course of business; and at the Closing Date, the Representatives shall have received a certificate to such effect from FPL signed by an officer of FPL.

(g) All legal proceedings to be taken in connection with the issuance and sale of the Bonds shall have been satisfactory in form and substance to Counsel for the Underwriters.

In case any of the conditions specified above in this Section 7 shall not have been fulfilled, this agreement may be terminated by the Representatives upon mailing or delivering written notice thereof to FPL. Any such termination shall be without liability of any party to any other party except as otherwise provided in subsections (c) and (e) of Section 6 hereof and except that in the event of such termination by the Representatives, FPL shall reimburse the Underwriters for out-of-pocket expenses reasonably incurred by them in connection with the transactions contemplated by this agreement, not in excess, however, of an aggregate of $5,000.

8. Condition of FPL's Obligations. The obligation of FPL to deliver the Bonds shall be subject to the following conditions:

(a) No stop order suspending the effectiveness of the Registration Statement shall be in effect on the Closing Date; no order of the Commission directed to the adequacy of any Incorporated Document shall be in effect on the Closing Date, and no proceedings for either such purpose shall be pending before, or threatened by, the Commission on such date.

(b) On the Closing Date there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the issuance and sale of the Bonds on the terms herein stated or contemplated, and containing no provision unacceptable to FPL by reason of the fact that it is materially adverse to FPL, it being understood that no authorization in effect at the date of this agreement contains any such unacceptable provision.

In case the conditions specified above in this Section 8 shall not have been fulfilled, this agreement may be terminated by FPL upon mailing or delivering written notice thereof to the Representatives. Any such termination shall be without liability of any party to any other party except as otherwise provided in subsections (c) and (e) of Section 6 hereof and except that in the event of such termination by FPL, FPL shall reimburse the Underwriters for out-of-pocket expenses reasonably incurred by them in connection with the transactions contemplated by this agreement, not in excess, however, of an aggregate of $5,000.

9. Indemnification.

(a) FPL agrees to indemnify and hold harmless each Underwriter, each officer and director of each Underwriter and each person who controls any Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or any other statute or common law and to reimburse each such Underwriter, officer, director and controlling person for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus, including all Incorporated Documents, or in the Registration Statement or the Prospectus, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that the indemnity agreement contained in this subsection (a) of Section 9 shall not apply to any such losses, claims, damages, liabilities, expenses or actions arising out of, or based upon, any such untrue statement or alleged untrue statement, or any such omission or alleged omission, if such statement or omission was made in reliance upon and in conformity with information furnished in writing, to FPL by or on behalf of any Underwriter, through the Representatives, expressly for use in connection with the preparation of the Registration Statement or the Prospectus or any amendment or supplement to either thereof, or arising out of, or based upon, statements in or omissions from the Statement of Eligibility on Form T-1 of the Mortgage Trustee; and provided, further, that the indemnity agreement contained in this subsection (a) of Section 9 in respect of any preliminary prospectus (and for purposes of clause (ii) below, the Prospectus) shall not inure to the benefit of any Underwriter (or of any person controlling such Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising from the sale of the Bonds to any person if such Underwriter shall have failed to send or give to such person (i) with or prior to the written confirmation of such sale, a copy of the Prospectus or the Prospectus as amended or

supplemented, if any amendments or supplements thereto shall have been furnished at or prior to the time of written confirmation of the sale involved, but exclusive of any Incorporated Documents, unless the alleged omission or alleged untrue statement with respect to such preliminary prospectus is not corrected in the Prospectus or the Prospectus as amended or supplemented at the time of confirmation, or (ii) with or prior to the delivery of such Bonds to such person, a copy of any amendment or supplement to the Prospectus which shall have been furnished subsequent to such written confirmation and prior to the delivery of such Bonds to such person, but exclusive of any Incorporated Documents, unless the alleged omission or alleged untrue statement with respect to such preliminary prospectus or the Prospectus was not corrected in the Prospectus or in such amendment or supplement at the time of such delivery of such Bonds. The indemnity agreement of FPL contained in this subsection (a) of Section 9 and the representations and warranties of FPL contained in Section 3 hereof shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Underwriter, or any such officer, director or controlling person, and shall survive the delivery of the Bonds . The Underwriters agree promptly to notify FPL, and each other Underwriter, of the commencement of any litigation or proceedings against them or any of them or any such officer, director or controlling person in connection with the issuance and sale of the Bonds.

(b) Each Underwriter, severally and not jointly, agrees to indemnify and hold harmless FPL, its officers and directors, and each person who controls FPL within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or any other statute or common law and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or the Prospectus, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading if such statement or omission was made in reliance upon and in conformity with information furnished in writing to FPL, by or on behalf of such Underwriter, through the Representatives, expressly for use in connection with the preparation of the Registration Statement or the Prospectus or any amendment or supplement to either thereof. The Underwriters hereby furnish to FPL in writing expressly for use in the Registration Statement and Prospectus (1) the "price to the public" set forth on the cover page of the Prospectus and (2) under "Underwriting": the fourth sentence of the second paragraph, the entire third paragraph, except for the first sentence, and the following table; the entire fourth paragraph; the second sentence in the fifth paragraph; and the entire sixth, seventh and eighth paragraphs. FPL acknowledges that the statements set forth in the preceding sentence constitute the only information furnished in writing by or on behalf of the several Underwriters expressly for inclusion in any preliminary prospectus or the Prospectus. The indemnity agreement of the respective Underwriters contained in this subsection (b) of Section 9 shall remain operative and in full force and effect, regardless

of any investigation made by or on behalf of FPL or any of its officers or directors or any such other Underwriter or any such controlling person, and shall survive the delivery of the Bonds . FPL agrees promptly to notify the Representatives of the commencement of any litigation or proceedings against FPL (or any controlling person thereof) or any of its officers or directors in connection with the issuance and sale of the Bonds.

(c) FPL and each of the several Underwriters each agree that, upon the receipt of notice of the commencement of any action against it, its officers and directors, or any person controlling it as aforesaid, in respect of which indemnity or contribution may be sought under the provisions of this Section 9, it will promptly give written notice of the commencement thereof to the party or parties against whom indemnity or contribution shall be sought thereunder, but the omission so to notify such indemnifying party or parties of any such action shall not relieve such indemnifying party or parties from any liability which it or they may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, such indemnifying party or parties shall be entitled to participate at its own expense in the defense or, if it so elects, to assume (in conjunction with any other indemnifying parties) the defense of such action, in which event such defense shall be conducted by counsel chosen by such indemnifying party or parties and reasonably satisfactory to the indemnified party or parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the indemnifying party shall elect not to assume the defense of such action, such indemnifying party will reimburse such indemnified party or parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and counsel for the indemnifying party shall have reasonably concluded that there may be a conflict of interest in the representation by such counsel of both the indemnifying party and the indemnified party, the indemnified party or parties shall have the right to select separate counsel, satisfactory to the indemnifying party or parties, to participate in the defense of such action on behalf of such indemnified party or parties at the expense of the indemnifying party or parties (it being understood, however, that the indemnifying party or parties shall not be liable for the expenses of more than one separate counsel representing the indemnified parties who are parties to such action). FPL and each of the several Underwriters each agree that without the prior written consent of the other parties to such action who are parties to this agreement, which consent shall not be unreasonably withheld, it will not settle, compromise or consent to the entry of any judgment in any claim or proceeding in respect of which such party intends to seek indemnity or contribution under the provisions of this Section 9, unless such settlement, compromise or consent (i) includes an unconditional release of such other parties from all liability arising out of such claim or proceeding and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of such other parties.

(d) If, or to the extent, the indemnification provided for in subsections (a) or (b) above shall be unenforceable under applicable law by an indemnified party, each indemnifying party agrees to contribute to such indemnified party with respect to any and all losses, claims, damages, liabilities and expenses for which each such indemnification

provided for in subsections (a) or (b) above shall be unenforceable, in such proportion as shall be appropriate to reflect (i) the relative fault of FPL on the one hand and the Underwriters on the other in connection with the statements or omissions which have resulted in such losses, claims, damages, liabilities and expenses, (ii) the relative benefits received by FPL on the one hand and the Underwriters on the other hand from the offering of the Bonds pursuant to this agreement, and (iii) any other relevant equitable considerations; provided, however, that no indemnified party guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution with respect thereto from any indemnifying party not guilty of such fraudulent misrepresentation. Relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by FPL or the Underwriters and each such party's relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. FPL and each of the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute in excess of the amount equal to the excess of (i) the total price at which the Bonds underwritten by it were offered to the public, over (ii) the amount of any damages which such Underwriter has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission. The obligations of each Underwriter to contribute pursuant to this subsection (d) are several and not joint and shall be in the same proportion as such Underwriter's obligation to underwrite the Bonds is to the total principal amount of the Bonds set forth in Schedule II hereto.

10. Termination. This agreement may be terminated by the Representatives by delivering written notice thereof to FPL, at any time prior to the Closing Date if after the date hereof and at or prior to the Closing Date:

(a) (i) there shall have occurred any general suspension of trading in securities on The New York Stock Exchange, Inc. (the "NYSE") or there shall have been established by the NYSE or by the Commission or by any federal or state agency or by the decision of any court any limitation on prices for such trading or any general restrictions on the distribution of securities, or trading in any securities of FPL shall have been suspended or limited by any exchange located in the United States or on the over-the-counter market located in the United States or a general banking moratorium declared by New York or federal authorities or (ii) there shall have occurred any material adverse change in the financial markets in the United States, any outbreak of hostilities, including, but not limited to, an escalation of hostilities which existed prior to the date of this agreement, any other national or international calamity or crisis or any material adverse change in financial, political or economic conditions affecting the United States, the effect of any such event specified in this clause (ii) being such as to make it, in the reasonable judgment of the Representatives, impracticable or inadvisable to proceed with the offering of the Bonds as contemplated in the Prospectus or for the Underwriters to enforce contracts for the sale of the Bonds; or

(b) (i) there shall have been any downgrading or any notice of any intended or potential downgrading in the ratings accorded to the Bonds or any securities of FPL which are of the same class as the Bonds by either Moody's Investor Service, Inc. ("Moody's") or Standard & Poor's Ratings Services, a division of McGraw-Hill Companies, Inc. ("S&P"), or (ii) either Moody's or S&P shall have publicly announced that either has under surveillance or review, with possible negative implications, its ratings of the Bonds or any securities of FPL which are of the same class as the Bonds, the effect of any such event specified in (i) or (ii) above being such as to make it, in the reasonable judgment of the Representatives, impracticable or inadvisable to proceed with the offering of the Bonds as contemplated in the Prospectus or for the Underwriters to enforce contracts for the sale of the Bonds.

This agreement may also be terminated at any time prior to the Closing Date if in the judgment of the Representatives the subject matter of any amendment or supplement to the Registration Statement or the Prospectus prepared and furnished by FPL after the date hereof reflects a material adverse change in the business, properties or financial condition of FPL which renders it either inadvisable to proceed with such offering, if any, or inadvisable to proceed with the delivery of the Bonds to be purchased hereunder. Any termination of this agreement pursuant to this Section 10 shall be without liability of any party to any other party except as otherwise provided in subsections (c) and (e) of Section 6 hereof.

11. Miscellaneous. The validity and interpretation of this agreement shall be governed by the laws of the State of New York without regard to conflict of law principles thereunder. This agreement shall inure to the benefit of, and be binding upon, FPL, the several Underwriters and, with respect to the provisions of Section 9 hereof, each officer, director or controlling person referred to in said Section 9, and their respective successors. Nothing in this agreement is intended or shall be construed to give to any other person or entity any legal or equitable right, remedy or claim under or in respect of this agreement or any provision herein contained. The term "successors" as used in this agreement shall not include any purchaser, as such purchaser, of any Bonds from any of the several Underwriters.

12. Notices. All communications hereunder shall be in writing or by telegram and, if to the Underwriters, shall be mailed or delivered to the Representatives at the address set forth in Schedule I hereto, or if to FPL, shall be mailed or delivered to it at 700 Universe Boulevard, Juno Beach, Florida 33408, Attention: Treasurer.

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter and your acceptance shall constitute a binding agreement between us.

Very truly yours,

Florida Power & Light Company

By: _____
Name: Paul I. Cutler
Title: Treasurer and Assistant Secretary

Accepted and delivered as of
the date first above written:

Banc of America Securities LLC

By: _____
Name:
Title:

Wachovia Securities, Inc.

By: _____
Name: James T. Williams, Jr.
Title: Director

Acting on their own behalf and on behalf of the other several Underwriters referred to in the foregoing agreement.

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter and your acceptance shall constitute a binding agreement between us.

Very truly yours,

Florida Power & Light Company

By: _____
Name: Paul I. Cutler
Title: Treasurer and Assistant Secretary

Accepted and delivered as of
the date first above written:

Banc of America Securities LLC

By: _____
Name: Peter J. Carbone
Title: Vice President

Wachovia Securities, Inc.

By: _____
Name:
Title:

Acting on their own behalf and on behalf of the other several Underwriters referred to in the foregoing agreement.

SCHEDULE I

Underwriting Agreement dated March 31, 2003
Registration Statement No. 333-102172
Representatives and Addresses:

Banc of America Securities LLC
9 West 57th Street
New York, New York 10019

Wachovia Securities, Inc.
One Wachovia Center
301 South College Street
Charlotte, North Carolina 28288

Bonds:

Designation:	First Mortgage Bonds, 5 5/8% Series due April 1, 2034
Principal Amount:	$500,000,000
Date of Maturity:	April 1, 2034
Interest Rate:	5 5/8%
Purchase Price:	$493,520,000
Underwriting Discount:	0.875%
Price to the Public:	$497,895,000
Dealers' Concession:	0.500%
Closing Date, Time and Location:	April 4, 2003 at the offices of Thelen Reid & Priest LLP, 875 Third Avenue, New York, New York at 9:00 A.M.

SCHEDULE II

Underwriter	Principal Amount of the Bonds
Banc of America Securities LLC	$175,000,000
Wachovia Securities, Inc.	175,000,000
J.P. Morgan Securities Inc.	35,000,000
Salomon Smith Barney Inc.	35,000,000
Mellon Financial Markets, LLC	20,000,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	20,000,000
Scotia Capital (USA) Inc.	20,000,000
SunTrust Capital Markets, Inc.	20,000,000
Total	$500,000,000

SCHEDULE III

[LETTERHEAD OF STEEL HECTOR & DAVIS LLP]

April 4, 2003

Banc of America Securities LLC
9 West 57th Street
New York, New York 10019

Wachovia Securities, Inc.
One Wachovia Center
301 South College Street
Charlotte, North Carolina 28288

as Representatives of the Underwriters
named in Schedule II to the Agreement,
as herein described

Ladies and Gentlemen:

We have acted as counsel for Florida Power & Light Company ("FPL") (a) in connection with the authorization and issuance by FPL of $500,000,000 principal amount of First Mortgage Bonds, 5 5/8% Series due April 1, 2034 (the "Bonds"), issued under the Mortgage and Deed of Trust dated as of January 1, 1944, as the same is supplemented by one hundred and three indentures supplemental thereto, the latest of which (the "One Hundred Third Supplemental Indenture") is dated as of April 1, 2003 (such Mortgage as so supplemented being hereinafter called the "Mortgage") from FPL to Deutsche Bank Trust Company Americas, as Trustee ("Mortgage Trustee"), and (b) in connection with the sale of the Bonds to you in accordance with the underwriting agreement dated March 31, 2003, between you and FPL (the "Agreement"). Capitalized terms used in this opinion but not defined shall have the meanings set forth in the Agreement.

We have participated in the preparation of or reviewed (1) Registration Statement No. 333-102172, as amended, which became effective on March 28, 2003, which registration statement was filed by FPL with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), (references herein to the term "Registration Statement" as of any given date shall mean Registration Statement No. 333-102172, as amended and supplemented to such date, including those documents incorporated by reference therein as of such date pursuant to Item 12 of Form S-3 under the Securities Act (the "Incorporated Documents")); (2) the prospectus dated March 28, 2003 forming a part of the Registration Statement, as supplemented by a prospectus supplement dated March 31, 2003 relating to the Bonds, both such prospectus and prospectus supplement filed pursuant to Rule

424(b) under the Securities Act ("Rule 424" and references herein to the "Prospectus" as of any given date shall refer to such prospectus, as supplemented by the prospectus supplement relating to the Bonds filed pursuant to Rule 424, and as further amended and supplemented to such date, including the Incorporated Documents); (3) the Mortgage; (4) the corporate proceedings with respect to the Registration Statement and with respect to the authorization, issuance and sale of the Bonds; (5) FPL's Restated Articles of Incorporation, as amended to the date hereof (the "Charter"), and Bylaws, as amended to the date hereof (the "Bylaws"); and (6) such other corporate records, certificates and other documents and such questions of law as we have considered necessary or appropriate for the purposes of this opinion. We have also participated in the preparation of FPL's Application to the Florida Public Service Commission ("FPSC") for the authorization of, among other things, the issuance and sale of debt securities in 2003, including the Bonds.

Upon the basis of the foregoing, we advise you that:

I.

FPL is a validly organized and existing corporation and is in good standing under the laws of the State of Florida and has valid franchises, licenses and permits adequate for the conduct of its business.

II.

FPL is a corporation duly authorized by its Charter to conduct the business which it is now conducting as set forth in the Prospectus; FPL is subject, as to retail rates and services, issuance of securities, accounting and certain other matters, to the jurisdiction of the FPSC; and FPL is subject, as to wholesale rates, accounting and certain other matters, to the jurisdiction of the Federal Energy Regulatory Commission.

III.

The Mortgage has been duly authorized by FPL by all necessary corporate action, has been duly and validly executed and delivered by FPL, and is a valid and binding obligation of FPL enforceable in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

IV.

The Bonds are valid and binding obligations of FPL enforceable in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity, and are entitled to the benefit of the security afforded by the Mortgage.

V.

Except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no opinion, the Registration Statement, at the Effective Date, and the Prospectus, at the 424 Date, complied as to form in all material respects with the applicable requirements of the Securities Act and the applicable instructions, rules and regulations of the Commission thereunder. The Incorporated Documents (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), at the time they were filed with the Commission, complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder. The Registration Statement became, and is, at the date hereof, effective under the Securities Act, and to the best of our knowledge, no proceedings for a stop order with respect thereto are pending or threatened under Section 8 of the Securities Act.

VI.

The consummation of the transactions contemplated in the Agreement and the fulfillment of the terms contained in the Agreement and the compliance by FPL with all the terms and provisions of the Mortgage will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or the Bylaws or any indenture, mortgage, deed of trust or other agreement or instrument the terms of which are known to us to which FPL is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of FPL.

VII.

The Bonds are being issued and sold pursuant to the authority contained in an order of the FPSC, which authority is adequate to permit the issuance and sale of the Bonds. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body (other than in connection or in compliance with the provisions of the blue sky laws of any jurisdiction as to which we express no opinion, and other than those which have been already obtained) is legally required for the authorization of the issuance and sale of the Bonds.

VIII.

The statements made in the Prospectus under the headings "Description of the Bonds" and "Certain Terms of the Offered Bonds," insofar as they purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

IX.

The Mortgage is duly qualified under the Trust Indenture Act of 1939, as amended.

X.

The Agreement has been duly and validly authorized, executed and delivered by FPL.

XI.

As to the Mortgaged and Pledged Property, as defined in the Mortgage, FPL has satisfactory title to any easements and personal properties, and good and marketable or insurable title in fee simple to any other real properties (except as FPL's interest is stated to be otherwise), subject only to Excepted Encumbrances, as defined in the Mortgage, to any lien, if any, existing or placed thereon at the time of acquisition thereof by FPL, to minor defects and encumbrances customarily found in the case of properties of like size and character and which, in our opinion, would not impair the use thereof by FPL (all of which title exceptions, encumbrances, liens and defects are hereinafter referred to as "Exceptions"), and to the lien of the Mortgage; the Mortgage constitutes a valid, direct, and first mortgage lien upon the Mortgaged and Pledged Property now owned by FPL, subject, however, to the Exceptions and as set forth in the last sentence of this paragraph; and the description of properties in the Mortgage is adequate to constitute the Mortgage a lien on Mortgaged and Pledged Property hereafter acquired by FPL, subject, however, to the Exceptions and except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity. The One Hundred Third Supplemental Indenture is in proper form for recording in all places required; and upon such recording, the One Hundred Third Supplemental Indenture will constitute adequate record notice to perfect the lien of the Mortgage as to all Mortgaged and Pledged Property acquired by FPL subsequent to the recording of the One Hundred Second Supplemental Indenture to the Mortgage and prior to the recording of the One Hundred Third Supplemental Indenture.

XII.

Except as stated or referred to in the Prospectus, to our knowledge after due inquiry there is no material pending legal proceeding to which FPL is a party or of which property of FPL is the subject which is reasonably likely to be determined adversely and, if determined adversely, might reasonably be expected to have a material adverse effect on FPL and, to the best of our knowledge, no such proceeding is known to be contemplated by governmental authorities.

In rendering the foregoing opinion, we have assumed that the certificates representing the Bonds will conform to specimens examined by us and that the Bonds will be duly authenticated by the Mortgage Trustee under the Mortgage and will be delivered against payment of the purchase price as provided in the Agreement and that the signatures on all documents examined by us are genuine, assumptions which we have not independently verified.

Other than with respect to the opinion expressed in Paragraph VIII hereof, we have not ourselves checked the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Registration Statement or the Prospectus. We have generally reviewed and discussed such information with certain officers and employees of FPL, certain of its other legal counsel, its independent public accountants and your representatives. Additionally, as counsel to FPL, we have responsibility for certain of its legal matters. On the

basis of such consideration, review and discussion, but without independent check or verification except as stated, nothing has come to our attention that would lead us to believe (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no belief, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no belief), that the Registration Statement, at the Effective Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements contained therein not misleading or (except as aforesaid) that the Prospectus at the 424 Date included, or at the date hereof includes, any untrue statement of a material fact or the Prospectus at the 424 Date omitted, or at the date hereof omits, to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We are members of the Florida Bar and do not hold ourselves out as experts on the laws of New York or Georgia, and accordingly, this opinion is limited to the laws of Florida and the federal laws of the United States insofar as they bear on matters covered hereby. As to all matters of New York law, we have relied, with your consent, upon an opinion of even date herewith addressed to you by Thelen Reid & Priest LLP, New York, New York. As to all matters of law affecting Mortgaged and Pledged Property located in the State of Georgia, we have relied, with your consent, upon an opinion of even date herewith addressed to you and us by McDaniel & Haugaard, P.C., Decatur, Georgia. As to all matters of Florida law, Thelen Reid & Priest LLP and Hunton & Williams are hereby authorized to rely upon this opinion as though it were rendered to each of them.

This opinion is rendered to you in connection with the above-described transaction. This opinion may not be relied upon by you for any other purpose, or relied upon or furnished to any other person, firm or corporation without our prior written permission. This opinion is expressed as of the date hereof, and we do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to our attention, or any change in law that hereafter occurs.

Very truly yours,

STEEL HECTOR & DAVIS LLP

SCHEDULE IV

[LETTERHEAD OF THELEN REID & PRIEST LLP]

April 4, 2003

Banc of America Securities LLC
9 West 57th Street
New York, New York 10019

Wachovia Securities, Inc.
One Wachovia Center
301 South College Street
Charlotte, North Carolina 28288

as Representatives of the Underwriters
named in Schedule II to the Agreement,
as herein described

Ladies and Gentlemen:

We have acted as special counsel for Florida Power & Light Company ("FPL") (a) in connection with the authorization and issuance by FPL of $500,000,000 principal amount of First Mortgage Bonds, 5 5/8% Series due April 1, 2034 (the "Bonds"), issued under the Mortgage and Deed of Trust dated as of January 1, 1944, as the same is supplemented by one hundred and three indentures supplemental thereto, the latest of which (the "One Hundred Third Supplemental Indenture") is dated as of April 1, 2003 (such Mortgage as so supplemented being hereinafter called the "Mortgage") from FPL to Deutsche Bank Trust Company Americas, as Trustee ("Mortgage Trustee"), and (b) in connection with the sale of the Bonds to you in accordance with the underwriting agreement dated March 31, 2003, between you and FPL (the "Agreement"). Capitalized terms used in this opinion but not defined shall have the meanings set forth in the Agreement.

We have participated in the preparation of or reviewed (1) Registration Statement No. 333-102172, as amended, which became effective on March 28, 2003, which registration statement was filed by FPL with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), (references herein to the term "Registration Statement" as of any given date shall mean Registration Statement No. 333-102172, as amended and supplemented to such date, including those documents incorporated by reference therein as of such date pursuant to Item 12 of Form S-3 under the Securities Act (the "Incorporated Documents")); (2) the prospectus dated March 28, 2003 forming a part of the Registration Statement, as supplemented by a prospectus supplement dated March 31, 2003 relating to the Bonds, both such prospectus and prospectus supplement filed pursuant to Rule 424(b) under the Securities Act ("Rule 424" and references herein to the

"Prospectus" as of any given date shall refer to such prospectus, as supplemented by the prospectus supplement relating to the Bonds filed pursuant to Rule 424, and as further amended and supplemented to such date, including the Incorporated Documents); (3) the Mortgage; (4) the corporate proceedings with respect to the Registration Statement and with respect to the authorization, issuance and sale of the Bonds; (5) FPL's Restated Articles of Incorporation, as amended to the date hereof (the "Charter"), and Bylaws, as amended to the date hereof (the "Bylaws"); and (6) such other corporate records, certificates and other documents and such questions of law as we have considered necessary or appropriate for the purposes of this opinion. We have also participated in the preparation of FPL's Application to the Florida Public Service Commission ("FPSC") for the authorization of, among other things, the issuance and sale of debt securities in 2003, including the Bonds.

Upon the basis of the foregoing, we advise you that:

I.

The Mortgage has been duly authorized by FPL by all necessary corporate action, has been duly and validly executed and delivered by FPL, and is a valid and binding obligation of FPL enforceable in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

II.

The Bonds are valid and binding obligations of FPL enforceable in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity, and are entitled to the benefit of the security afforded by the Mortgage.

III.

Except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no opinion, the Registration Statement, at the Effective Date, and the Prospectus, at the 424 Date, complied as to form in all material respects with the applicable requirements of the Securities Act and the applicable instructions, rules and regulations of the Commission thereunder. The Incorporated Documents (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), at the time they were filed with the Commission, complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder. The Registration Statement became, and is, at the date hereof, effective under the Securities Act, and to the best of our knowledge, no proceedings for a stop order with respect thereto are pending or threatened under Section 8 of the Securities Act.

IV.

The consummation of the transactions contemplated in the Agreement and the fulfillment of the terms contained in the Agreement and the compliance by FPL with all the terms and provisions of the Mortgage will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or the Bylaws or any indenture, mortgage, deed of trust or other agreement or instrument the terms of which are known to us to which FPL is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of FPL.

V.

The Bonds are being issued and sold pursuant to the authority contained in an order of the FPSC, which authority is adequate to permit the issuance and sale of the Bonds. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body (other than in connection or in compliance with the provisions of the blue sky laws of any jurisdiction as to which we express no opinion, and other than those which have been already obtained) is legally required for the authorization of the issuance and sale of the Bonds.

VI.

The statements made in the Prospectus under the headings "Description of the Bonds" and "Certain Terms of the Offered Bonds," insofar as they purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

VII.

The Mortgage is duly qualified under the Trust Indenture Act of 1939, as amended.

VIII.

The Agreement has been duly and validly authorized, executed and delivered by FPL.

In rendering the foregoing opinion, we have assumed that the certificates representing the Bonds will conform to specimens examined by us and that the Bonds will be duly authenticated by the Mortgage Trustee under the Mortgage and will be delivered against payment of the purchase price as provided in the Agreement and that the signatures on all documents examined by us are genuine, assumptions which we have not independently verified.

Other than with respect to the opinion expressed in Paragraph VI hereof, we have not ourselves checked the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Registration Statement or the Prospectus. We have generally reviewed and discussed such information with certain officers and employees of FPL, certain of its other legal counsel, its independent public accountants and your representatives. On the basis of such consideration, review and discussion, but without independent check or verification except as stated, nothing has come to our attention that would lead us to believe

(except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no belief, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no belief), that the Registration Statement, at the Effective Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements contained therein not misleading or (except as aforesaid) that the Prospectus at the 424 Date included, or at the date hereof includes, any untrue statement of a material fact or the Prospectus at the 424 Date omitted, or at the date hereof omits, to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We are members of the New York Bar and do not hold ourselves out as experts on the laws of Florida. We do not pass upon matters governed by Florida law, including without limitation the incorporation of FPL, titles to property, franchises or the lien of the Mortgage. As to all matters of Florida law, we have relied, with your consent, upon an opinion of even date herewith addressed to you by Steel Hector & Davis LLP, Miami, Florida. As to all matters of New York law, Steel Hector & Davis LLP is hereby authorized to rely upon this opinion as though it were rendered to Steel Hector & Davis LLP.

This opinion is rendered to you in connection with the above-described transaction. This opinion may not be relied upon by you for any other purpose, or relied upon or furnished to any other person, firm or corporation without our prior written permission. This opinion is expressed as of the date hereof, and we do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to our attention, or any change in law that hereafter occurs.

Very truly yours,

THELEN REID & PRIEST LLP

SCHEDULE V

[LETTERHEAD OF HUNTON & WILLIAMS]

April 4, 2003

Banc of America Securities LLC
9 West 57th Street
New York, New York 10019

Wachovia Securities, Inc.
One Wachovia Center
301 South College Street
Charlotte, North Carolina 28288

as Representatives of the Underwriters
named in Schedule II to the Agreement,
as herein described

Ladies and Gentlemen:

We have acted as your counsel in connection with your several purchases from Florida Power & Light Company ("FPL") of $500,000,000 principal amount of First Mortgage Bonds, 5 5/8% Series due April 1, 2034 (the "Bonds"), issued under FPL's Mortgage and Deed of Trust dated as of January 1, 1944, with Deutsche Bank Trust Company Americas, as Trustee, which has been amended and supplemented in the past and which will be supplemented again by one or more supplemental indentures relating to these Bonds (as so amended and supplemented, the "Mortgage"), pursuant to the Underwriting Agreement, dated March 31, 2003, between you and FPL (the "Agreement"). Capitalized terms used and not otherwise defined herein have the meaning ascribed to them in the Agreement.

In connection with the foregoing we have examined the following:

a) FPL's registration statement on Form S-3 (Registration Statement No. 333-102172, as amended, relating to $1,000,000,000 aggregate principal amount of First Mortgage Bonds filed with the Commission on December 23, 2002 (the "Registration Statement");

b) the prospectus dated March 28, 2003 (the "Prospectus") and the prospectus supplement dated March 31, 2003 (the "Prospectus Supplement"), filed pursuant to Rule 424(b)(5) under the Securities Act of 1933, as amended (the "Securities Act");

c) the Restated Articles of Incorporation of FPL, as amended to date, and the Bylaws of FPL, as amended to date;

d) the unanimous consents of the Board of Directors of FPL dated October 21, 1991, May 15, 2000 and May 24, 2002 and the unanimous consent of the Finance Committee of the Board of Directors of FPL, dated December 2, 2002, with respect to the offering of the Bonds, as certified by the Secretary of FPL on the date hereof;

e) the Agreement; and

f) the Mortgage.

We have also examined originals or copies, certified or otherwise identified to our satisfaction, of such other documents, agreements, certificates, corporate records, certificates of public officials and other instruments as we have deemed necessary or appropriate for the purposes of this opinion.

For purposes of the opinions expressed below, we have assumed without verification (i) the authenticity of all documents submitted to us as originals; (ii) the conformity to the originals of all documents submitted as certified or photostatic copies and the authenticity of the originals of such documents; (iii) the genuineness of signatures not witnessed by us; and (iv) the legal capacity of natural persons.

In rendering the following opinion, we have assumed that the certificates representing the Bonds will conform to specimens examined by us and that the Bonds will be duly authenticated by the Mortgage Trustee under the Mortgage and will be delivered against payment of the purchase price as provided in the Agreement.

As to factual matters, we have relied upon representations and warranties included in the Agreement and upon certificates of officers of FPL being delivered to you today pursuant to Section 7(a) of the Agreement, and upon certificates of public officials, without independent investigation. Whenever the phrase "to the best of our knowledge" or "has come to our attention" is used herein, it refers to the actual knowledge of the attorneys involved in this transaction, without independent investigation.

We do not purport to express an opinion on any laws other than the laws of the State of New York, the United States of America and, to the extent set forth herein, the laws of the State of Florida. As to all matters of Florida law, we have, with your consent, relied upon the opinion of even date herewith addressed to you by Steel Hector & Davis LLP, counsel for FPL. We express no opinion or belief as to the incorporation of FPL, titles to property, franchises or the lien of the Mortgage.

Based upon the foregoing and such other information and documents as we have considered necessary for the purposes hereof, we are of the opinion that:

I.

1. The Mortgage has been duly authorized by FPL by all necessary corporate action, has been duly and validly executed and delivered by FPL, and is a valid and binding obligation of FPL enforceable against FPL in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

2. The Bonds are valid and binding obligations of FPL enforceable against FPL in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity, and are entitled to the benefit of the security afforded by the Mortgage.

3. The statements made in the Prospectus under the headings "Description of the Bonds" and "Certain Terms of the Offered Bonds," insofar as such statements purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

4. The Registration Statement has become, and is, at the date hereof, effective under the Securities Act, and to the best of our knowledge, no proceedings for a stop order with respect thereto are pending or threatened under Section 8 of the Securities Act.

5. The Mortgage is duly qualified under the Trust Indenture Act of 1939, as amended.

6. The Agreement has been duly and validly authorized, executed and delivered by FPL.

II.

Other than with respect to the opinion expressed in paragraph 3 of Part I hereof, we have not ourselves checked the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Registration Statement, the Prospectus or the Prospectus Supplement. We have, however, participated in the preparation of the Registration Statement, the Prospectus and the Prospectus Supplement. In this context, we have participated in various conferences with the officers and employees of FPL, certain of its legal counsel and its independent certified public accountants and your representatives. At those conferences, the contents of the Prospectus Supplement were discussed and revised. Since the dates of those conferences, we have inquired of certain officers whether there has been any material change in the affairs of FPL.

Except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no opinion, Registration Statement No. 333-102172, at the Effective Date, and the Prospectus and the Prospectus Supplement, each at the 424 Date, complied as to form in all material respects with the applicable requirements of the Securities Act and the applicable

instructions, rules and regulations of the Commission thereunder. The Incorporated Documents (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), at the time they were filed with the Commission, complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended, and the applicable instructions, rules and regulations of the Commission thereunder.

Because of the inherent limitations in the independent verification of factual matters, and the character of determinations involved in the preparation of a registration statement under the Securities Act, we are not passing upon, and do not assume any responsibility for, and make no representation that we have independently verified, the accuracy, completeness or fairness of the statements contained in the Registration Statement, the Prospectus or the Prospectus Supplement, except as specifically set forth in paragraph 3 of Part I of our opinion above. Also, we do not express any opinion or belief as to the financial statements or other financial or statistical information contained in the Registration Statement, the Prospectus and the Prospectus Supplement. However, subject to the foregoing, on the basis of our participation in the conferences referred to above and our examination of the documents referred to herein, we advise you that nothing has come to our attention that would lead us to believe (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no belief, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no belief), that the Registration Statement, at the Effective Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements contained therein not misleading or (except as aforesaid) that the Prospectus or the Prospectus Supplement at the 424 Date included, or at the date hereof includes, any untrue statement of a material fact or the Prospectus or the Prospectus Supplement at the 424 Date omitted, or at the date hereof omits, to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

This opinion is furnished solely for your benefit, and it is not to be quoted, in whole or in part, or otherwise referred to, nor is it to be filed with any governmental agency or any other person, and no person or entity other than you shall be entitled to rely upon this opinion without our express written consent. This opinion is given as of the date hereof, and we assume no obligation to advise you after the date hereof of facts or circumstances that come to our attention or changes in law that occur which could affect the opinion contained herein.

Very truly yours,

HUNTON & WILLIAMS

Exhibit (d)-1C

FLORIDA POWER & LIGHT COMPANY

FIRST MORTGAGE BONDS

UNDERWRITING AGREEMENT

October 9, 2003

To the Representatives named in Schedule I
hereto of the Underwriters
named in Schedule II hereto

Ladies and Gentlemen:

1. Introductory. Florida Power & Light Company, a Florida corporation ("FPL"), proposes to issue and sell its First Mortgage Bonds of the series designation, with the terms and in the principal amount specified in Schedule I hereto (the "Bonds"). FPL hereby confirms its agreement with the several Underwriters (as defined below) as set forth herein.

The term "Underwriters" as used herein shall be deemed to mean the entity or several entities named in Schedule II hereto and any underwriter substituted as provided in Section 5 hereof and the term "Underwriter" shall be deemed to mean one of such Underwriters. If the entity or entities listed in Schedule I hereto (the "Representatives") are the same as the entity or entities listed in Schedule II hereto, then the terms "Underwriters" and "Representatives," as used herein, shall each be deemed to refer to such entity or entities. The Representatives represent that they have been authorized by each Underwriter to enter into this agreement on behalf of such Underwriter and to act for it in the manner herein provided. All obligations of the Underwriters hereunder are several and not joint. If more than one entity is named in Schedule I hereto, any action under or in respect of this agreement may be taken by such entities jointly as the Representatives or by one of the entities acting on behalf of the Representatives and such action will be binding upon all the Underwriters.

2. Description of the Bonds. The Bonds will be a series of first mortgage bonds ("First Mortgage Bonds") issued by FPL under its Mortgage and Deed of Trust, dated as of January 1, 1944, to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), as Trustee (the "Mortgage Trustee"), and The Florida National Bank of Jacksonville (now resigned), as heretofore supplemented and as it will be further supplemented by a supplemental indenture relating to the Bonds ("Supplemental Indenture") in substantially the form heretofore delivered to the Representatives. Such Mortgage and Deed of Trust as it has been and will be so supplemented is hereinafter called the "Mortgage."

3. Representations and Warranties of FPL. FPL represents and warrants to the several Underwriters that:

(a) FPL has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3, as amended, including a prospectus ("Registration Statement No. 333-102172"), for the registration under the Securities Act of 1933, as amended (the "Securities Act"), of $1,000,000,000 aggregate principal amount of its First Mortgage Bonds. Such registration statement has been declared effective by the Commission and no stop order suspending such effectiveness has been issued under the Securities Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of FPL, threatened by the Commission. All but $500,000,000 aggregate amount of the First Mortgage Bonds registered with the Commission under the Securities Act pursuant to Registration Statement No. 333-102172 have been previously issued. References herein to the term "Registration Statement" as of any given date shall mean Registration Statement No. 333-102172, as amended or supplemented to such date, including all documents incorporated by reference therein as of such date pursuant to Item 12 of Form S-3 ("Incorporated Documents"); provided that if FPL files a registration statement pursuant to Rule 462(b) under the Securities Act (the "Rule 462(b) Registration Statement"), then after such filing, all references to "Registration Statement" shall be deemed to include the Rule 462(b) Registration Statement. References herein to the term "Prospectus" as of any given date shall mean the prospectus forming a part of Registration Statement No. 333-102172, as supplemented by a prospectus supplement relating to the Bonds proposed to be filed pursuant to Rule 424 of the general rules and regulations of the Securities Act ("Rule 424"), and as further amended or supplemented as of such date (other than amendments or supplements relating to First Mortgage Bonds other than the Bonds), including all Incorporated Documents. References herein to the term "Effective Date" shall be deemed to refer to the later of the time and date that Registration Statement No. 333-102172 was declared effective and the time and date of the filing thereafter of FPL's most recent Annual Report on Form 10-K, if such filing is made prior to the Closing Date (as hereinafter defined). Prior to the termination of the offering of the Bonds, FPL will not file any amendment to the Registration Statement or any amendment or supplement to the Prospectus without prior notice to the Representatives and to Hunton & Williams LLP, who are acting as counsel for the several Underwriters ("Counsel for the Underwriters"), or any such amendment or supplement to which the Representatives shall reasonably object in writing, or which shall be unsatisfactory to Counsel for the Underwriters. Each of the Underwriters acknowledges that subsequent to the Closing Date, FPL may file a post-effective amendment to the Registration Statement in order to file one or more unqualified opinions of counsel pursuant to Rule 462(d) under the Securities Act.

(b) The Registration Statement, at the Effective Date, fully complied and the Prospectus both on the date it is filed with the Commission pursuant to Rule 424 (such date, the "424 Date") and at the Closing Date, and the Registration Statement and the Mortgage at the Closing Date, will fully comply, in all material respects with the applicable provisions of the Securities Act and the Trust Indenture Act of 1939, as amended (the "1939 Act"), respectively, and, in each case, the applicable instructions,

rules and regulations of the Commission thereunder; the Registration Statement at the Effective Date, did not, and at the Closing Date, will not, contain an untrue statement of a material fact, or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the Prospectus, on the 424 Date and at the Closing Date, will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading; and the Incorporated Documents, when filed with the Commission, fully complied or will fully comply in all material respects with the applicable provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder; provided, that the foregoing representations and warranties in this subsection (b) shall not apply to statements or omissions made in reliance upon and in conformity with information furnished in writing to FPL by or on behalf of any Underwriter through the Representatives expressly for use in connection with the preparation of the Registration Statement or the Prospectus, or to any statements in or omissions from the Statement of Eligibility on Form T-1, or amendments thereto, of the Mortgage Trustee or to any statements or omissions made in the Registration Statement or Prospectus relating to The Depository Trust Company ("DTC") Book-Entry Only System that are based solely on information contained in published reports of DTC.

(c) The financial statements included as part of or incorporated by reference in the Registration Statement present fairly the consolidated financial condition and results of operations of FPL and its subsidiaries taken as a whole at the respective dates or for the respective periods to which they apply; such financial statements have been prepared in each case in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as otherwise indicated in the Registration Statement; and Deloitte & Touche LLP, who have audited the audited financial statements, are independent public accountants as required by the Securities Act and the Exchange Act and the rules and regulations of the Commission thereunder.

(d) Except as reflected in or contemplated by the Registration Statement and the Prospectus, since the respective most recent dates as of which information is given in the Registration Statement and Prospectus, there has not been any material adverse change in the business, properties or financial condition of FPL and its subsidiaries taken as a whole, whether or not in the ordinary course of business, nor has any transaction been entered into by FPL or any of its subsidiaries that is material to FPL and its subsidiaries taken as a whole, other than changes and transactions contemplated by the Registration Statement and Prospectus, and transactions in the ordinary course of business. FPL and its subsidiaries have no contingent obligation material to FPL and its subsidiaries taken as a whole, which is not disclosed in or contemplated by the Registration Statement and Prospectus.

(e) The execution and delivery of this agreement, the consummation of the transactions herein contemplated and the fulfillment of the terms hereof on the part of FPL to be fulfilled have been duly authorized by all necessary corporate action of FPL in accordance with the provisions of its Restated Articles of Incorporation, as amended (the "Charter"), by-laws and applicable law, and the Bonds when issued and delivered as

provided herein will constitute valid and binding obligations of FPL enforceable against FPL in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

(f) The execution and delivery of this agreement, the consummation of the transactions herein contemplated, the fulfillment of the terms hereof and the compliance by FPL with all the terms and provisions of the Mortgage will not result in a breach of any of the terms or provisions of, or constitute a default under, FPL's Charter or by-laws, or any indenture, mortgage, deed of trust or other agreement or instrument to which FPL or any of its subsidiaries is now a party, or violate any law or any order, rule, decree or regulation applicable to FPL or any of its subsidiaries of any federal or state court, regulatory board or body or administrative agency having jurisdiction over FPL or its subsidiaries or any of their respective property, except where such breach, default or violation would not have a material adverse effect on the business, properties or financial condition of FPL and its subsidiaries taken as a whole.

(g) FPL has no direct or indirect significant subsidiaries (as defined in Regulation S-X (17 CFR Part 210)).

(h) All the property to be subjected to the lien of the Mortgage will be adequately described therein.

(i) FPL is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

4. Purchase and Sale. On the basis of the representations and warranties herein contained, and subject to the terms and conditions in this agreement, FPL agrees to sell to the respective Underwriters named in Schedule II hereto, severally and not jointly, and the respective Underwriters agree, severally and not jointly, to purchase from FPL, the respective principal amounts of the Bonds set forth opposite their respective names in Schedule II hereto at the purchase price for those Bonds set forth in Schedule I hereto as the Purchase Price.

The Underwriters agree to make a *bona fide* public offering of the Bonds as set forth in the Prospectus, such public offering to be made as soon after the execution of this agreement as practicable, subject, however, to the terms and conditions of this agreement. The Underwriters have advised FPL that the Bonds will be offered to the public at the amount per Bond as set forth in Schedule I hereto as the Price to Public and to certain dealers selected by the Representatives at a price which represents a concession not in excess of the percentage of the principal amount per Bond under the Price to Public as set forth in Schedule I hereto as the Dealers' Concession.

5. Time, Date and Place of Closing, Default of Underwriter. Delivery of the Bonds and payment therefor by wire transfer in federal funds shall be made at the time, date and place set forth in Schedule I hereto, or at such other time, date or place as may be agreed upon in writing by FPL and the Representatives. The time and date of such delivery and payment are herein called the "Closing Date."

The Bonds shall be delivered to the Representatives for the respective accounts of the Underwriters against payment by the several Underwriters through the Representatives of the purchase price therefor. Delivery of the Bonds shall be made through the facilities of DTC unless FPL and the Representatives shall otherwise agree. For the purpose of expediting the checking of the Bonds by the Representatives on behalf of the Underwriters, FPL agrees to make such Bonds available to the Representatives for such purpose at the offices of Thelen Reid & Priest LLP, 875 Third Avenue, New York, New York 10022, not later than 2:00 P.M., New York City time, on the business day preceding the Closing Date, or at such other time, date or place as may be agreed upon by FPL and the Representatives.

If any Underwriter shall fail to purchase and pay for the principal amount of the Bonds which such Underwriter has agreed to purchase and pay for hereunder (otherwise than by reason of any failure on the part of FPL to comply with any of the provisions contained herein), the non-defaulting Underwriters shall be obligated to purchase and pay for (in addition to the respective principal amount of the Bonds set forth opposite their respective names in Schedule II hereto) the principal amount of the Bonds which such defaulting Underwriter or Underwriters failed to purchase and pay for, up to a principal amount thereof equal to, in the case of each such remaining Underwriter, ten percent (10%) of the aggregate principal amount of the Bonds which are set forth opposite the name of such remaining Underwriter in said Schedule II, and such remaining Underwriters shall have the right, within 24 hours of receipt of such notice, either to (i) purchase and pay for (in such proportion as may be agreed upon among them) the remaining principal amount of the Bonds which the defaulting Underwriter or Underwriters agreed but failed to purchase, or (ii) substitute another Underwriter or Underwriters, satisfactory to FPL, to purchase and pay for the remaining principal amount of the Bonds which the defaulting Underwriter or Underwriters agreed but failed to purchase. If any of the Bonds would still remain unpurchased, then FPL shall be entitled to a further period of 24 hours within which to procure another party or other parties, members of the National Association of Securities Dealers, Inc. (or, if not members of such Association, who are not eligible for membership in said Association and who agree (i) to make no sales within the United States, its territories or its possessions or to persons who are citizens thereof or residents therein and (ii) in making sales to comply with said Association's Conduct Rules) and satisfactory to the Representatives to purchase such Bonds on the terms herein set forth. In the event that, within the respective prescribed periods, (i) the non-defaulting Underwriters notify FPL that they have arranged for the purchase of such Bonds or (ii) FPL notifies the non-defaulting Underwriters that it has arranged for the purchase of such Bonds, the non-defaulting Underwriters or FPL shall have the right to postpone the Closing Date for a period of not more than three full business days beyond the expiration of the respective prescribed periods in order to effect whatever changes may thus be made necessary in the Registration Statement, the Prospectus or in any other documents or arrangements. In the event that neither the non-defaulting Underwriters nor FPL has arranged for the purchase of such Bonds by another party or parties as above provided, then this agreement shall terminate without any liability on the part of FPL or any Underwriter (other than an Underwriter which shall have failed or refused, otherwise than for some reason sufficient to justify, in accordance with the terms hereof, the cancellation or termination of its obligations hereunder, to purchase and pay for the Bonds which such Underwriter has agreed to purchase as provided in Section 4 hereof), except as otherwise provided in Section 9 and subsections (c) and (e) of Section 6 hereof.

6. Covenants of FPL. FPL agrees with the several Underwriters that:

(a) FPL will promptly file the Prospectus with the Commission pursuant to Rule 424 under the Securities Act.

(b) FPL will deliver to the Representatives and to Counsel for the Underwriters one signed copy of the Registration Statement or, if a signed copy is not available, one conformed copy of the Registration Statement certified by an officer of FPL to be in the form as originally filed, including all Incorporated Documents and exhibits, except those incorporated by reference, which relate to the Bonds, including a signed or conformed copy of each consent and certificate included therein or filed as an exhibit thereto. As soon as practicable after the date of this agreement, FPL will deliver to the Underwriters through the Representatives as many copies of the Prospectus as the Representatives may reasonably request for the purposes contemplated by the Securities Act.

(c) FPL will pay or cause to be paid all expenses in connection with the (i) preparation and filing of the Registration Statement and Prospectus, (ii) issuance and delivery of the Bonds as provided in Section 5 hereof, (iii) preparation, execution, filing and recording of the Supplemental Indenture and (iv) printing and delivery to the Representatives for the account of the Underwriters, in reasonable quantities, of copies of the Registration Statement, the Prospectus and the Supplemental Indenture. FPL will pay or cause to be paid all taxes, if any (but not including any transfer taxes), on the issuance of the Bonds and recordation of the Supplemental Indenture. FPL shall not, however, be required to pay any amount for any expenses of the Representatives or any of the Underwriters, except that if this agreement shall be terminated in accordance with the provisions of Sections 7, 8 or 10 hereof, FPL will pay or cause to be paid the fees and disbursements of Counsel for the Underwriters, whose fees and disbursements the Underwriters agree to pay in any other event and FPL shall reimburse the Underwriters for out-of-pocket expenses, reasonably incurred by them in connection with the transaction contemplated by this agreement, not in excess, however, of an aggregate of $5,000. FPL shall not in any event be liable to any of the several Underwriters for damages on account of loss of anticipated profits.

(d) During a period of nine months after the date of this agreement, if any event relating to or affecting FPL shall occur which, in the opinion of FPL, should be set forth in a supplement to or an amendment of the Prospectus in order to make the Prospectus not misleading in the light of the circumstances when it is delivered to a purchaser, FPL will forthwith at its expense prepare and furnish to the Representatives a reasonable number of copies of a supplement or supplements or an amendment or amendments to the Prospectus which will supplement or amend the Prospectus so that as supplemented or amended it will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances when the Prospectus is delivered to a purchaser, not misleading; provided that should such event relate solely to activities of any of the Underwriters, then the Underwriters shall assume the expense of preparing and furnishing copies of any such amendment or supplement. In case any Underwriter is required to

deliver a Prospectus after the expiration of nine months after the date of this agreement, FPL upon the request of the Representatives will furnish to the Representatives, at the expense of such Underwriter, a reasonable quantity of a supplemented or amended Prospectus or supplements or amendments to the Prospectus complying with Section 10 of the Securities Act.

(e) FPL will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Representatives may designate and will pay or cause to be paid filing fees and expenses (including fees of counsel not to exceed $5,000 and reasonable disbursements of counsel), provided that FPL shall not be required to qualify as a foreign corporation or dealer in securities, or to file any consents to service of process under the laws of any jurisdiction, or to meet other requirements deemed by FPL to be unduly burdensome.

(f) FPL will timely file such reports pursuant to the Exchange Act as are necessary in order to make generally available to its security holders (including holders of the Bonds) as soon as practicable an earnings statement (which need not be audited, unless required so to be under Section 11(a) of the Securities Act) for the purposes of, and to provide the benefits contemplated by, the last paragraph of Section 11(a) of the Securities Act.

(g) FPL will advise the Representatives promptly of the filing of the Prospectus pursuant to Rule 424 and of any amendment or supplement to the Prospectus or Registration Statement or, prior to the termination of the offering of the Bonds hereunder, of official notice of the institution of proceedings for, or the entry of, a stop order suspending the effectiveness of the Registration Statement and, if such a stop order should be entered, use every commercially reasonable effort to obtain the prompt removal thereof.

(h) On or before the Closing Date, FPL will, if applicable, cause (i) at least one counterpart of the Supplemental Indenture to be duly recorded in the States of Florida or Georgia and (ii) all intangible and documentary stamp taxes due in connection with the issuance of the Bonds and the recording of the Supplemental Indenture to be paid. Within 30 days following the Closing Date, FPL will, if applicable, cause the Supplemental Indenture to be duly recorded in all other counties in which property of FPL is located.

7. Conditions of Underwriters' Obligations to Purchase and Pay for the Bonds. The several obligations of the Underwriters to purchase and pay for the Bonds shall be subject to the performance by FPL of its obligations to be performed hereunder on or prior to the Closing Date and to the following conditions:

(a) The representations and warranties made by FPL herein shall be true and correct in all material respects as of the Closing Date as if made on and as of such date and the Representatives shall have received, prior to payment for the Bonds, a certificate from FPL dated the Closing Date and signed by an officer of FPL to that effect.

(b) No stop order suspending the effectiveness of the Registration Statement shall be in effect on the Closing Date; no order of the Commission directed to the adequacy of any Incorporated Document shall be in effect on the Closing Date; no proceedings for either such purpose shall be pending before, or threatened by, the Commission on such date; and the Representatives shall have received, prior to payment for the Bonds, a certificate from FPL dated the Closing Date and signed by an officer of FPL to the effect that, to the best of his or her knowledge, no such order is in effect and no proceedings for either such purpose are pending before, or to the knowledge of FPL threatened by, the Commission.

(c) On the Closing Date, there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the issuance and sale of the Bonds on the terms herein stated or contemplated, and containing no provision unacceptable to the Representatives by reason of the fact that it is materially adverse to FPL, it being understood that no authorization provided to Counsel for the Underwriters and in effect at the date of this agreement contains any such unacceptable provision.

(d) On the Closing Date, the Representatives shall have received from Steel Hector & Davis LLP, counsel to FPL, Thelen Reid & Priest LLP, co-counsel to FPL, and Hunton & Williams LLP, Counsel for the Underwriters, opinions (with a copy for each of the Underwriters) in substantially the form and substance prescribed in Schedules III, IV and V hereto (i) with such changes therein as may be agreed upon by FPL and the Representatives, with the approval of Counsel for the Underwriters, and (ii) if the Prospectus relating to the Bonds shall be supplemented or amended after the Prospectus shall have been filed with the Commission pursuant to Rule 424, with any changes therein necessary to reflect such supplementation or amendment.

(e) At the Closing Date, the Representatives shall have received from Deloitte & Touche LLP a letter (with copies thereof for each of the Underwriters) to the effect that (i) they are independent public accountants with respect to FPL within the meaning of the Securities Act and the Exchange Act and the applicable published rules and regulations thereunder; (ii) in their opinion, the consolidated financial statements audited by them and incorporated by reference in the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the published rules and regulations thereunder; (iii) on the basis of performing a review of interim financial information as described in Statement on Auditing Standards No. 71, Interim Financial Information, and in Statement on Auditing Standards No. 100, Interim Financial Information, on the unaudited condensed consolidated financial statements of FPL, if any, incorporated by reference in the Prospectus, a reading of the latest available interim unaudited condensed consolidated financial statements of FPL since the close of FPL's most recent audited fiscal year, the minutes and consents of the Board of Directors, the Finance Committee of the Board of Directors, the Stock Issuance Committee of the Board of Directors, and the sole common shareholder of FPL since the end of the most recent audited fiscal year, and inquiries of officials of FPL who have responsibility for financial and accounting matters (it being understood that the foregoing procedures do not constitute an audit made in accordance with generally accepted auditing standards and they would not necessarily reveal matters of significance with

respect to the comments made in such letter, and accordingly that Deloitte & Touche LLP makes no representation as to the sufficiency of such procedures for the several Underwriters' purposes), nothing has come to their attention which caused them to believe that (a) the unaudited condensed consolidated financial statements of FPL, if any, incorporated by reference in the Prospectus (1) do not comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the published rules and regulations thereunder and (2) except as disclosed in the Prospectus, are not in conformity with generally accepted accounting principles applied on a basis substantially consistent with that of the audited consolidated financial statements of FPL incorporated by reference in the Prospectus; (b) at the date of the latest available interim balance sheet read by them and at a specified date not more than five days prior to the Closing Date there was any change in the common stock or additional paid-in capital, increase in the preferred stock or long-term debt of FPL and its subsidiaries, or decrease in its common shareholders' equity, in each case as compared with amounts shown in the most recent consolidated balance sheet incorporated by reference in the Prospectus, except in all instances for changes, increases or decreases which the Prospectus discloses have occurred or may occur, or as occasioned by the declaration, provision for, or payment of dividends, or which are described in such letter; or (c) for the period from the date of the most recent consolidated balance sheet incorporated by reference in the Prospectus to the latest available interim balance sheet read by them and for the period from the date of the latest available interim balance sheet read by them to a specified date not more than five days prior to the Closing Date, there were any decreases, as compared with the corresponding period in the preceding year, in total consolidated operating revenues or in net income or net income available to FPL Group, Inc., except in all instances for decreases which the Prospectus discloses have occurred or may occur, or which are described in such letter; and (iv) they have carried out certain procedures and made certain findings, as specified in such letter, with respect to certain amounts included in the Prospectus and Exhibit 12 to the Registration Statement and such other items as the Representatives may reasonably request.

(f) Since the respective most recent dates as of which information is given in the Registration Statement and Prospectus, and up to the Closing Date, (i) there shall have been no material adverse change in the business, properties or financial condition of FPL and its subsidiaries taken as a whole, except as disclosed in or contemplated by the Registration Statement and Prospectus, and (ii) there shall have been no material transaction entered into by FPL or any of its subsidiaries other than transactions disclosed in or contemplated by the Registration Statement and the Prospectus, and transactions in the ordinary course of business; and at the Closing Date, the Representatives shall have received a certificate to such effect from FPL signed by an officer of FPL.

(g) All legal proceedings to be taken in connection with the issuance and sale of the Bonds shall have been satisfactory in form and substance to Counsel for the Underwriters.

In case any of the conditions specified above in this Section 7 shall not have been fulfilled, this agreement may be terminated by the Representatives upon mailing or delivering

written notice thereof to FPL. Any such termination shall be without liability of any party to any other party except as otherwise provided in subsections (c) and (e) of Section 6 hereof.

8. Condition of FPL's Obligations. The obligation of FPL to deliver the Bonds shall be subject to the following conditions:

(a) No stop order suspending the effectiveness of the Registration Statement shall be in effect on the Closing Date; no order of the Commission directed to the adequacy of any Incorporated Document shall be in effect on the Closing Date, and no proceedings for either such purpose shall be pending before, or threatened by, the Commission on such date.

(b) On the Closing Date there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the issuance and sale of the Bonds on the terms herein stated or contemplated, and containing no provision unacceptable to FPL by reason of the fact that it is materially adverse to FPL, it being understood that no authorization in effect at the date of this agreement contains any such unacceptable provision.

In case the conditions specified above in this Section 8 shall not have been fulfilled, this agreement may be terminated by FPL upon mailing or delivering written notice thereof to the Representatives. Any such termination shall be without liability of any party to any other party except as otherwise provided in subsections (c) and (e) of Section 6 hereof.

9. Indemnification.

(a) FPL agrees to indemnify and hold harmless each Underwriter, each officer and director of each Underwriter and each person who controls any Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or any other statute or common law and to reimburse each such Underwriter, officer, director and controlling person for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus, including all Incorporated Documents, or in the Registration Statement or the Prospectus, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that the indemnity agreement contained in this subsection (a) of Section 9 shall not apply to any such losses, claims, damages, liabilities, expenses or actions arising out of, or based upon, any such untrue statement or alleged untrue statement, or any such omission or alleged omission, if such statement or omission was made in reliance upon and in conformity with information furnished in writing, to FPL by or on behalf of any Underwriter, through the Representatives, expressly for use in connection with the preparation of the Registration Statement or the Prospectus or any

amendment or supplement to either thereof, or arising out of, or based upon, statements in or omissions from the Statement of Eligibility on Form T-1 of the Mortgage Trustee; and provided, further, that the indemnity agreement contained in this subsection (a) of Section 9 in respect of any preliminary prospectus (and for purposes of clause (ii) below, the Prospectus) shall not inure to the benefit of any Underwriter (or of any officer or director or person controlling such Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising from the sale of the Bonds to any person if such Underwriter shall have failed to send or give to such person (i) with or prior to the written confirmation of such sale, a copy of the Prospectus or the Prospectus as amended or supplemented, if any amendments or supplements thereto shall have been furnished at or prior to the time of written confirmation of the sale involved, but exclusive of any Incorporated Documents, unless the alleged omission or alleged untrue statement with respect to such preliminary prospectus is not corrected in the Prospectus or the Prospectus as amended or supplemented at the time of confirmation, or (ii) with or prior to the delivery of such Bonds to such person, a copy of any amendment or supplement to the Prospectus which shall have been furnished subsequent to such written confirmation and prior to the delivery of such Bonds to such person, but exclusive of any Incorporated Documents, unless the alleged omission or alleged untrue statement with respect to such preliminary prospectus or the Prospectus was not corrected in the Prospectus or in such amendment or supplement at the time of such delivery of such Bonds. The indemnity agreement of FPL contained in this subsection (a) of Section 9 and the representations and warranties of FPL contained in Section 3 hereof shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Underwriter, or any such officer, director or controlling person, and shall survive the delivery of the Bonds . The Underwriters agree promptly to notify FPL, and each other Underwriter, of the commencement of any litigation or proceedings against them or any of them, any of their officers or directors or any such controlling person in connection with the issuance and sale of the Bonds.

(b) Each Underwriter, severally and not jointly, agrees to indemnify and hold harmless FPL, its officers and directors, and each person who controls FPL within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or any other statute or common law and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or the Prospectus, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading if such statement or omission was made in reliance upon and in conformity with information furnished in writing to FPL, by or on behalf of such Underwriter, through the Representatives, expressly for use in connection with the preparation of the Registration Statement or the Prospectus or any amendment or supplement to either thereof. The Underwriters hereby furnish to FPL in writing expressly for use in the Registration

Statement and Prospectus (1) the "price to the public" and "underwriting discount" set forth on the cover page of the Prospectus and (2) under "Underwriting": the fourth sentence of the second paragraph, the entire third paragraph, except for the first sentence, and the following table; the entire fourth paragraph; the second sentence in the fifth paragraph; and the entire sixth, seventh and eighth paragraphs. FPL acknowledges that the statements set forth in the preceding sentence constitute the only information furnished in writing by or on behalf of the several Underwriters expressly for inclusion in any preliminary prospectus or the Prospectus. The indemnity agreement of the respective Underwriters contained in this subsection (b) of Section 9 shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of FPL or any of its officers or directors or any such other Underwriter or any such controlling person, and shall survive the delivery of the Bonds. FPL agrees promptly to notify the Representatives of the commencement of any litigation or proceedings against FPL (or any controlling person thereof) or any of its officers or directors in connection with the issuance and sale of the Bonds.

(c) FPL and each of the several Underwriters each agree that, upon the receipt of notice of the commencement of any action against it, its officers and directors, or any person controlling it as aforesaid, in respect of which indemnity or contribution may be sought under the provisions of this Section 9, it will promptly give written notice of the commencement thereof to the party or parties against whom indemnity or contribution shall be sought thereunder, but the omission so to notify such indemnifying party or parties of any such action shall not relieve such indemnifying party or parties from any liability which it or they may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, such indemnifying party or parties shall be entitled to participate at its own expense in the defense or, if it so elects, to assume (in conjunction with any other indemnifying parties) the defense of such action, in which event such defense shall be conducted by counsel chosen by such indemnifying party or parties and reasonably satisfactory to the indemnified party or parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the indemnifying party shall elect not to assume the defense of such action, such indemnifying party will reimburse such indemnified party or parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and counsel for the indemnifying party shall have reasonably concluded that there may be a conflict of interest in the representation by such counsel of both the indemnifying party and the indemnified party, the indemnified party or parties shall have the right to select separate counsel, satisfactory to the indemnifying party or parties, to participate in the defense of such action on behalf of such indemnified party or parties at the expense of the indemnifying party or parties (it being understood, however, that the indemnifying party or parties shall not be liable for the expenses of more than one separate counsel representing the indemnified parties who are parties to such action). FPL and each of the several Underwriters each agree that without the prior written consent of the other parties to such action who are parties to this agreement, which consent shall not be unreasonably withheld, it will not settle, compromise or consent to the entry of any judgment in any claim or proceeding in respect of which such party

intends to seek indemnity or contribution under the provisions of this Section 9, unless such settlement, compromise or consent (i) includes an unconditional release of such other parties from all liability arising out of such claim or proceeding and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of such other parties.

(d) If, or to the extent, the indemnification provided for in subsections (a) or (b) above shall be unenforceable under applicable law by an indemnified party, each indemnifying party agrees to contribute to such indemnified party with respect to any and all losses, claims, damages, liabilities and expenses for which each such indemnification provided for in subsections (a) or (b) above shall be unenforceable, in such proportion as shall be appropriate to reflect (i) the relative fault of FPL on the one hand and the Underwriters on the other in connection with the statements or omissions which have resulted in such losses, claims, damages, liabilities and expenses, (ii) the relative benefits received by FPL on the one hand and the Underwriters on the other hand from the offering of the Bonds pursuant to this agreement, and (iii) any other relevant equitable considerations; provided, however, that no indemnified party guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution with respect thereto from any indemnifying party not guilty of such fraudulent misrepresentation. Relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by FPL or the Underwriters and each such party's relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. FPL and each of the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute in excess of the amount equal to the excess of (i) the total price at which the Bonds underwritten by it were offered to the public, over (ii) the amount of any damages which such Underwriter has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission. The obligations of each Underwriter to contribute pursuant to this subsection (d) are several and not joint and shall be in the same proportion as such Underwriter's obligation to underwrite the Bonds is to the total principal amount of the Bonds set forth in Schedule II hereto.

10. Termination. This agreement may be terminated by the Representatives by delivering written notice thereof to FPL, at any time prior to the Closing Date, if after the date hereof and at or prior to the Closing Date:

(a) (i) there shall have occurred any general suspension of trading in securities on The New York Stock Exchange, Inc. (the "NYSE") or there shall have been established by the NYSE or by the Commission or by any federal or state agency or by the decision of any court any limitation on prices for such trading or any general restrictions on the distribution of securities, or trading in any securities of FPL shall have been suspended or limited by any exchange located in the United States or on the over-

the-counter market located in the United States or a general banking moratorium declared by New York or federal authorities or (ii) there shall have occurred any material adverse change in the financial markets in the United States, any outbreak of hostilities, including, but not limited to, an escalation of hostilities which existed prior to the date of this agreement, any other national or international calamity or crisis or any material adverse change in financial, political or economic conditions affecting the United States, the effect of any such event specified in this clause (ii) being such as to make it, in the reasonable judgment of the Representatives, impracticable or inadvisable to proceed with the offering of the Bonds as contemplated in the Prospectus or for the Underwriters to enforce contracts for the sale of the Bonds; or

(b) (i) there shall have been any downgrading or any notice of any intended or potential downgrading in the ratings accorded to the Bonds or any securities of FPL which are of the same class as the Bonds by either Moody's Investors Service, Inc. ("Moody's") or Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("S&P"), or (ii) either Moody's or S&P shall have publicly announced that either has under surveillance or review, with possible negative implications, its ratings of the Bonds or any securities of FPL which are of the same class as the Bonds, the effect of any such event specified in (i) or (ii) above being such as to make it, in the reasonable judgment of the Representatives, impracticable or inadvisable to proceed with the offering of the Bonds as contemplated in the Prospectus or for the Underwriters to enforce contracts for the sale of the Bonds.

This agreement may also be terminated at any time prior to the Closing Date if in the judgment of the Representatives the subject matter of any amendment or supplement to the Registration Statement or the Prospectus prepared and furnished by FPL after the date hereof reflects a material adverse change in the business, properties or financial condition of FPL and its subsidiaries taken as a whole which renders it either inadvisable to proceed with such offering, if any, or inadvisable to proceed with the delivery of the Bonds to be purchased hereunder. Any termination of this agreement pursuant to this Section 10 shall be without liability of any party to any other party except as otherwise provided in subsections (c) and (e) of Section 6 hereof.

11. Miscellaneous. The validity and interpretation of this agreement shall be governed by the laws of the State of New York without regard to conflict of law principles thereunder. This agreement shall inure to the benefit of, and be binding upon, FPL, the several Underwriters and, with respect to the provisions of Section 9 hereof, each officer, director or controlling person referred to in said Section 9, and their respective successors. Nothing in this agreement is intended or shall be construed to give to any other person or entity any legal or equitable right, remedy or claim under or in respect of this agreement or any provision herein contained. The term "successors" as used in this agreement shall not include any purchaser, as such purchaser, of any Bonds from any of the several Underwriters.

12. Notices. All communications hereunder shall be in writing or by telegram and, if to the Underwriters, shall be mailed or delivered to the Representatives at the address set forth in Schedule I hereto, or if to FPL, shall be mailed or delivered to it at 700 Universe Boulevard, Juno Beach, Florida 33408, Attention: Treasurer.

If the foregoing correctly sets forth our understanding, please indicate your ptance thereof in the space provided below for that purpose, whereupon this letter and your ptance shall constitute a binding agreement between us.

Very truly yours,

Florida Power & Light Company

By: _____
Name: Paul I. Cutler
Title: Treasurer and Assistant Secretary

cepted and delivered as of
date first above written:

Barclays Capital Inc.

By: _____
Name:
Title:

Lehman Brothers Inc.

By: _____
Name:
Title:

Acting on their own behalf and on behalf of the other several Underwriters referred to in the foregoing agreement.

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter and your acceptance shall constitute a binding agreement between us.

Very truly yours,

Florida Power & Light Company

By: _____
Name: Paul I. Cutler
Title: Treasurer and Assistant Secretary

Accepted and delivered as of
the date first above written:

Barclays Capital Inc.

By: _____
Name:
Title:

Lehman Brothers Inc.

By: _____
Name:
Title:

Acting on their own behalf and on behalf of the other several Underwriters referred to in the foregoing agreement.

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter and your acceptance shall constitute a binding agreement between us.

Very truly yours,

Florida Power & Light Company

By: _____
Name: Paul I. Cutler
Title: Treasurer and Assistant Secretary

Accepted and delivered as of
the date first above written:

Barclays Capital Inc.

By: _____
Name:
Title:

Lehman Brothers Inc.

By: _____
Name: MARTIN GOLDBERG
Title: SENIOR VICE PRESIDENT

Acting on their own behalf and on behalf of the other several Underwriters referred to in the foregoing agreement.

SCHEDULE I

Underwriting Agreement dated October 9, 2003
Registration Statement No. 333-102172
Representatives and Addresses:

Barclays Capital Inc.
200 Park Avenue
New York, New York 10166

Lehman Brothers Inc.
745 Seventh Avenue
New York, New York 10019

Bonds:

Designation:	First Mortgage Bonds, 5.95% Series due October 1, 2033
Principal Amount:	$300,000,000
Date of Maturity:	October 1, 2033
Interest Rate:	5.95%
Purchase Price:	$294,198,000
Underwriting Discount:	0.875%
Price to Public:	98.941%
Dealers' Concession:	0.500%

Closing Date, Time and Location:	October 15, 2003 at the offices of Thelen Reid & Priest LLP, 875 Third Avenue, New York, New York at 9:00 A.M.

SCHEDULE II

Underwriter	Principal Amount of the Bonds
Barclays Capital Inc.	$105,000,000
Lehman Brothers Inc.	105,000,000
Credit Lyonnais Securities (USA) Inc.	27,000,000
Scotia Capital (USA) Inc.	27,000,000
Fleet Securities, Inc.	12,000,000
Mellon Financial Markets, LLC	12,000,000
SunTrust Capital Markets, Inc.	12,000,000
Total	$300,000,000

SCHEDULE III

[LETTERHEAD OF STEEL HECTOR & DAVIS LLP]

October 15, 2003

Barclays Capital Inc.
200 Park Avenue
New York, New York 10166

Lehman Brothers Inc.
745 Seventh Avenue
New York, New York 10019

as Representatives of the Underwriters
named in Schedule II to the Agreement,
as herein described

Ladies and Gentlemen:

We have acted as counsel for Florida Power & Light Company ("FPL") (a) in connection with the authorization and issuance by FPL of $300,000,000 principal amount of First Mortgage Bonds, 5.95% Series due October 1, 2033 (the "Bonds"), issued under the Mortgage and Deed of Trust dated as of January 1, 1944, as the same is supplemented by one hundred and four indentures supplemental thereto, the latest of which (the "One Hundred Fourth Supplemental Indenture") is dated as of October 1, 2003 (such Mortgage as so supplemented being hereinafter called the "Mortgage") from FPL to Deutsche Bank Trust Company Americas, as Trustee ("Mortgage Trustee"), and (b) in connection with the sale of the Bonds to you in accordance with the underwriting agreement dated October 9, 2003, between you and FPL (the "Agreement"). Capitalized terms used in this opinion but not defined shall have the meanings set forth in the Agreement.

We have participated in the preparation of or reviewed (1) Registration Statement No. 333-102172, as amended, which became effective on March 28, 2003, which registration statement was filed by FPL with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), (references herein to the term "Registration Statement" as of any given date shall mean Registration Statement No. 333-102172, as amended and supplemented to such date, including those documents incorporated by reference therein as of such date pursuant to Item 12 of Form S-3 under the Securities Act (the "Incorporated Documents")); (2) the prospectus dated March 28, 2003 forming a part of the Registration Statement, as supplemented by a prospectus supplement dated October 9, 2003 relating to the Bonds, both such prospectus and prospectus supplement filed pursuant to Rule 424(b) under the Securities Act ("Rule 424" and references herein to the "Prospectus" as of any given date shall refer to such prospectus, as supplemented by the prospectus supplement relating to the Bonds filed pursuant to Rule 424, and as further amended

and supplemented to such date, including the Incorporated Documents); (3) the Mortgage; (4) the corporate proceedings with respect to the Registration Statement and with respect to the authorization, issuance and sale of the Bonds; (5) FPL's Restated Articles of Incorporation, as amended to the date hereof (the "Charter"), and Bylaws, as amended to the date hereof (the "Bylaws"); and (6) such other corporate records, certificates and other documents and such questions of law as we have considered necessary or appropriate for the purposes of this opinion. We have also participated in the preparation of FPL's Application to the Florida Public Service Commission ("FPSC") for the authorization of, among other things, the issuance and sale of debt securities in 2003, including the Bonds.

Upon the basis of the foregoing, we advise you that:

I.

FPL is a validly organized and existing corporation and is in good standing under the laws of the State of Florida and has valid franchises, licenses and permits adequate for the conduct of its business.

II.

FPL is a corporation duly authorized by its Charter to conduct the business which it is now conducting as set forth in the Prospectus; FPL is subject, as to retail rates and services, issuance of securities, accounting and certain other matters, to the jurisdiction of the FPSC; and FPL is subject, as to wholesale rates, accounting and certain other matters, to the jurisdiction of the Federal Energy Regulatory Commission.

III.

The Mortgage has been duly authorized by FPL by all necessary corporate action, has been duly and validly executed and delivered by FPL, and is a valid and binding obligation of FPL enforceable against FPL in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

IV.

The Bonds are valid and binding obligations of FPL enforceable against it in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity, and are entitled to the benefit of the security afforded by the Mortgage.

V.

Except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no opinion, the Registration Statement, at the Effective Date, and the

Prospectus, at the 424 Date, complied as to form in all material respects with the applicable requirements of the Securities Act and the applicable instructions, rules and regulations of the Commission thereunder. The Incorporated Documents (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), at the times they were filed with the Commission, complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder. The Registration Statement became, and is, at the date hereof, effective under the Securities Act, and to the best of our knowledge, no proceedings for a stop order with respect thereto are pending or threatened under Section 8 of the Securities Act.

VI.

The consummation of the transactions contemplated in the Agreement and the fulfillment of the terms contained in the Agreement and the compliance by FPL with all the terms and provisions of the Mortgage will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or the Bylaws or any indenture, mortgage, deed of trust or other agreement or instrument the terms of which are known to us to which FPL is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of FPL and its subsidiaries taken as a whole.

VII.

The Bonds are being issued and sold pursuant to the authority contained in an order of the FPSC, which authority is adequate to permit the issuance and sale of the Bonds. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body (other than in connection or in compliance with the provisions of the blue sky laws of any jurisdiction, as to which we express no opinion, and other than those which have been already obtained) is legally required for the authorization of the issuance and sale of the Bonds.

VIII.

The statements made in the Prospectus under the headings "Description of the Bonds" and "Certain Terms of the Offered Bonds," insofar as they purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

IX.

The Mortgage is duly qualified under the Trust Indenture Act of 1939, as amended.

X.

The Agreement has been duly and validly authorized, executed and delivered by FPL.

XI.

As to the Mortgaged and Pledged Property, as defined in the Mortgage, FPL has satisfactory title to any easements and personal properties, and good and marketable or insurable title in fee simple to any other real properties (except as FPL's interest is stated to be otherwise), subject only to Excepted Encumbrances, as defined in the Mortgage, to any lien, if any, existing or placed thereon at the time of acquisition thereof by FPL, to minor defects and encumbrances customarily found in the case of properties of like size and character and which, in our opinion, would not impair the use thereof by FPL (all of which title exceptions, encumbrances, liens and defects are hereinafter referred to as "Exceptions"), and to the lien of the Mortgage; the Mortgage constitutes a valid, direct, and first mortgage lien upon the Mortgaged and Pledged Property now owned by FPL, subject, however, to the Exceptions and as set forth in the last sentence of this paragraph; and the description of properties in the Mortgage is adequate to constitute the Mortgage a lien on Mortgaged and Pledged Property hereafter acquired by FPL, subject, however, to the Exceptions and except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity. The One Hundred Fourth Supplemental Indenture is in proper form for recording in all places required; and upon such recording, the One Hundred Fourth Supplemental Indenture will constitute adequate record notice to perfect the lien of the Mortgage as to all Mortgaged and Pledged Property acquired by FPL subsequent to the recording of the One Hundred Third Supplemental Indenture to the Mortgage and prior to the recording of the One Hundred Fourth Supplemental Indenture.

XII.

Except as stated or referred to in the Prospectus, to our knowledge after due inquiry there is no material pending legal proceeding to which FPL or any of its subsidiaries is a party or of which property of FPL or any of its subsidiaries is the subject which is reasonably likely to be determined adversely and, if determined adversely, might reasonably be expected to have a material adverse effect on FPL and its subsidiaries taken as a whole and, to the best of our knowledge, no such proceeding is known to be contemplated by governmental authorities.

In rendering the foregoing opinion, we have assumed that the certificates representing the Bonds will conform to specimens examined by us and that the Bonds will be duly authenticated by the Mortgage Trustee under the Mortgage and will be delivered against payment of the purchase price as provided in the Agreement and that the signatures on all documents examined by us are genuine, assumptions which we have not independently verified.

Other than with respect to the opinion expressed in Paragraph VIII hereof, we have not ourselves checked the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Registration Statement or the Prospectus. We have generally reviewed and discussed such information with certain officers and employees of FPL, certain of its other legal counsel, its independent public accountants and your representatives. Additionally, as counsel to FPL, we have responsibility for certain of its legal matters. On the basis of such consideration, review and discussion, but without independent check or verification except as stated, nothing has come to our attention that would lead us to believe (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no belief, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no belief), that

the Registration Statement, at the Effective Date, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements contained therein not misleading or (except as aforesaid) that the Prospectus at the 424 Date included, or at the date hereof includes, an untrue statement of a material fact or the Prospectus at the 424 Date omitted, or at the date hereof omits, to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We are members of the Florida Bar and do not hold ourselves out as experts on the laws of New York or Georgia, and accordingly, this opinion is limited to the laws of Florida and the federal laws of the United States insofar as they bear on matters covered hereby. As to all matters of New York law, we have relied, with your consent, upon an opinion of even date herewith addressed to you by Thelen Reid & Priest LLP, New York, New York. As to all matters of law affecting Mortgaged and Pledged Property located in the State of Georgia, we have relied, with your consent, upon an opinion of even date herewith addressed to you and us by McDaniel & Haugaard, P.C., Decatur, Georgia. As to all matters of Florida law, Thelen Reid & Priest LLP and Hunton & Williams LLP are hereby authorized to rely upon this opinion as though it were rendered to each of them.

This opinion is rendered to you in connection with the above-described transaction. This opinion may not be relied upon by you for any other purpose, or relied upon or furnished to any other person, firm or corporation without our prior written permission. This opinion is expressed as of the date hereof, and we do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to our attention, or any change in law that hereafter occurs.

Very truly yours,

STEEL HECTOR & DAVIS LLP

SCHEDULE IV

[LETTERHEAD OF THELEN REID & PRIEST LLP]

October 15, 2003

Barclays Capital Inc.
200 Park Avenue
New York, New York 10166

Lehman Brothers Inc.
745 Seventh Avenue
New York, New York 10019

as Representatives of the Underwriters
named in Schedule II to the Agreement,
as herein described

Ladies and Gentlemen:

We have acted as special counsel for Florida Power & Light Company ("FPL") (a) in connection with the authorization and issuance by FPL of $300,000,000 principal amount of First Mortgage Bonds, 5.95% Series due October 1, 2033 (the "Bonds"), issued under the Mortgage and Deed of Trust dated as of January 1, 1944, as the same is supplemented by one hundred and four indentures supplemental thereto, the latest of which (the "One Hundred Fourth Supplemental Indenture") is dated as of October 1, 2003 (such Mortgage as so supplemented being hereinafter called the "Mortgage") from FPL to Deutsche Bank Trust Company Americas, as Trustee ("Mortgage Trustee"), and (b) in connection with the sale of the Bonds to you in accordance with the underwriting agreement, dated October 9, 2003, between you and FPL (the "Agreement"). Capitalized terms used in this opinion but not defined shall have the meanings set forth in the Agreement.

We have participated in the preparation of or reviewed (1) Registration Statement No. 333-102172, as amended, which became effective on March 28, 2003, which registration statement was filed by FPL with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), (references herein to the term "Registration Statement" as of any given date shall mean Registration Statement No. 333-102172, as amended and supplemented to such date, including those documents incorporated by reference therein as of such date pursuant to Item 12 of Form S-3 under the Securities Act (the "Incorporated Documents")); (2) the prospectus dated March 28, 2003 forming a part of the Registration Statement, as supplemented by a prospectus supplement dated October 9, 2003 relating to the Bonds, both such prospectus and prospectus supplement filed pursuant to Rule 424(b) under the Securities Act ("Rule 424" and references herein to the "Prospectus" as of any given date shall refer to such prospectus, as supplemented by the prospectus supplement relating to the Bonds filed pursuant to Rule 424, and as further amended and supplemented to such date, including the Incorporated Documents); (3) the Mortgage; (4) the

corporate proceedings with respect to the Registration Statement and with respect to the authorization, issuance and sale of the Bonds; (5) FPL's Restated Articles of Incorporation, as amended to the date hereof (the "Charter"), and Bylaws, as amended to the date hereof (the "Bylaws"); and (6) such other corporate records, certificates and other documents and such questions of law as we have considered necessary or appropriate for the purposes of this opinion. We have also participated in the preparation of FPL's Application to the Florida Public Service Commission ("FPSC") for the authorization of, among other things, the issuance and sale of debt securities in 2003, including the Bonds.

Upon the basis of the foregoing, we advise you that:

I.

The Mortgage has been duly authorized by FPL by all necessary corporate action, has been duly and validly executed and delivered by FPL, and is a valid and binding obligation of FPL enforceable against FPL in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

II.

The Bonds are valid and binding obligations of FPL enforceable against it in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity, and are entitled to the benefit of the security afforded by the Mortgage.

III.

Except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no opinion, the Registration Statement, at the Effective Date, and the Prospectus, at the 424 Date, complied as to form in all material respects with the applicable requirements of the Securities Act and the applicable instructions, rules and regulations of the Commission thereunder. The Incorporated Documents (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), at the times they were filed with the Commission, complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder. The Registration Statement became, and is, at the date hereof, effective under the Securities Act, and to the best of our knowledge, no proceedings for a stop order with respect thereto are pending or threatened under Section 8 of the Securities Act.

IV.

The consummation of the transactions contemplated in the Agreement and the fulfillment of the terms contained in the Agreement and the compliance by FPL with all the terms and

provisions of the Mortgage will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or the Bylaws or any indenture, mortgage, deed of trust or other agreement or instrument the terms of which are known to us to which FPL is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of FPL and its subsidiaries taken as a whole.

V.

The Bonds are being issued and sold pursuant to the authority contained in an order of the FPSC, which authority is adequate to permit the issuance and sale of the Bonds. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body (other than in connection or in compliance with the provisions of the blue sky laws of any jurisdiction, as to which we express no opinion, and other than those which have been already obtained) is legally required for the authorization of the issuance and sale of the Bonds.

VI.

The statements made in the Prospectus under the headings "Description of the Bonds" and "Certain Terms of the Offered Bonds," insofar as they purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

VII.

The Mortgage is duly qualified under the Trust Indenture Act of 1939, as amended.

VIII.

The Agreement has been duly and validly authorized, executed and delivered by FPL.

In rendering the foregoing opinion, we have assumed that the certificates representing the Bonds will conform to specimens examined by us and that the Bonds will be duly authenticated by the Mortgage Trustee under the Mortgage and will be delivered against payment of the purchase price as provided in the Agreement and that the signatures on all documents examined by us are genuine, assumptions which we have not independently verified.

Other than with respect to the opinion expressed in Paragraph VI hereof, we have not ourselves checked the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Registration Statement or the Prospectus. We have generally reviewed and discussed such information with certain officers and employees of FPL, certain of its other legal counsel, its independent public accountants and your representatives. On the basis of such consideration, review and discussion, but without independent check or verification except as stated, nothing has come to our attention that would lead us to believe (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no belief, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no belief), that the Registration Statement, at the Effective Date, contained an untrue

statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements contained therein not misleading or (except as aforesaid) that the Prospectus at the 424 Date included, or at the date hereof includes, an untrue statement of a material fact or the Prospectus at the 424 Date omitted, or at the date hereof omits, to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

This opinion is limited to the laws of the States of New York and Florida and the federal laws of the United States of America. We express no opinion as to the incorporation of FPL, titles to property, franchises or the lien of the Mortgage. As to all matters of Florida law, we have relied, with your consent, upon an opinion of even date herewith addressed to you by Steel Hector & Davis LLP, Miami, Florida. As to all matters of New York law, Steel Hector & Davis LLP is hereby authorized to rely upon this opinion as though it were rendered to Steel Hector & Davis LLP.

This opinion is rendered to you in connection with the above-described transaction. This opinion may not be relied upon by you for any other purpose, or relied upon or furnished to any other person, firm or corporation without our prior written permission. This opinion is expressed as of the date hereof, and we do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to our attention, or any change in law that hereafter occurs.

Very truly yours,

THELEN REID & PRIEST LLP

SCHEDULE V

[LETTERHEAD OF HUNTON & WILLIAMS LLP]

October 15, 2003

Barclays Capital Inc.
200 Park Avenue
New York, New York 10166

Lehman Brothers Inc.
745 Seventh Avenue
New York, New York 10019

as Representatives of the Underwriters
named in Schedule II to the Agreement,
as herein described

Ladies and Gentlemen:

We have acted as counsel for you in connection with your several purchases from Florida Power & Light Company ("FPL") of $300,000,000 principal amount of First Mortgage Bonds, 5.95% Series due October 1, 2033 (the "Bonds"), issued under FPL's Mortgage and Deed of Trust dated as of January 1, 1944, with Deutsche Bank Trust Company Americas, as Trustee, which has been amended and supplemented in the past and which will be supplemented again by one or more supplemental indentures relating to these Bonds (as so amended and supplemented, the "Mortgage"), pursuant to the Underwriting Agreement, dated October 9, 2003, between you and FPL (the "Agreement"). Capitalized terms used and not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

In connection with the foregoing, we have examined such documents and satisfied ourselves as to such other matters as we have deemed necessary in order to enable us to express this opinion.

For purposes of the opinions expressed below, we have assumed without verification (i) the authenticity of all documents submitted to us as originals; (ii) the conformity to the originals of all documents submitted as certified or photostatic copies and the authenticity of the originals of such documents; (iii) the genuineness of signatures not witnessed by us; and (iv) the legal capacity of natural persons.

In rendering the following opinion, we have assumed that the certificates representing the Bonds will conform to specimens examined by us and that the Bonds will be duly authenticated

by the Mortgage Trustee under the Mortgage and will be delivered against payment of the purchase price as provided in the Agreement.

As to factual matters, we have relied upon representations and warranties included in the Agreement and upon certificates of officers of FPL being delivered to you today pursuant to Section 7(a) of the Agreement, and upon certificates of public officials, without independent investigation. Whenever the phrase "to the best of our knowledge" or "has come to our attention" is used herein, it refers to the actual knowledge of the attorneys involved in this transaction, without independent investigation.

We do not purport to express an opinion on any laws other than the laws of the State of New York, the United States of America and, to the extent set forth herein, the laws of the State of Florida. As to all matters of Florida law, we have, with your consent, relied upon the opinion of even date herewith addressed to you by Steel Hector & Davis LLP, counsel for FPL. We express no opinion or belief as to the incorporation of FPL, titles to property, franchises or the lien of the Mortgage.

Based upon the foregoing, we are of the opinion that:

I.

1. The Mortgage has been duly authorized by FPL by all necessary corporate action, has been duly and validly executed and delivered by FPL, and is a valid and binding obligation of FPL enforceable against FPL in accordance with its terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity.

2. The Bonds are valid and binding obligations of FPL enforceable against FPL in accordance with their terms, except as limited or affected by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting mortgagees' and other creditors' rights and remedies generally and general principles of equity, and are entitled to the benefit of the security afforded by the Mortgage.

3. The statements made in the Prospectus under the headings "Description of the Bonds" and "Certain Terms of the Offered Bonds," insofar as such statements purport to constitute summaries of the terms of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

4. The Registration Statement has become, and is, at the date hereof, effective under the Securities Act, and to the best of our knowledge, no proceedings for a stop order with respect thereto are pending or threatened under Section 8 of the Securities Act of 1933, as amended (the "Securities Act").

5. The Mortgage is duly qualified under the Trust Indenture Act of 1939, as amended.

6. The Agreement has been duly and validly authorized, executed and delivered by FPL.

II.

Except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no opinion, Registration Statement No. 333-102172, at the Effective Date, and the Prospectus and the Prospectus Supplement, each at the 424 Date, complied as to form in all material respects with the applicable requirements of the Securities Act and the applicable instructions, rules and regulations of the Commission thereunder. The Incorporated Documents (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no opinion), at the times they were filed with the Commission, complied as to form in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended, and the applicable instructions, rules and regulations of the Commission thereunder.

In passing on the form of each of the Registration Statement, the Prospectus and the Prospectus Supplement, we necessarily assume the correctness and completeness of the statements made or included therein by FPL and take no responsibility therefor, except insofar as such statements relate to us and as set forth in paragraph 3 in Part I hereof. Other than with respect to the opinion expressed in said paragraph 3, we have not ourselves checked the accuracy or completeness of, or otherwise verified, the information furnished with respect to matters in the Registration Statement, the Prospectus or the Prospectus Supplement. We have generally reviewed and discussed such information with certain officers and employees of FPL, certain of its legal counsel and its independent certified public accountants and your representatives.

On the basis of such review and discussion, but without independent check or verification except as stated, nothing has come to our attention that would lead us to believe (except as to the financial statements and other financial or statistical data contained or incorporated by reference therein, as to which we express no belief, and except for those parts of the Registration Statement that constitute the Statement of Eligibility on Form T-1, as to which we express no belief), that the Registration Statement, at the Effective Date, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements contained therein not misleading or (except as aforesaid) that the Prospectus or the Prospectus Supplement at the 424 Date included, or at the date hereof includes, an untrue statement of a material fact or the Prospectus or the Prospectus Supplement at the 424 Date omitted, or at the date hereof omits, to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

This opinion is furnished solely for your use as the Underwriters in connection with the Agreement and the transactions contemplated thereunder, and it is not to be quoted, in whole or in part, or otherwise referred to, nor is it to be filed with any governmental agency or any other person, nor is it to be relied upon by any person other than you or for any other purpose without our express written consent. This opinion is expressed as of the date hereof, and we do not assume any obligation to advise you of facts or circumstances that hereafter come to our attention, or of changes in law that hereafter occur, which could affect the opinion contained herein.

Very truly yours,

HUNTON & WILLIAMS LLP

Exhibit (d)-2

REMARKETING AGREEMENT

This Remarketing Agreement (the "Agreement") dated May 1, 2003 is made by and between Florida Power & Light Company (the "Company") and Wachovia Bank, National Association (the "Remarketing Agent").

St. Lucie County, Florida, a political subdivision of the State of Florida (the "Issuer"), is issuing $78,785,000 aggregate principal amount of its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project) Series 2003 (the "Bonds") under and pursuant to a Trust Indenture between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee (the "Trustee"), dated as of May 1, 2003 (the "Indenture"). The Bonds will be secured by an assignment of rights to receive payments from the Company under a Loan Agreement, dated as of May 1, 2003 between the Issuer and the Company (the "Loan Agreement"). The Bonds will initially bear interest at a Daily Interest Rate (as defined in the Indenture). Intending to be legally bound, the parties hereto agree as follows:

1. Appointment and Acceptance. The Company hereby appoints Wachovia Bank, National Association as the Remarketing Agent (the "Remarketing Agent") for the Bonds, and the Remarketing Agent hereby accepts such appointment and agrees to perform the duties and obligations imposed upon it as Remarketing Agent under the Indenture and hereunder, including, without limitation, the duties and obligations to take such actions and enter into such documents as may be necessary to effectuate a direction given pursuant to Section 201(j) of the Indenture, and agrees to use its best efforts to offer for sale and to sell the Bonds which it has been advised by The Bank of New York Trust Company of Florida, N.A., as tender agent (the "Tender Agent"), have been tendered pursuant to and in accordance with the Indenture. The Company also hereby appoints the Remarketing Agent as the Indexing Agent for the Bonds in accordance with the Indenture, and the Remarketing Agent hereby accepts such appointment and agrees to perform the duties and obligations imposed upon it as Indexing Agent under the Indenture and hereunder.

2. Fees and Expenses. The Company shall pay the Remarketing Agent, as compensation for its services hereunder, a fee equal to 0.075% per annum of the weighted average principal amount of the Bonds outstanding during each annual period that the Bonds bear interest at the Daily, Weekly or Commercial Paper Interest Rate (as defined in the Indenture), and such other amount as may be agreed upon from time to time by the Company and the Remarketing Agent for Bonds that bear interest at a Long-Term Interest Rate (as defined in the Indenture) or at an alternate interest rate established in accordance with Section 201(j) of the Indenture, payable annually after the first year on each May 1 and November 1, commencing May 1, 2004. The Company shall pay the Remarketing Agent, as compensation for its services for the first year, a fee equal to 0.075% of the original principal amount of the Bonds, which fee shall be payable upon presentation of an invoice at or shortly after closing on the issuance of the Bonds. The Remarketing Agent will not be entitled to compensation after this Remarketing Agreement shall be terminated or after the term of appointment of the Remarketing Agent shall have expired except for a pro rata portion of the fee in respect of the period in which such termination or expiration occurs. The Trustee shall have no responsibility, obligation or liability with respect to any payment hereunder.

3. Disclosure Document. If the Remarketing Agent determines that it is necessary or desirable to use a disclosure document in connection with the remarketing of the Bonds, the Remarketing Agent will notify the Company of such determination. If the Remarketing Agent or the Company determines that it is necessary or desirable to use a disclosure document in connection with the remarketing of the Bonds, the Company will provide the Remarketing Agent with a disclosure document satisfactory to the Remarketing Agent and its counsel in respect of the Bonds. The Company will supply the Remarketing Agent with such number of copies of the disclosure document as the Remarketing Agent reasonably requests from time to time. The Company will supplement and amend the disclosure document (which may include the Official Statement distributed in connection with the initial sale of the Bonds (the "Official Statement")) so that at all times the document will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements in the disclosure document, in the light of the circumstances under which they were made, not misleading.

4. Indemnification. The Company agrees to indemnify and hold harmless the Remarketing Agent and any member, officer, official or employee of the Remarketing Agent, and each person, if any, who controls the Remarketing Agent, within the meaning of Section 15 of the Securities Act of 1933, as amended (the "Act") (collectively called the "Indemnified Parties"), against any and all losses, claims, damages or liabilities to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the disclosure document referred to in Section 3 hereof or the alleged omission from the disclosure document referred to in Section 3 hereof of any material fact relating to the Project (as defined in the Indenture) or the Company necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage, liability, expense or action arises out of or is based upon an untrue statement or alleged untrue statement or alleged omission made in any of such documents in reliance upon and in conformity with written information furnished to the Company by the Remarketing Agent specifically for use therein. This indemnity agreement is in addition to any liability which the Company may otherwise have. In case any action shall be brought against one or more of the Indemnified Parties based upon the disclosure document referred to in Section 3 hereof and in respect of which indemnity may be sought against the Company, the Indemnified Parties shall promptly give written notice to the Company, but the omission so to notify the Company of any action shall not relieve the Company from any liability that it may have to the Indemnified Party otherwise than on account of this indemnity agreement. In case such notice of any action shall be so given, the Company shall be entitled to participate at its own expense in the defense or, if it so elects, to assume the defense of such action, in which event such defense shall be conducted by counsel chosen by the Company and satisfactory to the Indemnified Party or Indemnified Parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the Company shall elect not to assume the defense of such action, the Company will reimburse such Indemnified Party or Indemnified Parties for the reasonable fees and expenses of any counsel retained by them; provided, however, that if the defendants in any such action include

both an Indemnified Party and the Company, and counsel for the Company shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both the Company and any Indemnified Party, the Indemnified Parties shall have the right to select separate counsel, satisfactory to the Company, to participate in the defense of such action on behalf of such Indemnified Parties at the expense of the Company (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel representing the Indemnified Party or Indemnified Parties who are parties to such action). The Company shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Company or if there be a final judgment for the plaintiff in any such action with or without consent, the Company agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment.

5. Remarketing Agent's Liabilities. The Remarketing Agent shall incur no liability to the Company or to any other party for its actions as Remarketing Agent pursuant to the terms hereof and of the Indenture except for its negligence or willful misconduct and except as otherwise specifically provided herein. The Remarketing Agent will not be liable to the Company on account of the failure of any person to whom the Remarketing Agent has sold a Bond to pay for it or to deliver any document in respect of such sale. The undertaking of the Remarketing Agent to remarket any Bonds pursuant to the Indenture shall be on a "best efforts" basis.

6. Resignation or Removal and Expiration of Term of Appointment of Remarketing Agent and Indexing Agent. The Company may remove the Remarketing Agent at any time by giving at least 5 business days' notice to the Remarketing Agent, the Indexing Agent, the Issuer and the Trustee. The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Remarketing Agreement by giving at least 45 calendar days' notice to the Company, the Issuer, the Tender Agent and the Trustee. The term of appointment of the Remarketing Agent shall expire upon each adjustment of the interest rate determination method for the Bonds pursuant to the Indenture; provided, however, that if the Company appoints the Remarketing Agent as the successor Remarketing Agent with respect to such new interest rate determination method, then this Agreement shall, at the option of the Company, remain in full force and effect without necessity of supplement or amendment and the Remarketing Agent shall be deemed to accept its appointment as successor Remarketing Agent as of the date of conversion to such new interest rate determination method. The Indexing Agent may resign or the Company may remove and replace the Indexing Agent in accordance with the terms of the Indenture. The term of appointment of the Indexing Agent shall expire at such time as the Indexing Agent is no longer serving as the Remarketing Agent. The provisions of Sections 4 and 5 will continue in effect as to transactions prior to the date of termination or expiration, and each party will pay the other any amounts owing at the time of termination or expiration.

7. Suspension. The Remarketing Agent may suspend its remarketing obligations under this Agreement at any time that any of the following circumstances shall have occurred and be continuing and, in the reasonable judgment of the Remarketing Agent, render it impracticable for the Remarketing Agent to perform its obligations under this Agreement:

(i) Any event shall have occurred, or information shall have become known, which, in the Remarketing Agent's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the disclosure document referred to in Section 3 hereof, as the information contained therein may have been supplemented or amended by the other information furnished to the Remarketing Agent in accordance with the terms and provisions contained herein, or causes such disclosure document, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(ii) There shall have occurred any general suspension of trading in securities on the New York Stock Exchange;

(iii) There shall have occurred a general banking moratorium declared by New York or Federal authorities;

(iv) There shall have occurred any new outbreak of hostilities including, but not limited to, an escalation of hostilities which existed prior to the date of this agreement or other national or international calamity or crisis; or

(v) There shall have occurred a material adverse change in the financial markets of the United States.

In the event of any suspension pursuant to this paragraph, the Remarketing Agent declaring such suspension shall notify the Company thereof as soon as reasonably practicable in writing or by telegram, facsimile, telex, electronic mail or other electronic or wire communication. Notwithstanding the declaration of suspension by the Remarketing Agent, the Remarketing Agent shall continue to determine and give notice of the interest rate on the Bonds as provided in the Indenture. Notwithstanding any provisions in this Agreement to the contrary, upon the declaration of suspension by the Remarketing Agent, the Company, upon approval by the Issuer and upon notification in writing to the Remarketing Agent, may immediately remove the Remarketing Agent.

8. Dealing in Securities by Remarketing Agent. The Remarketing Agent, in its individual capacity, either as principal or agent, may buy, sell, own, hold and deal in any of the Bonds, and may join in any action which any owner of Bonds may be entitled to take with like effect as if it did not act in any capacity hereunder. The Remarketing Agent, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Company and may act as depository, trustee or agent for any committee or body of owners of Bonds or other obligations of the Company as freely as if it did not act in any capacity hereunder.

9. Intention of Parties. It is the express intention of the parties hereto that no purchase, sale or transfer of any Bonds, as herein provided, shall constitute or be construed to be the extinguishment of any Bond or the indebtedness represented thereby or the reissuance of any Bond or the refunding of any indebtedness represented thereby.

10. Compliance with Indenture. The Remarketing Agent represents that it is qualified to act as Remarketing Agent and Indexing Agent and agrees to abide by all of the provisions of the Indenture insofar as they govern its activities as Remarketing Agent or Indexing Agent for the Bonds. In particular, the Remarketing Agent (in its capacity as Remarketing Agent and Indexing Agent) hereby agrees to keep such books and records as shall be consistent with prudent industry practice and will make such books and records available for inspection by the Issuer, the Trustee, the Tender Agent and the Company at all reasonable times. The Remarketing Agent, in its capacity as Indexing Agent, also agrees to determine the applicable indices as provided in and in accordance with the terms of the Indenture.

11. Notices. Unless otherwise provided, all notices, requests, demands and formal actions hereunder shall be in writing and mailed, telegraphed or delivered, as follows:

If to the Company:

Florida Power & Light Company
700 Universe Blvd.
Juno Beach, Florida 33408
Attention: Treasurer

If to the Trustee:

The Bank of New York Trust Company of Florida, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attention: Corporate Trust Division

If to the Issuer:

St. Lucie County, Florida
2300 Virginia Avenue
Fort Pierce, Florida 34982
Attention: Clerk of the Board of County Commissioners with a copy to the County Attorney

If to the Tender Agent:

The Bank of New York Trust Company of Florida, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attention: Corporate Trust Division

If to the Remarketing Agent, at its Principal Office, as defined in the Indenture, which is:

Wachovia Bank, National Association
301 S. College Street, DC-8
Charlotte, NC 28288-0600
Attention: Municipal Trading Desk

If to the Indexing Agent, at its address for the purposes of Section 1502 of the Indenture, which is:

Wachovia Bank, National Association
301 S. College Street, DC-8
Charlotte, NC 28288-0600
Attention: Municipal Trading Desk

12. Each of the above parties may, by written notice given hereunder to the others, designate any further or different addresses to which subsequent notices, certificates, requests, or other communications shall be sent. In addition, the parties hereto may agree to any other means by which subsequent notices, certificates, requests or other communications may be sent.

13. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

FLORIDA POWER & LIGHT COMPANY

By:_____
Paul I. Cutler
Treasurer

WACHOVIA BANK, NATIONAL ASSOCIATION

By:_____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

FLORIDA POWER & LIGHT COMPANY

By:_____
Paul I. Cutler
Treasurer

WACHOVIA BANK, NATIONAL ASSOCIATION

By:_____
SVP

Exhibit (d)-2A

REMARKETING AGREEMENT

This Remarketing Agreement (the "Agreement") dated June 25, 2003 is made by and between Florida Power & Light Company (the "Company") and Wachovia Bank, National Association (the "Remarketing Agent").

Miami-Dade Industrial Development Authority, a public body corporate and politic and a public instrumentality created and validly existing under the Constitution and laws of the State of Florida (the "Issuer"), is issuing $15,000,000 aggregate principal amount of its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project) Series 2003 (the "Bonds") under and pursuant to a Trust Indenture between the Issuer and The Bank of New York Trust Company of Florida, N.A., as trustee (the "Trustee"), dated as of June 1, 2003 (the "Indenture"). The Bonds will be secured by an assignment of rights to receive payments from the Company under a Loan Agreement, dated as of June 1, 2003 between the Issuer and the Company (the "Loan Agreement"). The Bonds will initially bear interest at a Daily Interest Rate (as defined in the Indenture). Intending to be legally bound, the parties hereto agree as follows:

1. Appointment and Acceptance. The Company hereby appoints Wachovia Bank, National Association as the Remarketing Agent (the "Remarketing Agent") for the Bonds, and the Remarketing Agent hereby accepts such appointment and agrees to perform the duties and obligations imposed upon it as Remarketing Agent under the Indenture and hereunder, including, without limitation, the duties and obligations to take such actions and enter into such documents as may be necessary to effectuate a direction given pursuant to Section 201(j) of the Indenture, and agrees to use its best efforts to offer for sale and to sell the Bonds which it has been advised by The Bank of New York Trust Company of Florida, N.A., as tender agent (the "Tender Agent"), have been tendered pursuant to and in accordance with the Indenture. The Company also hereby appoints the Remarketing Agent as the Indexing Agent for the Bonds in accordance with the Indenture, and the Remarketing Agent hereby accepts such appointment and agrees to perform the duties and obligations imposed upon it as Indexing Agent under the Indenture and hereunder.

2. Fees and Expenses. The Company shall pay the Remarketing Agent, as compensation for its services hereunder, a fee equal to 0.075% per annum of the weighted average principal amount of the Bonds outstanding during each annual period that the Bonds bear interest at the Daily, Weekly or Commercial Paper Interest Rate (as defined in the Indenture), and such other amount as may be agreed upon from time to time by the Company and the Remarketing Agent for Bonds that bear interest at a Long-Term Interest Rate (as defined in the Indenture) or at an alternate interest rate established in accordance with Section 201(j) of the Indenture, payable annually after the first year on each June 25, commencing June 25, 2004. The Company shall pay the Remarketing Agent, as compensation for its services for the first year, a fee equal to 0.075% of the original principal amount of the Bonds, which fee shall be payable upon presentation of an invoice at or shortly after closing on the issuance of the Bonds. The Remarketing Agent will not be entitled to compensation after this Remarketing Agreement shall be terminated or after the term of appointment of the Remarketing Agent shall have expired except for a pro rata portion of the fee in respect of the period in which such termination or expiration occurs. The Trustee shall have no responsibility, obligation or liability with respect to any payment hereunder.

3. Disclosure Document. If the Remarketing Agent determines that it is necessary or desirable to use a disclosure document in connection with the remarketing of the Bonds, the Remarketing Agent will notify the Company of such determination. If the Remarketing Agent or the Company determines that it is necessary or desirable to use a disclosure document in connection with the remarketing of the Bonds, the Company will provide the Remarketing Agent with a disclosure document satisfactory to the Remarketing Agent and its counsel in respect of the Bonds. The Company will supply the Remarketing Agent with such number of copies of the disclosure document as the Remarketing Agent reasonably requests from time to time. The Company will supplement and amend the disclosure document (which may include the Official Statement distributed in connection with the initial sale of the Bonds (the "Official Statement")) so that at all times the document will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements in the disclosure document, in the light of the circumstances under which they were made, not misleading.

4. Indemnification. The Company agrees to indemnify and hold harmless the Remarketing Agent and any member, officer, official or employee of the Remarketing Agent, and each person, if any, who controls the Remarketing Agent, within the meaning of Section 15 of the Securities Act of 1933, as amended (the "Act") (collectively called the "Indemnified Parties"), against any and all losses, claims, damages or liabilities to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the disclosure document referred to in Section 3 hereof or the alleged omission from the disclosure document referred to in Section 3 hereof of any material fact relating to the Project (as defined in the Indenture) or the Company necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage, liability, expense or action arises out of or is based upon an untrue statement or alleged untrue statement or alleged omission made in any of such documents in reliance upon and in conformity with written information furnished to the Company by the Remarketing Agent specifically for use therein. This indemnity agreement is in addition to any liability which the Company may otherwise have. In case any action shall be brought against one or more of the Indemnified Parties based upon the disclosure document referred to in Section 3 hereof and in respect of which indemnity may be sought against the Company, the Indemnified Parties shall promptly give written notice to the Company, but the omission so to notify the Company of any action shall not relieve the Company from any liability that it may have to the Indemnified Party otherwise than on account of this indemnity agreement. In case such notice of any action shall be so given, the Company shall be entitled to participate at its own expense in the defense or, if it so elects, to assume the defense of such action, in which event such defense shall be conducted by counsel chosen by the Company and satisfactory to the Indemnified Party or Indemnified Parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the Company shall elect not to assume the defense of such action, the Company will reimburse such Indemnified Party or Indemnified Parties for the reasonable fees and expenses of any counsel retained by them; provided, however, that if the defendants in any such action include

both an Indemnified Party and the Company, and counsel for the Company shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both the Company and any Indemnified Party, the Indemnified Parties shall have the right to select separate counsel, satisfactory to the Company, to participate in the defense of such action on behalf of such Indemnified Parties at the expense of the Company (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel representing the Indemnified Party or Indemnified Parties who are parties to such action). The Company shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Company or if there be a final judgment for the plaintiff in any such action with or without consent, the Company agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment.

5. Remarketing Agent's Liabilities. The Remarketing Agent shall incur no liability to the Company or to any other party for its actions as Remarketing Agent pursuant to the terms hereof and of the Indenture except for its negligence or willful misconduct and except as otherwise specifically provided herein. The Remarketing Agent will not be liable to the Company on account of the failure of any person to whom the Remarketing Agent has sold a Bond to pay for it or to deliver any document in respect of such sale. The undertaking of the Remarketing Agent to remarket any Bonds pursuant to the Indenture shall be on a "best efforts" basis.

6. Resignation or Removal and Expiration of Term of Appointment of Remarketing Agent and Indexing Agent. The Company may remove the Remarketing Agent at any time by giving at least 5 business days' notice to the Remarketing Agent, the Indexing Agent, the Issuer and the Trustee. The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Remarketing Agreement by giving at least 45 calendar days' notice to the Company, the Issuer, the Tender Agent and the Trustee. The term of appointment of the Remarketing Agent shall expire upon each adjustment of the interest rate determination method for the Bonds pursuant to the Indenture; provided, however, that if the Company appoints the Remarketing Agent as the successor Remarketing Agent with respect to such new interest rate determination method, then this Agreement shall, at the option of the Company, remain in full force and effect without necessity of supplement or amendment and the Remarketing Agent shall be deemed to accept its appointment as successor Remarketing Agent as of the date of conversion to such new interest rate determination method. The Indexing Agent may resign or the Company may remove and replace the Indexing Agent in accordance with the terms of the Indenture. The term of appointment of the Indexing Agent shall expire at such time as the Indexing Agent is no longer serving as the Remarketing Agent. The provisions of Sections 4 and 5 will continue in effect as to transactions prior to the date of termination or expiration, and each party will pay the other any amounts owing at the time of termination or expiration.

7. Suspension. The Remarketing Agent may suspend its remarketing obligations under this Agreement at any time that any of the following circumstances shall have occurred and be continuing and, in the reasonable judgment of the Remarketing Agent, render it impracticable for the Remarketing Agent to perform its obligations under this Agreement:

(i) Any event shall have occurred, or information shall have become known, which, in the Remarketing Agent's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the disclosure document referred to in Section 3 hereof, as the information contained therein may have been supplemented or amended by the other information furnished to the Remarketing Agent in accordance with the terms and provisions contained herein, or causes such disclosure document, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(ii) There shall have occurred any general suspension of trading in securities on the New York Stock Exchange;

(iii) There shall have occurred a general banking moratorium declared by New York or Federal authorities;

(iv) There shall have occurred any new outbreak of hostilities including, but not limited to, an escalation of hostilities which existed prior to the date of this agreement or other national or international calamity or crisis; or

(v) There shall have occurred a material adverse change in the financial markets of the United States.

In the event of any suspension pursuant to this paragraph, the Remarketing Agent declaring such suspension shall notify the Company thereof as soon as reasonably practicable in writing or by telegram, facsimile, telex, electronic mail or other electronic or wire communication. Notwithstanding the declaration of suspension by the Remarketing Agent, the Remarketing Agent shall continue to determine and give notice of the interest rate on the Bonds as provided in the Indenture. Notwithstanding any provisions in this Agreement to the contrary, upon the declaration of suspension by the Remarketing Agent, the Company, upon approval by the Issuer and upon notification in writing to the Remarketing Agent, may immediately remove the Remarketing Agent.

8. Dealing in Securities by Remarketing Agent. The Remarketing Agent, in its individual capacity, either as principal or agent, may buy, sell, own, hold and deal in any of the Bonds, and may join in any action which any owner of Bonds may be entitled to take with like effect as if it did not act in any capacity hereunder. The Remarketing Agent, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Company and may act as depository, trustee or agent for any committee or body of owners of Bonds or other obligations of the Company as freely as if it did not act in any capacity hereunder.

9. Intention of Parties. It is the express intention of the parties hereto that no purchase, sale or transfer of any Bonds, as herein provided, shall constitute or be construed to be the extinguishment of any Bond or the indebtedness represented thereby or the reissuance of any Bond or the refunding of any indebtedness represented thereby.

10. Compliance with Indenture. The Remarketing Agent represents that it is qualified to act as Remarketing Agent and Indexing Agent and agrees to abide by all of the provisions of the Indenture insofar as they govern its activities as Remarketing Agent or Indexing Agent for the Bonds. In particular, the Remarketing Agent (in its capacity as Remarketing Agent and Indexing Agent) hereby agrees to keep such books and records as shall be consistent with prudent industry practice and will make such books and records available for inspection by the Issuer, the Trustee, the Tender Agent and the Company at all reasonable times. The Remarketing Agent, in its capacity as Indexing Agent, also agrees to determine the applicable indices as provided in and in accordance with the terms of the Indenture.

11. Notices. Unless otherwise provided, all notices, requests, demands and formal actions hereunder shall be in writing and mailed, telegraphed or delivered, as follows:

If to the Company:

Florida Power & Light Company
700 Universe Blvd.
Juno Beach, Florida 33408
Attention: Treasurer

If to the Trustee:

The Bank of New York Trust Company of Florida, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attention: Corporate Trust Division

If to the Issuer:

Miami-Dade County Industrial Development Authority
Brickell BayView Centre
80 S.W. 8th Street
Suite 2801
Miami, Florida 33130
Attention: Executive Director

If to the Tender Agent:

The Bank of New York Trust Company of Florida, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attention: Corporate Trust Division

If to the Remarketing Agent, at its Principal Office, as defined in the Indenture, which is:

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600
Attention: Municipal Trading Desk

If to the Indexing Agent, at its address for the purposes of Section 1502 of the Indenture, which is:

Wachovia Bank, National Association
301 South College Street, DC-8
Charlotte, NC 28288-0600
Attention: Municipal Trading Desk

12. Each of the above parties may, by written notice given hereunder to the others, designate any further or different addresses to which subsequent notices, certificates, requests, or other communications shall be sent. In addition, the parties hereto may agree to any other means by which subsequent notices, certificates, requests or other communications may be sent.

13. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

FLORIDA POWER & LIGHT COMPANY

By:_____
Paul I. Cutler
Treasurer

WACHOVIA BANK, NATIONAL ASSOCIATION

By:_____
SVP

Exhibit (d)-3

TENDER AGREEMENT

among

THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A.,
as Trustee, Tender Agent and Registrar

and

FLORIDA POWER & LIGHT COMPANY

and

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Remarketing Agent

Dated as of May 1, 2003

$78,785,000
St. Lucie County, Florida
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

TENDER AGREEMENT

This TENDER AGREEMENT, dated as of May 1, 2003, is among THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., as Trustee, Tender Agent and Registrar (in such capacities, the "Trustee", the Tender Agent" and the "Registrar"); FLORIDA POWER & LIGHT COMPANY (the "Company"); and WACHOVIA BANK, NATIONAL ASSOCIATION, as Remarketing Agent (the "Remarketing Agent"); or the permitted successors and assigns of any of the foregoing;

WHEREAS, St. Lucie County, Florida (the "Issuer") proposes to issue its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds") in the aggregate principal amount of $78,785,000 pursuant to the Trust Indenture dated as of May 1, 2003 (the "Indenture") from the Issuer to the Trustee; and

WHEREAS, the Company has appointed The Bank of New York Trust Company of Florida, N.A., as Tender Agent and Registrar, and The Bank of New York Trust Company of Florida, N.A., has accepted such appointment and agreed to perform the duties and obligations imposed on it as Tender Agent and Registrar under the Indenture; and

WHEREAS, the Bonds and the Indenture provide, among other things, that the Bonds may be tendered for purchase from time to time by the Owners thereof at their option and that the Bonds shall be tendered for purchase from time to time by the Owners thereof upon the occurrence of certain events, in accordance with the provisions of the Bonds and the Indenture; and

WHEREAS, pursuant to the terms of the Indenture, the Remarketing Agent has agreed to use its best efforts to remarket any Bond tendered for purchase;

NOW, THEREFORE, in consideration of the premises and in order to provide for the coordination of said arrangements, the parties hereby agree as follows:

Section 1. Defined Terms. Capitalized terms used in this Agreement and not defined herein shall have the meanings assigned to them in the Indenture.

Section 2. Qualification of Tender Agent and Registrar. The Tender Agent and Registrar hereby represents that it is qualified to serve as Tender Agent under the requirements of Section 1402(b) of the Indenture and as Registrar under the requirements of Section 920 of the Indenture.

Section 3. Establishment of Purchase Fund.

(a) In accordance with Section 1401(b)(ii) of the Indenture, there is hereby established with the Tender Agent a separate segregated trust fund designated the "St. Lucie County, Florida Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 Purchase Fund" (the "Purchase Fund"). In accordance with Section 1403(b) of the Indenture, there are also hereby established two separate accounts in such

Purchase Fund, to be designated respectively the "Remarketing Account" and the "Company Moneys Account." The Tender Agent may establish one or more additional accounts in the Purchase Fund for such purposes as the Tender Agent determines to be necessary including, but not limited to, an account for the deposit of moneys held for the Owners of Undelivered Bonds.

(b) All moneys received by the Tender Agent pursuant to Section 1403(b)(i) or (iii) of the Indenture shall be deposited in the Company Moneys Account of the Purchase Fund and held in trust until paid for the purchase of Bonds in accordance with the provisions of Section 1403 of the Indenture.

(c) All moneys received by the Tender Agent from the Remarketing Agent on behalf of purchasers of Bonds pursuant to Section 1403(b)(ii) of the Indenture on account of remarketed Bonds shall be deposited in the Remarketing Account of the Purchase Fund and held in trust until paid for the purchase of Bonds in accordance with the provisions of Section 1403 of the Indenture.

Section 4. Deposit of Bonds. The Tender Agent agrees to accept and hold all Bonds delivered to it for purchase pursuant to the Indenture as agent and bailee of, and in escrow for the benefit of the respective Owners which shall have so delivered such Bonds until moneys representing the purchase price of such Bonds shall have been delivered to or for the account of or to the order of such Owners pursuant to the Indenture.

Section 5. Remarketing Mechanics for Bonds.

(a) Daily Interest Rate Period. (i) Not later than 11:00 a.m. (New York City time) on each Business Day, the Tender Agent shall give notice by telephone to the Remarketing Agent, the Trustee and the Company of each notice from an Owner pursuant to Section 202(a) of the Indenture that the Tender Agent has received on such Business Day (or during the immediately preceding Business Day if received after 10:30 a.m. on such preceding Business Day). Such telephonic notice by the Tender Agent shall specify the principal amount of the Bonds for which it has received such notice (the "Daily Put Bonds"), the names of the Owners thereof, if any of such Owners shall have provided instructions to the Tender Agent regarding the payment or purchase of its Bonds (the "Standing Payment Instructions") and any requested change therein and the date specified as the date such Bonds are to be purchased (each such date, and any other date on which Bonds are to be purchased under the Indenture, is referred to herein as a "Tender Purchase Date"); provided that, if the Tender Purchase Date is a date other than the Business Day on which notice is received from an Owner, the Tender Agent shall specify the purchase price for such Bonds not later than 11:00 a.m. (New York City time) on such Tender Purchase Date.

(ii) Not later than 11:45 a.m. (New York City time) on the Tender Purchase Date with respect to all Daily Put Bonds, the Tender Agent shall telephonically confirm with the Trustee the aggregate amount of the interest payable as of the Tender Purchase Date on such Daily Put Bonds. Not later than 12:30 p.m. (New York City time) on any such Tender Purchase Date the Remarketing Agent shall give notice by telephone to the Tender Agent and the Registrar of (A) the principal amount of Daily Put Bonds which have been remarketed in

accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund on such Tender Purchase Date by the Remarketing Agent on behalf of the purchasers (the "New Purchasers") of the Daily Put Bonds, stating that such amount paid as such purchase price is then held by the Remarketing Agent for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the name, address, taxpayer identification number of the New Purchasers (such information is hereinafter referred to as "New Registration Information") necessary for the Registrar to prepare replacement certificates for the New Purchasers and any requested Standing Payment Instructions from such New Purchasers. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such Tender Purchase Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all Daily Put Bonds on such Tender Purchase Date, not later than 12:30 p.m. (New York City time) on such Tender Purchase Date the Remarketing Agent shall give notice by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such Daily Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all Daily Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the Daily Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) of the amount necessary to provide sufficient moneys on the Tender Purchase Date to pay the purchase price of such Daily Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such Tender Purchase Date the amount so demanded.

(b) Weekly Interest Rate Period. (i) Not later than 10:30 a.m. (New York City time) on each Business Day succeeding a day on which the Tender Agent receives a notice from an Owner pursuant to Section 202(b) of the Indenture, the Tender Agent shall give notice by telephone to the Remarketing Agent and the Company, specifying the principal amount of the Bonds for which it has received such notice (the "Weekly Put Bonds"), the Tender Purchase Date for such Weekly Put Bonds and the names of the Owners thereof and, if any of such Owners shall have Standing Payment Instructions, any requested changes therein.

(ii) Not later than 4:00 p.m. (New York City time) on the Business Day immediately preceding any such Tender Purchase Date, the Remarketing Agent shall give notice by telephone to the Tender Agent and the Registrar of (A) the principal amount of Weekly Put Bonds which have been remarketed in accordance with the Indenture and the portion of the

purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund on the Tender Purchase Date by the Remarketing Agent on behalf of the New Purchasers of such Weekly Put Bonds, stating that such amount paid as such purchase price is then held by the Remarketing Agent (or to be held by the Remarketing Agent on the Tender Purchase Date) for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the New Registration Information and any Standing Payment Instructions for the New Purchasers. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such Tender Purchase Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all Weekly Put Bonds for delivery on such Tender Purchase Date, not later than 4:00 p.m. (New York City time) on the Business Day immediately preceding such Tender Purchase Date the Remarketing Agent shall give notice by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such Weekly Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all Weekly Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the Weekly Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) of the amount necessary to provide sufficient moneys on the Tender Purchase Date to pay the purchase price of such Weekly Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such Tender Purchase Date the amount so demanded.

(c) Mandatory Tenders for Purchase on First Day of Each Interest Rate Period.

(i) Not later than 10:30 a.m. (New York City time) on the Business Day succeeding the date of mailing of any notice of mandatory tender for purchase sent to Owners of the Bonds in accordance with the Indenture, the Tender Agent shall give notice by telephone to the Trustee, the Company, and the Remarketing Agent specifying the principal amount (together with any premium, if applicable) of Bonds subject to mandatory tender for purchase (the "Mandatory Put Bonds"), the Tender Purchase Date for such Mandatory Put Bonds and the names of the Owners thereof and, if any of such Owners shall have Standing Payment Instructions, any requested changes therein.

(ii) Not later than 12:30 p.m. (New York City time) on any such Tender Purchase Date, the Remarketing Agent shall give notice by telephone to the Tender Agent and the Registrar of (A) the principal amount of Mandatory Put Bonds which have been remarketed

in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund on the Tender Purchase Date by the Remarketing Agent on behalf of the New Purchasers of such Mandatory Put Bonds stating that such amount paid as such purchase price is then held by the Remarketing Agent for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the New Registration Information and any Standing Payment Instructions for the New Purchasers. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such Tender Purchase Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all Mandatory Put Bonds for delivery on such Tender Purchase Date, not later than 12:30 p.m. (New York City time) on such Tender Purchase Date, the Remarketing Agent shall give notice by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such Mandatory Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all Mandatory Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the Mandatory Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) of the amount necessary to provide sufficient moneys on the Tender Purchase Date to pay the purchase price of such Mandatory Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such Tender Purchase Date the amount so demanded.

(d) Mandatory Tender for Purchase on Day Next Succeeding the Last Day of Each Commercial Paper Term.

(i) Not later than 10:15 a.m. (New York City time) on the day next succeeding the last day of any Commercial Paper Term (the "CP Date") with respect to a Bond, unless such day is the first day of a new Interest Rate Period (in which event Section 5(c) hereof shall be applicable), the Tender Agent shall give notice by telephone to the Remarketing Agent and the Company, specifying the principal amount of each Bond then bearing interest at a Commercial Paper Term Rate, and to which such CP Date relates, the principal amount of such Bonds to be purchased on such CP Date (the "CP Put Bonds"), and the names of the Owners of the CP Put Bonds and, if any of such Owners shall have Standing Payment Instructions, any requested changes therein.

(ii) Not later than 12:30 p.m. (New York City time) on each CP Date, the Remarketing Agent shall give notice by telephone to the Tender Agent and the Registrar of (A)

the principal amount of CP Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund by the Remarketing Agent on behalf of the New Purchasers of the CP Put Bonds stating that such amount paid as such purchase price is then held by the Remarketing Agent for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the New Registration Information and any Standing Payment Instructions for the New Purchasers and the Commercial Paper Term and the Commercial Paper Term Rate for each CP Put Bond so remarketed. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such CP Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all CP Put Bonds on such CP Date, not later than 12:30 p.m. (New York City time) on such CP Date the Remarketing Agent shall give notice by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such CP Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all CP Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the CP Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) of the amount necessary to provide sufficient moneys on the CP Date to pay the purchase price of such CP Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such CP Date the amount so demanded.

Section 6. DTC Procedures. The parties hereto acknowledge that, as provided in the Indenture, the Bonds will on the date of issuance thereof be deposited into the book-entry-only system maintained by The Depository Trust Company ("DTC") and while so deposited shall be registered as a single bond in the name of DTC's nominee, Cede & Co. The Tender Agent and the Registrar agree that, so long as the Bonds are held by DTC in its book-entry-only system, tenders of Bonds shall be accomplished in accordance with DTC's Delivery Order Procedures and the Tender Agent shall accept notices of tender in the form set forth as Exhibit B to the Indenture.

Section 7. Undelivered Bonds. The Tender Agent shall, as to any Undelivered Bonds, (i) notify the Remarketing Agent of the existence thereof and (ii) direct the Registrar to place a stop transfer against such Undelivered Bonds. Upon the delivery of such Undelivered Bond, the Tender Agent shall direct the Registrar to release any such stop transfer.

Section 8. Delivery of Bonds. A principal amount of Bonds equal to the principal amount of Bonds purchased by New Purchasers shall be delivered by the Registrar to the Tender Agent, registered in the names of the New Purchasers. Such Bonds shall be held available at the office of the Tender Agent to be picked up by the Remarketing Agent at or after 2:00 p.m. (New York City time) (5:00 p.m., New York City time, in connection with any remarketing of Bonds described in Section 5(c) hereof in connection with an adjustment to a Long-Term Interest Rate Period) on the Tender Purchase Date or CP Date, as the case may be, against delivery of funds for deposit into the Remarketing Account of the Purchase Fund equal to the purchase price of such Bonds which have been remarketed. Bonds which have been purchased from moneys in the Company Moneys Account of the Purchase Fund shall be held or delivered as directed by the Company in accordance with Section 1407(c) of the Indenture.

Section 9. Notices. Any notices required to be given pursuant to this Agreement shall be sent to the address, telephone, telecopy, telex or other electronic transmission number for notices, if any, filed with the Trustee at the date hereof or such address, telephone, telecopy, telex or other electronic transmission number of any party hereto as such party shall have specified by written notice to each of the other parties.

Section 10. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with, the laws of the State of New York.

Section 11. General.

(a) Payment of Tender Agent; Indemnification. The Company shall pay all reasonable fees, charges and out-of-pocket expenses of the Tender Agent, the Registrar and the Trustee (and their respective counsel) for acting under and pursuant to this Agreement and the Indenture. In addition, the Company shall indemnify and save harmless each of the Tender Agent, the Registrar and the Trustee and their respective officers and employees from and against any and all losses, costs, charges, expenses, judgments and liabilities arising out of claims made by third parties arising out of the transactions contemplated by this Agreement or the Indenture; provided, however, that such indemnification shall not apply to any such losses, costs, charges, expenses, judgments or liabilities caused by the negligence or willful misconduct of the party seeking such indemnity or of its officers or employees.

(b) Tender Agent's Performance. The Tender Agent shall perform only such duties as are specifically set forth in this Agreement or the Indenture. No provision of this Agreement or the Indenture shall require the Tender Agent to risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder. No provision of this Agreement or the Indenture shall be construed to relieve the Tender Agent from liability resulting primarily from its own negligent action or its own negligent failure to act, except that:

(i) the duties and obligations of the Tender Agent shall be determined solely by the express provisions of this Agreement and the Indenture and the Tender Agent shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement and the Indenture, and no implied covenants or obligations shall be read into this

Agreement or the Indenture against the Tender Agent, and the Tender Agent shall not be liable under this Agreement except for its negligence or willful misconduct; and

(ii) in the absence of bad faith on the part of the Tender Agent, the Tender Agent may conclusively rely, as to the truth of the statements therein, upon any telephone call, telex, telecopy or other electronically transmitted message or written certificate furnished to the Tender Agent which conforms to the requirements of this Agreement and the Indenture; and

(iii) the Tender Agent shall not be liable for any error of judgment made by a responsible officer or officers of the Tender Agent unless it shall be proved that the Tender Agent was negligent in ascertaining the pertinent facts; and

(iv) the Tender Agent shall be entitled to the same exculpatory provisions as are set forth with respect to the Trustee in the Indenture.

(c) Payments. Any provisions of this Agreement or any statute to the contrary notwithstanding, the Tender Agent hereby waives any rights to, or liens for, its fees, charges and expenses for services hereunder from funds in the Purchase Fund. The Tender Agent agrees that it will be reimbursed and compensated for its fees, charges and expenses for acting under and pursuant to this Agreement only from payments to be made by the Company pursuant to Section 11(a) hereof.

(d) Term of Tender Agreement. Subject to the provisions of Section 1402(b) of the Indenture, this Agreement shall remain in full force and effect until such time as the principal of and premium, if any, and interest on all Bonds outstanding under the Indenture shall have been paid and all payments required under this Agreement shall have been made; provided, that if the Company and the Tender Agent shall have fulfilled all of their respective obligations hereunder, this Agreement shall terminate; provided further, that the obligations of the Company under Section 11(a) of this Agreement shall continue in full force and effect until such obligations shall have been satisfied.

(e) Resignation and Removal. The Tender Agent may resign from the performance of any of the duties hereunder upon at least 60 days' notice in accordance with Section 1402 of the Indenture. The Tender Agent may be removed as specified in Section 1402 of the Indenture. In the event of the resignation or removal of the Tender Agent, the Tender Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity, and shall deliver all records relating thereto, to its successor or, if there be no successor, to the Trustee. However, it shall not be required to deliver such materials to any location outside the Borough of Manhattan and may retain copies of any records turned over for archival purposes. The delivery, transfer and assignment of such moneys, Bonds and documents by the Tender Agent to its successor or the Trustee, as the case may be, shall be sufficient, without the requirement of any additional act or the requirement of any indemnity to be given by the Tender Agent, to relieve the Tender Agent of all further responsibility for the exercise of the rights and the performance of the obligations vested in the Tender Agent pursuant to this Tender Agreement. Any termination or resignation hereunder shall not affect the Tender Agent's rights to the payment of fees earned or

charges incurred through the effective date of such resignation or termination, as the case may be.

(f) Force Majeure. The Tender Agent shall not be liable for any failure or delays arising out of conditions beyond its reasonable control including, but not limited to, work stoppages, fires, civil disobedience, riots, rebellions, storms, electrical, mechanical, computer or communications facilities failures, acts of God and similar occurrences.

(g) Amendment of Indenture. The Company and the Trustee agree not to consent to any modification or change of or supplement to the Indenture which affects the rights or obligations of the Tender Agent without the Tender Agent's prior written consent.

(h) Successors and Assigns. The rights, duties and obligations of the Company, the Trustee, the Remarketing Agent, the Tender Agent and the Registrar hereunder shall inure, without further act, to their respective successors and permitted assigns; provided, however, that (i) the Tender Agent and the Registrar may not assign its respective obligations under this Agreement without the prior written consent of the Company, (ii) any successor or assignee of the Tender Agent must be authorized by law to perform the duties of the Tender Agent under the Indenture and (iii) no other party hereto may assign its respective obligations hereunder without the prior written consent of the Tender Agent.

(i) Counterparts. This Agreement may be executed in any number of counterparts each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers or signatories thereunto duly authorized as of the date first above written.

THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., as Trustee, Tender Agent and Registrar

By: Barbara B. Buck
Assistant Vice President

FLORIDA POWER & LIGHT COMPANY

By: Paul Cutler
Treasurer

WACHOVIA BANK, NATIONAL ASSOCIATION, as Remarketing Agent

By: _____
Managing Director

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers or signatories thereunto duly authorized as of the date first above written.

THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., as Trustee, Tender Agent and Registrar

By: _____
Assistant Vice President

FLORIDA POWER & LIGHT COMPANY

By: _____
Treasurer

WACHOVIA BANK, NATIONAL ASSOCIATION, as Remarketing Agent

By: _____
Managing Director

Exhibit (d)-3A

TENDER AGREEMENT

among

THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A.,
as Trustee, Tender Agent and Registrar

and

FLORIDA POWER & LIGHT COMPANY

and

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Remarketing Agent

Dated as of June 1, 2003

$15,000,000
Miami-Dade County Industrial Development Authority
Solid Waste Disposal Revenue Refunding Bonds
(Florida Power & Light Company Project)
Series 2003

TENDER AGREEMENT

This TENDER AGREEMENT, dated as of June 1, 2003, is among THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., as Trustee, Tender Agent and Registrar (in such capacities, the "Trustee", the Tender Agent" and the "Registrar"); FLORIDA POWER & LIGHT COMPANY (the "Company"); and WACHOVIA BANK, NATIONAL ASSOCIATION, as Remarketing Agent (the "Remarketing Agent"); or the permitted successors and assigns of any of the foregoing;

WHEREAS, Miami-Dade County Industrial Development Authority (the "Issuer") proposes to issue its Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 (the "Bonds") in the aggregate principal amount of $15,000,000 pursuant to the Trust Indenture dated as of June 1, 2003 (the "Indenture") from the Issuer to the Trustee; and

WHEREAS, the Company has appointed The Bank of New York Trust Company of Florida, N.A., as Tender Agent and Registrar, and The Bank of New York Trust Company of Florida, N.A. has accepted such appointment and agreed to perform the duties and obligations imposed on it as Tender Agent and Registrar under the Indenture; and

WHEREAS, the Bonds and the Indenture provide, among other things, that the Bonds may be tendered for purchase from time to time by the Owners thereof at their option and that the Bonds shall be tendered for purchase from time to time by the Owners thereof upon the occurrence of certain events, in accordance with the provisions of the Bonds and the Indenture; and

WHEREAS, pursuant to the terms of the Indenture, the Remarketing Agent has agreed to use its best efforts to remarket any Bond tendered for purchase;

NOW, THEREFORE, in consideration of the premises and in order to provide for the coordination of said arrangements, the parties hereby agree as follows:

Section 1. Defined Terms. Capitalized terms used in this Agreement and not defined herein shall have the meanings assigned to them in the Indenture.

Section 2. Qualification of Tender Agent and Registrar. The Tender Agent and Registrar hereby represents that it is qualified to serve as Tender Agent under the requirements of Section 1402(b) of the Indenture and as Registrar under the requirements of Section 920 of the Indenture.

Section 3. Establishment of Purchase Fund.

(a) In accordance with Section 1401(b)(ii) of the Indenture, there is hereby established with the Tender Agent a separate segregated trust fund designated the "Miami-Dade

County Industrial Development Authority Solid Waste Disposal Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2003 Purchase Fund" (the "Purchase Fund"). In accordance with Section 1403(b) of the Indenture, there are also hereby established two separate accounts in such Purchase Fund, to be designated respectively the "Remarketing Account" and the "Company Moneys Account." The Tender Agent may establish one or more additional accounts in the Purchase Fund for such purposes as the Tender Agent determines to be necessary including, but not limited to, an account for the deposit of moneys held for the Owners of Undelivered Bonds.

(b) All moneys received by the Tender Agent pursuant to Section 1403(b)(i) or (iii) of the Indenture shall be deposited in the Company Moneys Account of the Purchase Fund and held in trust until paid for the purchase of Bonds in accordance with the provisions of Section 1403 of the Indenture.

(c) All moneys received by the Tender Agent from the Remarketing Agent on behalf of purchasers of Bonds pursuant to Section 1403(b)(ii) of the Indenture on account of remarketed Bonds shall be deposited in the Remarketing Account of the Purchase Fund and held in trust until paid for the purchase of Bonds in accordance with the provisions of Section 1403 of the Indenture.

Section 4. Deposit of Bonds. The Tender Agent agrees to accept and hold all Bonds delivered to it for purchase pursuant to the Indenture as agent and bailee of, and in escrow for the benefit of the respective Owners which shall have so delivered such Bonds until moneys representing the purchase price of such Bonds shall have been delivered to or for the account of or to the order of such Owners pursuant to the Indenture.

Section 5. Remarketing Mechanics for Bonds.

(a) Daily Interest Rate Period. (i) Not later than 11:00 a.m. (New York City time) on each Business Day, the Tender Agent shall give notice by telephone to the Remarketing Agent, the Trustee and the Company of each notice from an Owner pursuant to Section 202(a) of the Indenture that the Tender Agent has received on such Business Day (or during the immediately preceding Business Day if received after 10:30 a.m. on such preceding Business Day). Such telephonic notice by the Tender Agent shall specify the principal amount of the Bonds for which it has received such notice (the "Daily Put Bonds"), the names of the Owners thereof, if any of such Owners shall have provided instructions to the Tender Agent regarding the payment or purchase of its Bonds (the "Standing Payment Instructions") and any requested change therein and the date specified as the date such Bonds are to be purchased (each such date, and any other date on which Bonds are to be purchased under the Indenture, is referred to herein as a "Tender Purchase Date"); provided that, if the Tender Purchase Date is a date other than the Business Day on which notice is received from an Owner, the Tender Agent shall specify the purchase price for such Bonds not later than 11:00 a.m. (New York City time) on such Tender Purchase Date.

(ii) Not later than 11:45 a.m. (New York City time) on the Tender Purchase Date with respect to all Daily Put Bonds, the Tender Agent shall telephonically confirm with the Trustee the aggregate amount of the interest payable as of the Tender Purchase Date on such Daily Put Bonds. Not later than 12:30 p.m. (New York City time) on any such Tender Purchase Date the Remarketing Agent shall give notice by telephone to the Tender Agent and the Registrar of (A) the principal amount of Daily Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund on such Tender Purchase Date by the Remarketing Agent on behalf of the purchasers (the "New Purchasers") of the Daily Put Bonds, stating that such amount paid as such purchase price is then held by the Remarketing Agent for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the name, address, taxpayer identification number of the New Purchasers (such information is hereinafter referred to as "New Registration Information") necessary for the Registrar to prepare replacement certificates for the New Purchasers and any requested Standing Payment Instructions from such New Purchasers. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such Tender Purchase Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all Daily Put Bonds on such Tender Purchase Date, not later than 12:30 p.m. (New York City time) on such Tender Purchase Date the Remarketing Agent shall give notice by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such Daily Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all Daily Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the Daily Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) of the amount necessary to provide sufficient moneys on the Tender Purchase Date to pay the purchase price of such Daily Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such Tender Purchase Date the amount so demanded.

(b) Weekly Interest Rate Period. (i) Not later than 10:30 a.m. (New York City time) on each Business Day succeeding a day on which the Tender Agent receives a notice from an Owner pursuant to Section 202(b) of the Indenture, the Tender Agent shall give notice by telephone to the Remarketing Agent and the Company, specifying the principal amount of the Bonds for which it has received such notice (the "Weekly Put Bonds"), the Tender Purchase

Date for such Weekly Put Bonds and the names of the Owners thereof and, if any of such Owners shall have Standing Payment Instructions, any requested changes therein.

(ii) Not later than 4:00 p.m. (New York City time) on the Business Day immediately preceding any such Tender Purchase Date, the Remarketing Agent shall give notice by telephone to the Tender Agent and the Registrar of (A) the principal amount of Weekly Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund on the Tender Purchase Date by the Remarketing Agent on behalf of the New Purchasers of such Weekly Put Bonds, stating that such amount paid as such purchase price is then held by the Remarketing Agent (or to be held by the Remarketing Agent on the Tender Purchase Date) for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the New Registration Information and any Standing Payment Instructions for the New Purchasers. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such Tender Purchase Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all Weekly Put Bonds for delivery on such Tender Purchase Date, not later than 4:00 p.m. (New York City time) on the Business Day immediately preceding such Tender Purchase Date the Remarketing Agent shall give notice by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such Weekly Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all Weekly Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the Weekly Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) of the amount necessary to provide sufficient moneys on the Tender Purchase Date to pay the purchase price of such Weekly Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such Tender Purchase Date the amount so demanded.

(c) Mandatory Tenders for Purchase on First Day of Each Interest Rate Period.

(i) Not later than 10:30 a.m. (New York City time) on the Business Day succeeding the date of mailing of any notice of mandatory tender for purchase sent to Owners of the Bonds in accordance with the Indenture, the Tender Agent shall give notice by telephone to the Trustee, the Company, and the Remarketing Agent specifying the principal amount (together

with any premium, if applicable) of Bonds subject to mandatory tender for purchase (the "Mandatory Put Bonds"), the Tender Purchase Date for such Mandatory Put Bonds and the names of the Owners thereof and, if any of such Owners shall have Standing Payment Instructions, any requested changes therein.

(ii) Not later than 12:30 p.m. (New York City time) on any such Tender Purchase Date, the Remarketing Agent shall give notice by telephone to the Tender Agent and the Registrar of (A) the principal amount of Mandatory Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund on the Tender Purchase Date by the Remarketing Agent on behalf of the New Purchasers of such Mandatory Put Bonds stating that such amount paid as such purchase price is then held by the Remarketing Agent for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the New Registration Information and any Standing Payment Instructions for the New Purchasers. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such Tender Purchase Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all Mandatory Put Bonds for delivery on such Tender Purchase Date, not later than 12:30 p.m. (New York City time) on such Tender Purchase Date, the Remarketing Agent shall give notice by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such Mandatory Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all Mandatory Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the Mandatory Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) of the amount necessary to provide sufficient moneys on the Tender Purchase Date to pay the purchase price of such Mandatory Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such Tender Purchase Date the amount so demanded.

(d) Mandatory Tender for Purchase on Day Next Succeeding the Last Day of Each Commercial Paper Term.

(i) Not later than 10:15 a.m. (New York City time) on the day next succeeding the last day of any Commercial Paper Term (the "CP Date") with respect to a Bond, unless such day is the first day of a new Interest Rate Period (in which event Section 5(c) hereof

shall be applicable), the Tender Agent shall give notice by telephone to the Remarketing Agent and the Company, specifying the principal amount of each Bond then bearing interest at a Commercial Paper Term Rate, and to which such CP Date relates, the principal amount of such Bonds to be purchased on such CP Date (the "CP Put Bonds"), and the names of the Owners of the CP Put Bonds and, if any of such Owners shall have Standing Payment Instructions, any requested changes therein.

(ii) Not later than 12:30 p.m. (New York City time) on each CP Date, the Remarketing Agent shall give notice by telephone to the Tender Agent and the Registrar of (A) the principal amount of CP Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund by the Remarketing Agent on behalf of the New Purchasers of the CP Put Bonds stating that such amount paid as such purchase price is then held by the Remarketing Agent for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the New Registration Information and any Standing Payment Instructions for the New Purchasers and the Commercial Paper Term and the Commercial Paper Term Rate for each CP Put Bond so remarketed. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such CP Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all CP Put Bonds on such CP Date, not later than 12:30 p.m. (New York City time) on such CP Date the Remarketing Agent shall give notice by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such CP Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all CP Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the CP Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company by telephone (confirmed promptly thereafter by tested telex, telecopy or other writing) of the amount necessary to provide sufficient moneys on the CP Date to pay the purchase price of such CP Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such CP Date the amount so demanded.

Section 6. DTC Procedures. The parties hereto acknowledge that, as provided in the Indenture, the Bonds will on the date of issuance thereof be deposited into the book-entry-only system maintained by The Depository Trust Company ("DTC") and while so deposited shall be registered as a single bond in the name of DTC's nominee, Cede & Co. The Tender Agent and

the Registrar agree that, so long as the Bonds are held by DTC in its book-entry-only system, tenders of Bonds shall be accomplished in accordance with DTC's Delivery Order Procedures and the Tender Agent shall accept notices of tender in the form set forth as Exhibit B to the Indenture.

Section 7. Undelivered Bonds. The Tender Agent shall, as to any Undelivered Bonds, (i) notify the Remarketing Agent of the existence thereof and (ii) direct the Registrar to place a stop transfer against such Undelivered Bonds. Upon the delivery of such Undelivered Bond, the Tender Agent shall direct the Registrar to release any such stop transfer.

Section 8. Delivery of Bonds. A principal amount of Bonds equal to the principal amount of Bonds purchased by New Purchasers shall be delivered by the Registrar to the Tender Agent, registered in the names of the New Purchasers. Such Bonds shall be held available at the office of the Tender Agent to be picked up by the Remarketing Agent at or after 2:00 p.m. (New York City time) (5:00 p.m., New York City time, in connection with any remarketing of Bonds described in Section 5(c) hereof in connection with an adjustment to a Long-Term Interest Rate Period) on the Tender Purchase Date or CP Date, as the case may be, against delivery of funds for deposit into the Remarketing Account of the Purchase Fund equal to the purchase price of such Bonds which have been remarketed. Bonds which have been purchased from moneys in the Company Moneys Account of the Purchase Fund shall be held or delivered as directed by the Company in accordance with Section 1407(c) of the Indenture.

Section 9. Notices. Any notices required to be given pursuant to this Agreement shall be sent to the address, telephone, telecopy, telex or other electronic transmission number for notices, if any, filed with the Trustee at the date hereof or such address, telephone, telecopy, telex or other electronic transmission number of any party hereto as such party shall have specified by written notice to each of the other parties.

Section 10. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with, the laws of the State of New York.

Section 11. General.

(a) Payment of Tender Agent; Indemnification. The Company shall pay all reasonable fees, charges and out-of-pocket expenses of the Tender Agent, the Registrar and the Trustee (and their respective counsel) for acting under and pursuant to this Agreement and the Indenture. In addition, the Company shall indemnify and save harmless each of the Tender Agent, the Registrar and the Trustee and their respective officers and employees from and against any and all losses, costs, charges, expenses, judgments and liabilities arising out of claims made by third parties arising out of the transactions contemplated by this Agreement or the Indenture; provided, however, that such indemnification shall not apply to any such losses, costs, charges, expenses, judgments or liabilities caused by the negligence or willful misconduct of the party seeking such indemnity or of its officers or employees.

(b) Tender Agent's Performance. The Tender Agent shall perform only such duties as are specifically set forth in this Agreement or the Indenture. No provision of this Agreement or the Indenture shall require the Tender Agent to risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder. No provision of this Agreement or the Indenture shall be construed to relieve the Tender Agent from liability resulting primarily from its own negligent action or its own negligent failure to act, except that:

(i) the duties and obligations of the Tender Agent shall be determined solely by the express provisions of this Agreement and the Indenture and the Tender Agent shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement and the Indenture, and no implied covenants or obligations shall be read into this Agreement or the Indenture against the Tender Agent, and the Tender Agent shall not be liable under this Agreement except for its negligence or willful misconduct; and

(ii) in the absence of bad faith on the part of the Tender Agent, the Tender Agent may conclusively rely, as to the truth of the statements therein, upon any telephone call, telex, telecopy or other electronically transmitted message or written certificate furnished to the Tender Agent which conforms to the requirements of this Agreement and the Indenture; and

(iii) the Tender Agent shall not be liable for any error of judgment made by a responsible officer or officers of the Tender Agent unless it shall be proved that the Tender Agent was negligent in ascertaining the pertinent facts; and

(iv) the Tender Agent shall be entitled to the same exculpatory provisions as are set forth with respect to the Trustee in the Indenture.

(c) Payments. Any provisions of this Agreement or any statute to the contrary notwithstanding, the Tender Agent hereby waives any rights to, or liens for, its fees, charges and expenses for services hereunder from funds in the Purchase Fund. The Tender Agent agrees that it will be reimbursed and compensated for its fees, charges and expenses for acting under and pursuant to this Agreement only from payments to be made by the Company pursuant to Section 11(a) hereof.

(d) Term of Tender Agreement. Subject to the provisions of Section 1402(b) of the Indenture, this Agreement shall remain in full force and effect until such time as the principal of and premium, if any, and interest on all Bonds outstanding under the Indenture shall have been paid and all payments required under this Agreement shall have been made; provided, that if the Company and the Tender Agent shall have fulfilled all of their respective obligations hereunder, this Agreement shall terminate; provided further, that the obligations of the Company under Section 11(a) of this Agreement shall continue in full force and effect until such obligations shall have been satisfied.

(e) Resignation and Removal. The Tender Agent may resign from the performance of any of the duties hereunder upon at least 60 days' notice in accordance with Section 1402 of the Indenture. The Tender Agent may be removed as specified in Section 1402 of the Indenture. In

the event of the resignation or removal of the Tender Agent, the Tender Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity, and shall deliver all records relating thereto, to its successor or, if there be no successor, to the Trustee. However, it shall not be required to deliver such materials to any location outside the Borough of Manhattan and may retain copies of any records turned over for archival purposes. The delivery, transfer and assignment of such moneys, Bonds and documents by the Tender Agent to its successor or the Trustee, as the case may be, shall be sufficient, without the requirement of any additional act or the requirement of any indemnity to be given by the Tender Agent, to relieve the Tender Agent of all further responsibility for the exercise of the rights and the performance of the obligations vested in the Tender Agent pursuant to this Tender Agreement. Any termination or resignation hereunder shall not affect the Tender Agent's rights to the payment of fees earned or charges incurred through the effective date of such resignation or termination, as the case may be.

(f) Force Majeure. The Tender Agent shall not be liable for any failure or delays arising out of conditions beyond its reasonable control including, but not limited to, work stoppages, fires, civil disobedience, riots, rebellions, storms, electrical, mechanical, computer or communications facilities failures, acts of God and similar occurrences.

(g) Amendment of Indenture. The Company and the Trustee agree not to consent to any modification or change of or supplement to the Indenture which affects the rights or obligations of the Tender Agent without the Tender Agent's prior written consent.

(h) Successors and Assigns. The rights, duties and obligations of the Company, the Trustee, the Remarketing Agent, the Tender Agent and the Registrar hereunder shall inure, without further act, to their respective successors and permitted assigns; provided, however, that (i) the Tender Agent and the Registrar may not assign its respective obligations under this Agreement without the prior written consent of the Company, (ii) any successor or assignee of the Tender Agent must be authorized by law to perform the duties of the Tender Agent under the Indenture and (iii) no other party hereto may assign its respective obligations hereunder without the prior written consent of the Tender Agent.

(i) Counterparts. This Agreement may be executed in any number of counterparts each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers or signatories thereunto duly authorized as of the date first above written.

THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., as Trustee, Tender Agent and Registrar

By: _____
Assistant Vice President

FLORIDA POWER & LIGHT COMPANY

By: _____
Treasurer

WACHOVIA BANK, NATIONAL ASSOCIATION, as Remarketing Agent

By: _____
Senior Vice President