



February 16, 2017

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

Dear Mr. Fletcher:

Enclosed is Florida Power & Light Company's revised Rate of Return Surveillance Report ("ESR") to the Florida Public Service Commission for December 2016. It has been revised to correct a reporting error on Schedule B: Page 2 of 3. FPL incorrectly reported the sum of the rate base adjustments for "Fuel Clause – Gas Reserves" and "Other Rate Case Adjustments" on Schedule B: Page 2 of 3 on the "Fuel Clause – Gas Reserves" line when it originally submitted its December 2016 ESR on February 15, 2017. The enclosed revised ESR correctly reports the amounts for each item on their respective lines on Schedule B: Page 2 of 3. Please note that this revision does not impact the financial results as originally submitted to the Commission on February 15, 2017.

Should you have any questions or concerns, please do not hesitate to contact my office at (305) 552-4629.

Sincerely,

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

Elizabeth Fuentes
Sr. Director of Regulatory Accounting

Enclosures

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
EARNINGS SURVEILLANCE REPORT SUMMARY
DECEMBER, 2016

SCHEDULE 1: PAGE 1 OF 1

	ACTUAL PER BOOKS	FPSC ADJUSTMENTS	FPSC ADJUSTED	PRO FORMA ADJUSTMENTS	PRO FORMA ADJUSTED
<u>II. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,175,044,505 (A)	(220,317,205) (B)	1,954,727,300	(71,599,678)	\$ 1,883,127,622
RATE BASE	\$ 29,812,485,648	(327,169,142)	29,485,316,506	0	\$ 29,485,316,506
AVERAGE RATE OF RETURN	7.30%		6.63%		6.39%
<u>III. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,175,044,505 (A)	(218,093,526) (B)	1,956,950,979	(71,599,678)	\$ 1,885,351,301
RATE BASE	\$ 30,918,179,507	538,705,573	31,456,885,081	0	\$ 31,456,885,081
YEAR END RATE OF RETURN	7.03%		6.22%		5.99%

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

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

LOW	5.71%
MIDPOINT	6.17%
HIGH	6.63%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.84	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.64	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	5.09%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	82.44%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	36.99%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	3.08%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.50%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.97%	(PROFORMA ADJUSTED)

NOTE: THIS REPORT HAS BEEN PREPARED USING A THIRTEEN MONTH AVERAGE AND END OF PERIOD RATE BASE AND ADJUSTMENTS CONSISTENT WITH DOCKET NO. 120015-EI, ORDER NO. PSC-13-0023-S-EI. THIS REPORT DOES NOT NECESSARILY REPRESENT THE OPINION OF THE COMPANY AS TO THE ACTUAL EARNED RATE OF RETURN FOR THE PERIOD COVERED.

I AM AWARE THAT SECTION 837.06, FLORIDA STATUTES, PROVIDES: WHOEVER KNOWINGLY MAKES A FALSE STATEMENT IN WRITING WITH THE INTENT TO MISLEAD A PUBLIC SERVANT IN THE PERFORMANCE OF HIS OFFICIAL DUTY SHALL BE GUILTY OF A MISDEMEANOR OF THE SECOND DEGREE, PUNISHABLE AS PROVIDED IN S. 775.082, S. 775.083, OR S. 775.084.

KIMBERLY OUSD AHL

(VICE PRESIDENT AND CHIEF ACCOUNTING OFFICER)

Kimberly Ousdahl
for *K. Ousdahl*
(SIGNATURE)

2/16/17
(DATE)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
DECEMBER, 2016

SCHEDULE 2: PAGE 1 OF 3

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 42,912,874,602	14,197,236,045	28,715,638,556	248,789,358	2,950,439,939	703,237,002	32,618,104,855	(1,539,853,558)	\$ 31,078,251,297
JURISDICTIONAL PER BOOKS	\$ 41,001,409,411	12,691,347,279	28,310,062,132	235,912,104	2,798,812,294	664,071,619	32,008,858,149	(2,196,372,500)	\$ 29,812,485,648
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,243,360,082)	(499,170,729)	(1,784,189,363)	(113,863)	(1,724,814,394)	0	(3,509,117,410)	3,181,948,268	\$ (327,169,142)
FPSC ADJUSTED:	\$ 38,758,049,329	12,232,176,551	26,525,872,779	235,798,441	1,073,997,900	664,071,619	28,499,740,739	965,575,767	\$ 29,485,316,506
PRO FORMA ADJUSTMENTS	\$ 0	0	0	0	0	0	0	0	\$ 0
TOTAL PRO FORMA ADJUSTMENTS:	\$ 38,758,049,329	12,232,176,551	26,525,872,779	235,798,441	1,073,997,900	664,071,619	28,499,740,739	965,575,767	\$ 29,485,316,506
PRO FORMA ADJUSTED									

NOTE:

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DECEMBER, 2016

SCHEDULE 2: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	CURRENT INCOME TAXES	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 10,787,612,664	3,282,913,607	1,555,771,824	1,528,101,640	1,195,022,795	132,611,190	812,206,298	119,536,056	(6,404,029)	8,619,759,381	\$ 2,167,853,282
JURISDICTIONAL PER BOOKS	\$ 10,349,792,143	3,101,524,522	1,498,493,409	1,474,980,429	1,176,793,853	127,331,558	779,908,657	115,036,131	(6,369,746)	8,267,688,814	\$ 2,082,103,329
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (459,402,007)	0	0	0	(11,815,820)	(172,656,372)	0	0	0	(184,472,191)	\$ (274,929,616)
FRANCHISE EXPENSE	0	0	0	0	(447,596,112)	172,656,343	0	0	0	(274,929,769)	274,929,769
GROSS RECEIPTS TAX	(240,156,948)	0	0	0	(239,951,369)	(79,302)	0	0	0	(240,030,671)	(126,277)
FINANCIAL PLANNING SERVICES	0	0	(442,744)	0	0	170,789	0	0	0	(271,956)	271,956
INDUSTRY ASSOCIATION DUES	0	0	(2,358,046)	0	0	909,616	0	0	0	(1,448,430)	1,448,430
ECONOMIC DEVELOPMENT 5%	0	0	(122,497)	0	0	47,253	0	0	0	(75,244)	75,244
AVIATION - EXPENSES	0	0	(126,395)	0	0	48,757	0	0	0	(77,638)	77,638
EXCLUSIVE COMPENSATION	0	0	(34,236,220)	0	0	13,206,622	0	0	0	(21,029,598)	21,029,598
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(2,891,319,490)	(2,839,309,249)	(1,223,718)	(10,906,270)	(2,329,279)	(9,364,999)	(6,447,121)	0	0	(2,867,580,636)	(23,738,854)
CONSERVATION COST RECOVERY	(65,755,947)	0	(52,345,113)	(9,860,229)	(1,068,772)	(3,324,819)	2,367,452	0	0	(64,231,481)	(1,524,466)
CAPACITY COST RECOVERY	(346,630,563)	(226,352,920)	(43,414,362)	(36,084,597)	(414,949)	(19,284,110)	3,713,799	0	0	(321,837,139)	(24,793,424)
ENVIRONMENTAL COST RECOVERY	(235,742,285)	0	(57,991,923)	(51,418,934)	(342,203)	(71,308,447)	22,462,862	0	635,751	(157,952,893)	(77,779,392)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	2,182,310	0	(841,826)	0	0	0	1,340,484	(1,340,484)
STORM DEFICIENCY RECOVERY	(118,750,477)	0	(579,647)	(105,865,369)	0	(4,746,832)	0	0	0	(1,111,191,848)	(7,558,623)
INTEREST TAX DEFICIENCIES	0	0	757,689	0	0	(282,278)	0	0	0	465,410	(465,410)
INTEREST SYNCHRONIZATION	0	0	0	0	0	21,469,790	(9,517,868)	0	0	12,951,911	(12,951,911)
TOTAL FPSC ADJUSTMENTS	\$ (4,357,757,717)	(3,054,662,169)	(192,082,976)	(211,933,089)	(703,508,503)	(72,389,826)	13,579,124	0	635,751	(4,230,381,689)	\$ (127,376,025)
FPSC ADJUSTED	\$ 5,992,034,425	36,862,353	1,306,410,433	1,263,027,339	473,275,350	54,941,732	793,487,781	115,036,131	(5,733,995)	4,037,307,125	\$ 1,954,727,300
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (116,648,379)	0	0	0	(83,987)	(44,964,714)	0	0	0	(45,048,701)	\$ (71,599,678)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 5,875,386,046	36,862,353	1,306,410,433	1,263,027,339	473,191,363	9,977,018	793,487,781	115,036,131	(5,733,995)	3,992,258,424	\$ 1,883,127,622
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 96,825,422										
	\$ 92,941,176										
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:	\$ 2,538,068										
ON A TOTAL COMPANY BASIS	\$ 2,449,949										
ON A JURISDICTIONAL BASIS											
CURRENT MONTH AMOUNT	\$ 844,210,649	235,156,297	140,235,453	153,963,688	91,374,352	(3,870,962)	(42,896,454)	115,797,621	(485,631)	689,484,365	\$ 154,726,284
SYSTEM PER BOOKS	\$ 814,293,553	220,505,574	134,689,042	149,843,088	89,867,208	(3,836,452)	(38,608,338)	111,438,429	(485,632)	662,412,919	\$ 151,880,634
JURISDICTIONAL PER BOOKS											

NOTES:

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

(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
DECEMBER, 2016

SCHEDULE 2, PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (116,648,379)	0	0	0	(83,987)	(44,964,714)	0	0	0	(45,048,701)	\$ (71,599,678)
TOTAL PROFORMA ADJUSTMENTS	\$ (116,648,379)	0	0	0	(83,987)	(44,964,714)	0	0	0	(45,048,701)	\$ (71,599,678)

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
DECEMBER, 2016

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,621,769,501	\$ 1,538,789,441
FUEL AND CAPACITY	106,034,555	100,322,280
FUEL CLAUSE - GAS RESERVES (1)	82,290,833	77,746,965
CAPITALIZED EXECUTIVE COMPENSATION	14,805,472	14,291,441
LOAD CONTROL	49,950,842	49,950,842
ASSET RETIREMENT OBLIGATION	419,778,600	405,204,310
CAPITAL LEASES	59,224,688	57,168,466
TOTAL	\$ 2,353,854,490	\$ 2,243,473,745
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (234,256,700)	\$ (222,270,635)
ACCUM PROV DECOMMISSIONING COSTS	(3,920,189,241)	(3,707,079,533)
ASSET RETIREMENT OBLIGATION	31,526,511	30,431,943
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,636,136,802	3,509,893,803
FUEL AND CAPACITY	(35,033,364)	(33,101,860)
FUEL CLAUSE - GAS RESERVES (1)	(7,457,595)	(7,045,808)
OTHER RATE CASE ADJUSTMENTS (2)	174,886	167,870
LOAD CONTROL	(23,586,262)	(23,586,262)
CAPITAL LEASES	(6,816,923)	(6,580,246)
TOTAL	\$ (559,501,855)	\$ (459,170,729)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,803,312,861	\$ 1,700,513,047
CWIP - CLAUSE PROJECTS (1)	25,670,040	24,301,347
TOTAL	\$ 1,828,982,902	\$ 1,724,814,394
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
WORKING CAPITAL:		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,286,145,506)	\$ (3,181,948,268)
TOTAL ADJUSTMENTS	\$ 337,190,000	\$ 327,169,142

NOTES:

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

(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
DECEMBER, 2016

SCHEDULE 2: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 10,787,612,664	3,282,913,607	1,555,771,824	1,528,101,640	1,195,022,795	132,611,190	812,206,298	119,536,056	(6,404,029)	8,619,759,381	\$ 2,167,853,282
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (459,402,007)	0	0	0	(11,815,820)	(172,656,372)	0	0	0	(184,472,191)	\$ (274,929,816)
FRANCHISE EXPENSE	0	0	0	0	(447,586,112)	172,656,343	0	0	0	(274,929,769)	274,929,769
GROSS RECEIPTS TAX	(240,156,948)	0	0	0	(239,951,369)	(79,302)	0	0	0	(240,030,671)	(126,277)
FINANCIAL PLANNING SERVICES	0	0	(458,669)	0	0	176,931	0	0	0	(281,737)	281,737
INDUSTRY ASSOCIATION DUES	0	0	(2,442,859)	0	0	942,333	0	0	0	(1,500,526)	1,500,526
ECONOMIC DEVELOPMENT 5%	0	0	(126,903)	0	0	48,953	0	0	0	(77,950)	77,950
AVIATION - EXPENSES	0	0	(130,941)	0	0	50,510	0	0	0	(80,430)	80,430
EXECUTIVE COMPENSATION	0	0	(35,467,620)	0	0	13,681,634	0	0	0	(21,785,985)	21,785,985
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY, INCL GAS RESERVES (1)	(3,054,779,375)	(3,004,814,095)	(1,295,237)	(11,543,880)	(2,346,201)	(6,890,364)	(6,463,721)	0	0	(3,033,353,299)	(21,426,075)
CONSERVATION COST RECOVERY	(65,755,947)	0	(52,345,113)	(9,860,229)	(1,068,772)	(3,324,819)	2,367,452	0	0	(64,231,481)	(1,524,466)
CAPACITY COST RECOVERY	(347,044,527)	(239,084,000)	(45,856,176)	(36,187,804)	(424,548)	(13,547,338)	3,713,799	0	0	(331,386,066)	(15,658,460)
ENVIRONMENTAL COST RECOVERY	(235,742,285)	0	(59,880,655)	(54,191,728)	(351,503)	(69,519,900)	22,462,862	0	670,034	(160,810,890)	(74,931,395)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	2,273,514	0	0	(877,008)	0	0	0	1,396,506	(1,396,506)
STORM DEFICIENCY RECOVERY	(118,750,477)	0	(597,710)	(105,865,369)	0	(4,739,864)	0	0	0	(111,202,943)	(7,547,535)
INTEREST TAX DEFICIENCIES	0	0	784,941	0	0	(302,791)	0	0	0	482,150	(482,150)
INTEREST SYNCHRONIZATION	0	0	0	0	0	21,866,761	(8,824,237)	0	0	13,072,524	(13,072,524)
TOTAL FPSC ADJUSTMENTS	\$ (4,521,631,566)	(3,243,898,095)	(197,816,941)	(215,375,296)	(703,544,325)	(62,484,293)	13,256,155	0	670,034	(4,409,192,761)	\$ (112,438,805)
FPSC ADJUSTED	\$ 6,265,981,097	39,015,512	1,357,954,883	1,312,726,345	491,479,470	70,126,897	825,462,453	119,536,056	(5,733,995)	4,210,566,620	\$ 2,055,414,477
PRO FORMA ADJUSTMENTS	\$ (116,648,379)	0	0	0	(83,987)	(44,964,714)	0	0	0	(45,048,701)	\$ (71,599,678)
(SEE SCHEDULE 2, PAGE 3C OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,149,332,718	39,015,512	1,357,954,883	1,312,726,345	491,394,483	25,162,183	825,462,453	119,536,056	(5,733,995)	4,165,517,919	\$ 1,983,814,799
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 96,825,422											

NOTES:
(1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.
(2) REFLECTS A PORTION OF THE DEPRECIATION/DEPLETION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.
THE PRO FORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PRO FORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
DECEMBER, 2016

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	16,309,167	15,709,587
INTEREST & DIVIDENDS RECEIVABLE	(310,757)	(299,332)
NET UNDERRECOVERED FUEL, CAPACITY, ECCR, ECRC	(895,909)	0
FUEL CLAUSE - GAS RESERVES (1)	4,286,297	4,049,619
CASH CAPITAL SUB ACCOUNT	1,439,496	1,360,011
POLE ATTACHMENTS RENTS RECEIVABLE	16,645,281	16,645,281
PREPAYMENTS - ECCR	53,649,549	53,649,549
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	9,268,014	8,896,219
TEMPORARY CASH INVESTMENTS	2,162,100	2,082,614
STORM DEFICIENCY RECOVERY	338,541,731	338,541,731
NUCLEAR COST RECOVERY	86,558	86,558
JOBGING ACCOUNTS	8,087,848	7,790,512
OTH REG ASSETS - CLAUSES	6,528,877	6,168,371
MISC. DEFERRED DEBIT - CLAUSES	14,086,792	13,308,959
CEDAR BAY TRANSACTION	694,305,671	657,280,218
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,164,190,716	\$ 1,125,269,897
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(98,350)	(94,936)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(38,204,968)	(38,204,968)
ACCUM. PROV. - RATE REFUNDS	(213,743)	(214,051)
GAIN ON SALE OF EMISSION ALLOWANCE	(11,761)	(11,159)
JOBGING ACCOUNTS	(14,498,390)	(13,965,380)
FUEL CLAUSE - GAS RESERVES (1)	17,055,977	16,114,194
POLE ATTACHMENT RENTS PAYABLE	(7,747,011)	(7,747,011)
SJRPP ACCELERATED RECOVERY	(23,530,326)	(22,277,350)
STORM DEFICIENCY RECOVERY	(49,486,685)	(49,486,685)
ASSET RETIREMENT OBLIGATION	(4,087,637,048)	(3,945,718,416)
MARGIN CALL CASH COLLATERAL	(301,923)	(290,823)
NUCLEAR COST RECOVERY	(239,269,165)	(239,269,165)
CEDAR BAY TRANSACTION	(6,392,830)	(6,052,416)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (4,450,336,222)	\$ (4,307,218,165)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,286,145,506)	\$ (3,181,948,268)

NOTES:

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
DECEMBER, 2016

SCHEDULE 2: PAGE 3C OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (116,648,379)	0	0	(83,987)	(44,964,714)	0	0	0	(45,048,701)	\$ (71,599,678)
TOTAL PROFORMA ADJUSTMENTS	\$ (116,648,379)	0	0	(83,987)	(44,964,714)	0	0	0	(45,048,701)	\$ (71,599,678)

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DECEMBER, 2016

SCHEDULE 3: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 10,787,612,664	3,282,913,607	1,528,101,640	1,195,022,785	132,611,190	812,206,298	119,536,056	(6,404,029)	8,619,759,981	\$ 2,167,853,282
JURISDICTIONAL PER BOOKS	\$ 10,349,792,143	3,101,524,522	1,474,980,429	1,176,793,853	127,331,558	779,908,657	115,036,131	(6,369,746)	8,267,688,814	\$ 2,082,103,329
FPSC ADJUSTMENTS										
FRANCHISE REVENUE	\$ (459,402,007)	0	0	(11,815,820)	(172,656,372)	0	0	0	(184,472,191)	\$ (274,929,816)
FRANCHISE EXPENSE	0	0	0	(447,586,112)	172,656,343	0	0	0	(274,929,769)	274,929,769
GROSS RECEIPTS TAX	(240,156,948)	0	0	(239,951,369)	(79,302)	0	0	0	(240,030,671)	(126,277)
FINANCIAL PLANNING SERVICES	0	0	0	(442,744)	170,789	0	0	0	(271,956)	271,956
INDUSTRY ASSOCIATION DUES	0	0	0	(2,358,046)	909,616	0	0	0	(1,448,430)	1,448,430
ECONOMIC DEVELOPMENT 5%	0	0	0	(122,497)	47,253	0	0	0	(75,244)	75,244
AVIATION - EXPENSES	0	0	0	(126,395)	48,757	0	0	0	(77,638)	77,638
EXECUTIVE COMPENSATION	0	0	0	(34,236,220)	13,206,622	0	0	0	(21,029,598)	21,029,598
FUEL COST REC RETAIL INCL GAS RESERVES (1)	(2,891,319,490)	(2,838,309,249)	(10,806,270)	(2,329,279)	(3,364,999)	(6,447,121)	0	0	(2,867,560,636)	(23,738,854)
CAPACITY COST RECOVERY	(65,755,947)	0	(9,860,229)	(1,086,772)	(3,324,819)	2,967,452	0	0	(64,231,481)	(1,524,466)
CONSERVATION COST RECOVERY	(346,630,563)	(228,352,920)	(36,084,597)	(414,949)	(19,284,110)	3,713,799	0	0	(321,837,139)	(24,793,424)
ENVIRONMENTAL COST RECOVERY	(235,742,285)	0	(51,418,934)	(342,203)	(71,308,447)	22,462,862	0	635,751	(157,962,893)	(77,779,392)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	2,182,310	0	(841,826)	0	0	0	1,340,484	(1,340,484)
STORM DEFICIENCY RECOVERY	(118,750,477)	0	(105,865,369)	0	(4,746,832)	0	0	0	(111,191,848)	(7,568,629)
INTEREST TAX DEFICIENCIES	0	0	0	0	(292,278)	(8,517,868)	0	0	(9,110,416)	(8,517,868)
INTEREST SYNCHRONIZATION	0	0	0	0	19,246,100	13,579,124	0	0	10,728,232	(10,728,232)
TOTAL FPSC ADJUSTMENTS	\$ (4,357,757,717)	(3,064,662,169)	(211,953,089)	(703,508,503)	(74,613,505)	13,579,124	0	635,751	(4,232,605,968)	\$ (125,152,350)
FPSC ADJUSTED	\$ 5,992,034,425	36,862,353	1,263,027,339	473,275,350	52,718,053	793,487,781	115,036,131	(5,733,995)	4,035,083,446	\$ 1,956,950,979
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (116,648,379)	0	0	(83,987)	(44,964,714)	0	0	0	(45,048,701)	\$ (71,599,678)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 5,875,386,046	36,862,353	1,263,027,339	473,191,363	7,753,339	793,487,781	115,036,131	(5,733,995)	3,990,034,745	\$ 1,885,351,301
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 96,825,422									
	\$ 92,941,176									

NOTES:

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

(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
DECEMBER, 2016

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (116,648,379)	0	0	0	(83,987)	(44,964,714)	0	0	0	(45,048,701)	\$ (71,599,678)
TOTAL PROFORMA ADJUSTMENTS	\$ (116,648,379)	0	0	0	(83,987)	(44,964,714)	0	0	0	(45,048,701)	\$ (71,599,678)

FOOTNOTES:
(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
DECEMBER, 2016

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,627,650,133	\$ 1,544,369,182
FUEL AND CAPACITY	119,318,951	112,899,650
FUEL CLAUSE – GAS RESERVES (1)	0	0
CAPITALIZED EXECUTIVE COMPENSATION	17,542,577	16,933,517
LOAD CONTROL	48,860,481	48,860,481
ASSET RETIREMENT OBLIGATION	425,865,039	411,079,434
CAPITAL LEASES	59,224,688	57,168,466
TOTAL	\$ 2,298,461,868	\$ 2,191,310,729
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (257,194,926)	\$ (244,035,195)
ACCUM PROV DECOMMISSIONING COSTS	(4,066,412,283)	(3,845,353,585)
ASSET RETIREMENT OBLIGATION	16,403,729	15,834,208
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,770,187,017	3,639,289,929
FUEL AND CAPACITY	(35,953,036)	(33,972,920)
FUEL CLAUSE – GAS RESERVES (1)	0	0
OTHER RATE CASE ADJUSTMENTS (2)	2,273,514	2,182,310
LOAD CONTROL	(21,422,709)	(21,422,709)
CAPITAL LEASES	(7,497,500)	(7,237,194)
TOTAL	\$ (599,616,195)	\$ (494,715,156)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 990,990,528	\$ 936,269,953
CWIP - CLAUSE PROJECTS (1)	10,957,750	10,377,167
TOTAL	\$ 1,001,948,278	\$ 946,647,121
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
WORKING CAPITAL:		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,286,145,506)	\$ (3,181,948,268)
TOTAL ADJUSTMENTS	\$ (585,351,555)	\$ (538,705,573)

NOTES:

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

(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
DECEMBER, 2016

SCHEDULE 3: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 10,787,612,664	3,282,913,607	1,555,771,824	1,528,101,640	1,195,022,795	132,611,190	812,206,298	119,536,056	(6,404,029)	8,619,759,381	\$ 2,167,853,282
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (459,402,007)	0	0	0	(11,815,820)	(172,656,372)	0	0	0	(184,472,191)	\$ (274,929,816)
FRANCHISE EXPENSE	0	0	0	0	(447,566,112)	172,656,343	0	0	0	(274,929,769)	274,929,769
GROSS RECEIPTS TAX	(240,156,948)	0	0	(79,302)	(239,951,369)	0	0	0	0	(240,030,671)	(126,277)
FINANCIAL PLANNING SERVICES	0	0	(458,669)	0	0	176,931	0	0	0	(281,737)	281,737
INDUSTRY ASSOCIATION DUES	0	0	(2,442,859)	0	0	942,333	0	0	0	(1,500,526)	1,500,526
ECONOMIC DEVELOPMENT 5%	0	0	(126,903)	0	0	48,953	0	0	0	(77,950)	77,950
AVIATION - EXPENSES	0	0	(130,941)	0	0	50,510	0	0	0	(80,430)	80,430
EXECUTIVE COMPENSATION	0	0	(35,467,620)	0	0	13,681,634	0	0	0	(21,785,985)	21,785,985
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(3,054,779,375)	(3,004,814,095)	(1,295,237)	(11,543,680)	(2,346,201)	(6,860,364)	(6,463,721)	0	0	(3,033,353,299)	(21,426,075)
CONSERVATION COST RECOVERY	(65,755,947)	0	(52,345,113)	(9,860,229)	(1,066,772)	(3,324,819)	2,367,452	0	0	(64,231,491)	(1,524,466)
CAPACITY COST RECOVERY	(347,044,527)	(239,064,000)	(45,655,176)	(36,187,804)	(424,548)	(13,547,338)	3,713,799	0	0	(331,386,066)	(15,658,460)
ENVIRONMENTAL COST RECOVERY	(235,742,285)	0	(59,880,655)	(54,191,728)	(351,503)	(69,519,900)	22,462,862	0	670,034	(160,810,890)	(74,931,395)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	2,273,514	0	(677,008)	0	0	0	1,396,506	(1,396,506)
STORM DEFICIENCY RECOVERY	(118,750,477)	0	(597,710)	(105,865,369)	0	(4,739,864)	0	0	0	(111,202,943)	(7,547,595)
INTEREST TAX DEFICIENCIES	0	0	784,941	0	0	(302,791)	0	0	0	482,150	(482,150)
INTEREST SYNCHRONIZATION	0	0	0	0	0	19,066,056	(8,824,237)	0	0	10,271,819	(10,271,819)
TOTAL FPSC ADJUSTMENTS	\$ (4,521,631,566)	(3,243,898,095)	(197,816,941)	(215,375,296)	(703,544,325)	(65,284,998)	13,256,155	0	670,034	(4,411,993,466)	\$ (109,638,100)
FPSC ADJUSTED	\$ 6,265,981,097	39,015,512	1,357,954,883	1,312,726,345	491,478,470	67,328,192	825,462,453	119,536,056	(5,733,995)	4,207,765,915	\$ 2,058,215,182
PRO FORMA ADJUSTMENTS	\$ (116,648,379)	0	0	0	(83,987)	(44,964,714)	0	0	0	(45,048,701)	\$ (71,599,678)
(SEE SCHEDULE 3, PAGE 3B OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,149,332,718	39,015,512	1,357,954,883	1,312,726,345	491,394,483	22,361,478	825,462,453	119,536,056	(5,733,995)	4,162,717,214	\$ 1,986,615,504
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 96,625,422										

NOTES:
(1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.
(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.
THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
DECEMBER, 2016

SCHEDULE 3: PAGE 3B OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (116,648,379)	0	0	0	(83,987)	(44,964,714)	0	0	0	(45,048,701)	\$ (71,599,678)
TOTAL PROFORMA ADJUSTMENTS	\$ (116,648,379)	0	0	0	(83,987)	(44,964,714)	0	0	0	(45,048,701)	\$ (71,599,678)

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
DECEMBER, 2016

SCHEDULE 4: PAGE 1 OF 2

AVERAGE	LOW POINT				MIDPOINT				HIGH POINT			
	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 2	ADJUSTMENTS PRO RATA 3	SPECIFIC 4	ADJUSTED RETAIL 5	RATIO (%) 6	COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 11	WEIGHTED COST (%) 12
LONG TERM DEBT	\$ 8,824,535,106	\$ 8,466,868,220	\$ 132,159,634	\$ (267,460,889)	\$ 8,331,566,965	28.26%	4.57%	1.29%	4.57%	1.29%	4.57%	1.29%
SHORT TERM DEBT	711,871,139	682,291,216	10,997,302	0	693,288,518	2.35%	1.74%	0.04%	1.74%	0.04%	1.74%	0.04%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,859,227,988	13,283,344,401	214,103,516	(0)	13,497,447,917	45.78%	9.50%	4.35%	10.50%	4.81%	11.50%	5.26%
CUSTOMER DEPOSITS	416,832,756	416,775,074	6,717,661	0	423,492,735	1.44%	2.10%	0.03%	2.10%	0.03%	2.10%	0.03%
DEFERRED INCOME TAX	7,103,445,615	6,809,052,102	103,536,864	(385,449,891)	6,527,139,075	22.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	162,338,693	154,154,636	196,399	(141,969,737)	12,381,297	0.04%	7.62%	0.00%	8.24%	0.00%	8.85%	0.00%
TOTAL	\$ 31,076,251,297	\$ 29,812,485,648	\$ 467,711,376	\$ (794,880,518)	\$ 29,485,316,506	100.00%		5.71%		6.17%		6.63%
YEAR END												
LONG TERM DEBT	\$ 8,967,669,891	\$ 8,582,784,176	\$ 367,118,217	\$ (266,803,841)	\$ 8,683,098,452	27.60%	4.47%	1.23%	4.47%	1.23%	4.47%	1.23%
SHORT TERM DEBT	375,655,534	359,130,177	15,854,202	0	374,984,379	1.19%	2.16%	0.03%	2.16%	0.03%	2.16%	0.03%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	14,846,402,188	14,193,298,266	626,578,972	-	14,819,877,238	47.11%	9.50%	4.48%	10.50%	4.95%	11.50%	5.42%
CUSTOMER DEPOSITS	418,376,216	418,529,554	18,476,454	-	437,006,008	1.39%	2.16%	0.03%	2.16%	0.03%	2.16%	0.03%
DEFERRED INCOME TAX	7,445,334,969	7,119,475,799	287,281,080	(385,449,891)	7,031,306,987	22.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	257,365,121	244,961,536	4,676,636	(139,026,154)	110,612,017	0.35%	7.64%	0.03%	8.27%	0.03%	8.90%	0.03%
TOTAL	\$ 32,310,803,919	\$ 30,918,179,507	\$ 1,329,985,560	\$ (791,279,986)	\$ 31,456,885,081	100.00%		5.79%		6.27%		6.74%

NOTE:
(1) INVESTMENT TAX CREDITS COST RATES ARE BASED ON THE WEIGHTED AVERAGE COST OF LONG TERM DEBT, PREFERRED STOCK AND COMMON EQUITY.
(2) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
PRO-FORMA ADJUSTED BASIS
DECEMBER, 2016

SCHEDULE 4: PAGE 2 OF 2

AVERAGE	LOW POINT				MIDPOINT				HIGH POINT			
	1	2	3	4	5	6	7	8	9	10	8	9
LONG TERM DEBT	\$ 8,331,566,965	\$ -	\$ 8,331,566,965	28.26%	4.57%	1.29%	4.57%	1.29%	4.57%	1.29%	4.57%	1.29%
SHORT TERM DEBT	693,288,518	-	693,288,518	2.35%	1.74%	0.04%	1.74%	0.04%	1.74%	0.04%	1.74%	0.04%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,497,447,917	-	13,497,447,917	45.78%	9.50%	4.35%	10.50%	4.81%	11.50%	5.26%	11.50%	5.26%
CUSTOMER DEPOSITS	423,492,735	-	423,492,735	1.44%	2.10%	0.03%	2.10%	0.03%	2.10%	0.03%	2.10%	0.03%
DEFERRED INCOME TAX	6,527,139,075	-	6,527,139,075	22.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	12,381,297	-	12,381,297	0.04%	7.62%	0.00%	8.24%	0.00%	8.85%	0.00%	8.85%	0.00%
TOTAL	\$ 29,485,316,506	\$ -	\$ 29,485,316,506	100.00%		5.71%		6.17%		6.63%		6.63%
YEAR END												
LONG TERM DEBT	\$ 8,683,098,452	\$ -	\$ 8,683,098,452	27.60%	4.47%	1.23%	4.47%	1.23%	4.47%	1.23%	4.47%	1.23%
SHORT TERM DEBT	374,984,379	-	374,984,379	1.19%	2.16%	0.03%	2.16%	0.03%	2.16%	0.03%	2.16%	0.03%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	14,819,877,238	-	14,819,877,238	47.11%	9.50%	4.48%	10.50%	4.95%	11.50%	5.42%	11.50%	5.42%
CUSTOMER DEPOSITS	437,006,008	-	437,006,008	1.39%	2.16%	0.03%	2.16%	0.03%	2.16%	0.03%	2.16%	0.03%
DEFERRED INCOME TAX	7,031,306,987	-	7,031,306,987	22.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	110,612,017	-	110,612,017	0.35%	7.64%	0.03%	8.27%	0.03%	8.90%	0.03%	8.90%	0.03%
TOTAL	\$ 31,456,885,081	\$ -	\$ 31,456,885,081	100.00%		5.79%		6.27%		6.74%		6.74%

NOTE:
(1) INVESTMENT TAX CREDITS COST RATES ARE BASED ON THE WEIGHTED AVERAGE COST OF LONG TERM DEBT, PREFERRED STOCK AND COMMON EQUITY.
(2) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

<u>A. TIMES INTEREST EARNED WITH AFUDC</u>		<u>D. PERCENT INTERNALLY GENERATED FUNDS</u>	
EARNINGS BEFORE INTEREST CHARGES	\$ 2,180,022,884	NET INCOME	\$ 1,727,422,979
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	22,875,533	PREFERRED DIVIDENDS DECLARED	0
INCOME TAXES	1,049,364,433	COMMON DIVIDENDS	(1,300,000,000)
TOTAL	\$ 3,252,262,850	AFUDC (DEBT & OTHER)	(96,825,422)
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 475,475,438	DEPRECIATION AND AMORTIZATION EXPENSE	1,528,101,640
TIMES INTEREST EARNED WITH AFUDC	6.84	DEFERRED INCOME TAXES	814,293,698
		INVESTMENT TAX CREDITS	119,536,056
		OTHER SOURCE/USES OF FUNDS	156,386,655
		INTERNALLY GENERATED FUNDS	\$ 2,948,915,607

<u>B. TIMES INTEREST EARNED WITHOUT AFUDC</u>		<u>E. LONG TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL</u>	
EARNINGS BEFORE INTEREST CHARGES	\$ 2,180,022,884	CONSTRUCTION EXPENDITURES	\$ 3,577,004,896
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(73,949,889)	PERCENT INTERNALLY GENERATED FUNDS	82.44%
INCOME TAXES	1,049,364,433		
TOTAL	\$ 3,155,437,429		
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 475,475,438		
TIMES INTEREST EARNED WITHOUT AFUDC	6.64		

<u>C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS</u>		<u>F. SHORT TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL</u>	
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 22,875,533	AVERAGE RETAIL AMOUNTS	
X (1 - INCOME_TAX_RATE)	0.6143	JURIS ADJUSTED LONG TERM DEBT	\$ 8,331,566,965
SUBTOTAL	\$ 14,051,296	JURIS ADJUSTED SHORT TERM DEBT	693,288,518
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	73,949,889	JURIS ADJUSTED PREFERRED STOCK	0
TOTAL	\$ 88,001,185	JURIS ADJUSTED COMMON STOCK	13,497,447,917
NET INCOME AVAILABLE FOR COMMON	\$ 1,727,422,979	TOTAL	\$ 22,522,303,400
AFUDC AS PERCENT OF NET INCOME	5.09%	LTD TO TOTAL INVESTOR FUNDS	36.99%
		STD TO TOTAL INVESTOR FUNDS	3.08%

<u>G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY</u>	
FPSC RATE OF RETURN	6.63%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	1.29%
SHORT TERM DEBT	0.04%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.00%
SUBTOTAL	1.37%
TOTAL	5.26%
DIVIDED BY COMMON EQUITY RATIO	45.78%
JURISDICTIONAL RETURN ON COMMON EQUITY	11.50%

FOOTNOTES

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

\$ 162,790,685	
(6,404,029)	
0	
0	
\$ 156,386,655	

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF: 0

FLORIDA POWER & LIGHT COMPANY
 AND SUBSIDIARIES
 FINANCIAL INTEGRITY INDICATORS
 DECEMBER, 2016

SCHEDULE 5: PAGE 2 OF 2

H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 6.39%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.29%
SHORT TERM DEBT	0.04%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.00%
SUBTOTAL	<u>1.37%</u>

PRO FORMA ROR LESS NON EQUITY COST

PRO FORMA COMMON EQUITY RATIO

PRO FORMA RETURN ON COMMON EQUITY

	<u>5.02%</u>
	45.78%
	10.97%

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
BASIS FOR THE REQUESTED AFUDC RATE
FPSC ADJUSTED BASIS
DECEMBER, 2016

SCHEDULE A: PAGE 1 OF 1

CAPITAL COMPONENTS	JURISDICTIONAL AVERAGE	CAPITAL RATIO	COST OF CAPITAL	AFUDC WEIGHTED COMPONENTS
LONG TERM DEBT	\$ 8,331,566,965	28.26%	4.47%	1.26%
SHORT TERM DEBT	683,288,518	2.35%	1.74% *	0.04%
PREFERRED STOCK	-	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	423,492,735	1.44%	2.10% *	0.03%
COMMON EQUITY	13,497,447,917	45.78%	10.50%	4.81%
DEFERRED INCOME TAX	6,527,139,075	22.14%	0.00%	0.00%
INVESTMENT TAX CREDITS	12,381,297	0.04%	0.00%	0.00%
TOTAL	\$ 29,485,316,506	100.00%		6.14%

* 13-MONTH AVERAGE

NOTE:
EFFECTIVE JANUARY 1, 2014 THE COMMISSION APPROVED AFUDC RATE IS 6.34%

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
BASIS FOR THE REQUESTED AFUDC RATE
FPSC ADJUSTED BASIS
DECEMBER, 2016

SCHEDULE B: PAGE 1 OF 3

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	COMMISSION ADJUSTMENTS *	ADJUSTED RETAIL
LONG TERM DEBT	\$ 8,824,535,106	8,466,868,220	(135,301,255)	8,331,566,965
SHORT TERM DEBT	711,871,139	682,291,216	10,997,302	693,288,518
PREFERRED STOCK	-	-	-	-
COMMON EQUITY	13,859,227,988	13,283,344,401	214,103,516	13,497,447,917
CUSTOMER DEPOSITS	416,832,756	416,775,074	6,717,661	423,492,735
DEFERRED INCOME TAX	7,103,445,615	6,809,052,102	(281,913,028)	6,527,139,075
INVESTMENT TAX CREDITS	162,338,693	154,154,636	(141,773,339)	12,381,297
TOTAL	\$ 31,078,251,297	29,812,485,648	(327,169,142)	29,485,316,506

* FOR ADJUSTMENT DETAILS, SEE SCHEDULE B, PAGES 2 AND 3

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
DECEMBER, 2016

SCHEDULE B: PAGE 2 OF 3

RATE BASE ADJUSTMENTS	JURISDICTIONAL
PLANT IN SERVICE:	
ENVIRONMENTAL	\$ 1,538,789,441
FUEL AND CAPACITY	100,322,280
FUEL CLAUSE - GAS RESERVES (1)	77,746,965
CAPITALIZED EXECUTIVE COMPENSATION	14,291,441
LOAD CONTROL	49,950,842
ASSET RETIREMENT OBLIGATION	405,204,310
CAPITAL LEASES	57,168,466
TOTAL	<u>\$ 2,243,473,745</u>
ACCUMULATED PROVISION FOR DEPRECIATION:	
ENVIRONMENTAL	\$ (222,270,635)
ACCUM PROV DECOMMISSIONING COSTS	(3,707,079,533)
ASSET RETIREMENT OBLIGATION	30,431,943
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,509,893,803
FUEL AND CAPACITY	(33,101,860)
FUEL CLAUSE - GAS RESERVES (1)	(7,045,808)
OTHER RATE CASE ADJUSTMENTS (2)	167,870
LOAD CONTROL	(23,586,262)
CAPITAL LEASES	(6,580,246)
TOTAL	<u>\$ (459,170,729)</u>
CONSTRUCTION WORK IN PROGRESS:	
CONSTRUCTION WORK IN PROGRESS	\$ 1,700,513,047
CWIP - CLAUSE PROJECTS (1)	\$ 24,301,347
TOTAL	<u>\$ 1,724,814,394</u>
NUCLEAR FUEL:	
NUCLEAR FUEL IN PROCESS	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0
TOTAL	<u>\$ 0</u>
WORKING CAPITAL:	
(SEE SCHEDULE B, PAGE 3 OF 3)	\$ (3,181,948,268)
TOTAL ADJUSTMENTS	\$ 327,169,142

NOTES:

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

(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
DECEMBER, 2016

SCHEDULE B: PAGE 3 OF 3

<u>WORKING CAPITAL ADJUSTMENTS</u>	<u>JURISDICTIONAL</u>
ADJUSTMENTS TO ASSETS PER BOOKS:	
ACCOUNTS RECEIVABLE - ASSOC COS	\$ 15,709,587
INTEREST & DIVIDENDS RECEIVABLE	(299,332)
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECR	0
FUEL CLAUSE - GAS RESERVES (1)	4,049,619
CASH CAPITAL SUB ACCOUNT	1,360,011
POLE ATTACHMENTS RENTS RECEIVABLE	16,645,281
PREPAYMENTS - ECCR	53,649,549
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	8,896,219
TEMPORARY CASH INVESTMENTS	2,082,614
STORM DEFICIENCY RECOVERY	338,541,731
NUCLEAR COST RECOVERY	86,558
JOBGING ACCOUNTS	7,790,512
OTH REG ASSETS - CLAUSES	6,168,371
MISC. DEFERRED DEBIT - CLAUSES	13,308,959
CEDAR BAY TRANSACTION	657,280,218
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,125,269,897
ADJUSTMENTS TO LIABILITIES PER BOOKS:	
ACCOUNTS PAYABLE - ASSOC COS	\$ 0
ACCUM DEFERRED RETIREMENT BENEFITS	(94,936)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(38,204,968)
ACCUM. PROV. - RATE REFUNDS	(214,051)
GAIN ON SALE OF EMISSION ALLOWANCE	(11,159)
JOBGING ACCOUNTS	(13,965,380)
FUEL CLAUSE - GAS RESERVES	16,114,194
POLE ATTACHMENT RENTS PAYABLE	(7,747,011)
SURPP ACCELERATED RECOVERY	(22,277,350)
ASSET RETIREMENT OBLIGATION	(3,945,718,416)
MARGIN CALL CASH COLLATERAL	(290,823)
STORM DEFICIENCY RECOVERY	(49,486,685)
NUCLEAR COST RECOVERY	(239,269,165)
CEDAR BAY TRANSACTION	(6,052,416)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (4,307,218,165)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,181,948,268)

NOTES:

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
METHODODOLOGY FOR MONTHLY COMPOUNDING
OF THE AFUDC RATE
DECEMBER, 2016

SCHEDULE C: PAGE 1 OF 1

AFUDC COMPOUNDING

$$\begin{aligned} ((1+R/12)^{12})-1 &= \text{APPROVED RATE} \\ ((1+R/12)^{12})-1 &= 6.14\% \\ ((1+R/12)^{12})-1 &= 1.06140000 \\ (1+R/12) &= 1.00497808 \\ (R/12) &= 0.00497808 \end{aligned}$$

MONTHS	AFUDC		MONTHLY AFUDC	CUMULATIVE AFUDC
	BASE			
JAN	1.00000000		0.00497808	0.00497808
FEB	1.00497808		0.00500286	0.00998095
MAR	1.00998095		0.00502777	0.01500871
APR	1.01500871		0.00505280	0.02006151
MAY	1.02006151		0.00507795	0.02513946
JUN	1.02513946		0.00510323	0.03024269
JUL	1.03024269		0.00512863	0.03537132
AUG	1.03537132		0.00515416	0.04052549
SEP	1.04052549		0.00517982	0.04570531
OCT	1.04570531		0.00520561	0.05091092
NOV	1.05091092		0.00523152	0.05614244
DEC	1.05614244		0.00525756	0.06140000

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
SUPPLEMENTAL EARNINGS SURVEILLANCE INFORMATION
COMMERCIAL/INDUSTRIAL SERVICE RIDER
DECEMBER, 2016

SCHEDULE D: PAGE 1 OF 1

IN COMPLIANCE WITH FPSC DOCKET # 140048, ORDER NO. PSC-14-0197-PAA-EI, FLORIDA POWER & LIGHT COMPANY DID NOT HAVE ANY EXISTING NOR PROSPECTIVE COMMERCIAL/INDUSTRIAL SERVICE RIDER TARIFF CUSTOMERS FOR THE YEAR ENDED DECEMBER 31, 2016.

RESERVE AMOUNT BALANCE AS OF DECEMBER 31, 2016⁽¹⁾

ATTACHMENT 1

	AMOUNT	RELATED ORDER
Total Depreciation Reserve Surplus Approved by FPSC - 1/1/2010 ⁽²⁾	\$ 894,452,515	PSC-10-0153-FOF-EI
Actual Amortization from 1/1/2010 - 12/31/2012	670,466,749	
Depreciation Reserve Surplus Balance - 12/31/2012	\$ 223,985,766	
Add: Portion of Dismantlement Reserve	176,014,234	PSC-13-0023-S-EI
Total Reserve Amount Available for 1/1/2013 - 12/31/2016	\$ 400,000,000	
Adjustment to Reserve -Amount from 2015 Cedar Bay Docket	(30,000,000)	PSC-15-0401-AS-EI
Revised Reserve Amount	\$ 370,000,000	
Actual Amortization from 1/1/2013 - 12/31/2016	117,899,645	
Remaining Reserve Amount - 12/31/2016	\$ 252,100,355	

Notes:

(1) Rollover Reserve Amount provided pursuant to Order No. PSC-16-0560-AS-EI, Docket Nos. 160021-EI, 160061-EI, 160062-EI, and 160088-EI.

(2) Represents total depreciation reserve surplus of \$1,208.8 million, less \$314.2 million for unrecovered costs associated with the capital recovery schedules pursuant to Order No. PSC 10-0153-FOF-EI.