



April 14, 2017

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

Dear Mr. Fletcher:

Enclosed is Florida Power & Light Company's Rate of Return Surveillance Report to the Florida Public Service Commission for February 2017. This report was prepared using a thirteen-month average and year-end rate base and adjustments consistent with Docket Nos. 160021-EI, 160061-EI, 160062-EI and 160088-EI, Order No. PSC-16-0560-AS-EI. The required rate of return was calculated using the return on common equity as authorized in the aforementioned docket and order. The return on common equity is 11.50%.

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

Sincerely,

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

Elizabeth Fuentes
Sr. Director of Regulatory Accounting

Enclosures

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
EARNINGS SURVEILLANCE REPORT SUMMARY
FEBRUARY, 2017

SCHEDULE 1: PAGE 1 OF 1

	ACTUAL PER BOOKS	FPSC ADJUSTMENTS	FPSC ADJUSTED	PRO FORMA ADJUSTMENTS	PRO FORMA ADJUSTED
<u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,202,420,489 (A)	(214,802,511) (B)	1,987,617,978	(96,636,759)	\$ 1,890,981,219
RATE BASE	\$ 30,360,277,158	(241,763,624)	30,118,513,534	0	\$ 30,118,513,534
AVERAGE RATE OF RETURN	7.25%		6.60%		6.28%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,202,420,489 (A)	(212,137,154) (B)	1,990,283,336	(96,636,759)	\$ 1,893,646,577
RATE BASE	\$ 31,966,589,979	(131,139,520)	31,835,450,459	0	\$ 31,835,450,459
YEAR END RATE OF RETURN	6.89%		6.25%		5.95%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	5.73%
MIDPOINT	6.17%
HIGH	6.65%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.91	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.72	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	4.64%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	71.62%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	36.73%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	3.55%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.50%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.79%	(PROFORMA ADJUSTED)

NOTE: THIS REPORT HAS BEEN PREPARED USING A THIRTEEN MONTH AVERAGE AND END OF PERIOD RATE BASE AND ADJUSTMENTS CONSISTENT WITH DOCKET NO. 160021-EI, ORDER NO. PSC-16-0560-AS-EI. THIS REPORT DOES NOT NECESSARILY REPRESENT THE OPINION OF THE COMPANY AS TO THE ACTUAL EARNED RATE OF RETURN FOR THE PERIOD COVERED.

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

KIMBERLY OUSDAHL
(VICE PRESIDENT AND CHIEF ACCOUNTING OFFICER)

Kimberly Eusdahl
for K. Ousdahl
(SIGNATURE)

4/14/17
(DATE)

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

SCHEDULE 2: PAGE 1 OF 3

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 43,500,326,405	14,280,959,139	29,219,367,266	253,582,584	2,904,387,598	701,383,017	33,078,720,465	(1,486,865,338)	\$ 31,581,855,127
JURISDICTIONAL PER BOOKS	\$ 41,638,950,808	12,756,214,349	28,882,736,459	240,941,351	2,764,380,709	665,531,126	32,553,589,645	(2,193,312,487)	\$ 30,380,277,158
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,233,866,685)	(476,485,490)	(1,757,401,194)	0	(1,656,606,997)	0	(3,414,008,191)	3,172,244,567	\$ (241,763,624)
FPSC ADJUSTED:	\$ 39,405,084,123	12,279,748,858	27,125,335,265	240,941,351	1,107,773,712	665,531,126	29,139,581,454	978,932,080	\$ 30,118,513,534
PRO FORMA ADJUSTMENTS	\$ 0	0	0	0	0	0	0	0	\$ 0
TOTAL PRO FORMA ADJUSTMENTS:	\$ 39,405,084,123	12,279,748,858	27,125,335,265	240,941,351	1,107,773,712	665,531,126	29,139,581,454	978,932,080	\$ 30,118,513,534
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
FEBRUARY, 2017

SCHEDULE 2: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	CURRENT INCOME TAXES	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 10,905,685,446	3,322,703,521	1,540,025,299	1,558,210,696	1,208,511,753	175,071,694	784,136,228	119,042,850	(6,426,233)	8,701,275,808	\$ 2,204,409,637
JURISDICTIONAL PER BOOKS	\$ 10,469,433,171	3,142,310,016	1,486,213,568	1,505,944,263	1,190,920,745	167,910,962	751,731,130	114,787,606	(6,392,235)	8,359,425,456	\$ 2,116,007,715
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (462,929,186)	0	0	0	(11,906,539)	(173,981,987)	0	0	0	(185,888,526)	\$ (277,040,663)
FRANCHISE EXPENSE	0	0	0	0	(451,022,563)	173,981,954	0	0	0	(277,040,609)	277,040,609
GROSS RECEIPTS TAX	(241,229,633)	0	0	0	(241,007,736)	(85,597)	0	0	0	(241,093,333)	(136,300)
FINANCIAL PLANNING SERVICES	0	0	(465,139)	0	0	179,427	0	0	0	(285,712)	285,712
INDUSTRY ASSOCIATION DUES	0	0	(2,298,967)	0	0	886,926	0	0	0	(1,412,140)	1,412,140
ECONOMIC DEVELOPMENT 5%	0	0	(122,208)	0	0	47,142	0	0	0	(75,066)	75,066
AVIATION - EXPENSES	0	0	(107,825)	0	0	41,593	0	0	0	(66,231)	66,231
EXECUTIVE COMPENSATION	0	0	(33,894,190)	0	0	13,074,684	0	0	0	(20,819,506)	20,819,506
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(2,929,674,789)	(2,884,331,166)	(1,131,103)	(6,301,144)	(2,266,063)	12,664,448	(26,375,342)	0	0	(2,907,740,369)	(21,934,420)
CONSERVATION COST RECOVERY	(61,082,798)	0	(47,962,707)	(9,586,482)	(1,075,283)	(955,131)	6,831	0	0	(59,572,771)	(1,510,027)
CAPACITY COST RECOVERY	(340,039,258)	(223,392,043)	(39,220,781)	(31,351,671)	(404,277)	(18,644,534)	1,027,144	0	0	(311,996,162)	(28,053,096)
ENVIRONMENTAL COST RECOVERY	(229,692,693)	0	(53,961,760)	(50,128,981)	(333,951)	(71,351,927)	22,785,036	0	634,504	(152,357,080)	(77,335,614)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	2,733,373	0	(1,054,399)	0	0	0	1,679,974	(1,678,974)
STORM DEFICIENCY RECOVERY	(120,500,732)	0	(581,332)	(108,174,023)	0	(4,530,779)	0	0	0	(113,286,134)	(7,214,598)
INTEREST TAX DEFICIENCIES	0	0	789,597	0	0	(304,587)	0	0	0	485,010	(485,010)
INTEREST SYNCHRONIZATION	0	0	0	0	0	20,647,697	(7,947,396)	0	0	12,700,301	(12,700,301)
TOTAL FPSC ADJUSTMENTS	\$ (4,385,149,092)	(3,107,723,209)	(178,956,415)	(202,808,928)	(708,016,411)	(49,385,168)	(10,503,727)	0	634,504	(4,256,759,355)	\$ (128,389,737)
FPSC ADJUSTED	\$ 6,084,284,079	34,586,807	1,307,257,153	1,303,135,335	482,904,334	118,525,194	741,227,403	114,787,606	(5,757,731)	4,096,666,101	\$ 1,987,617,978
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (157,438,156)	0	0	0	(113,355)	(60,688,042)	0	0	0	(60,801,397)	\$ (96,636,759)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 5,926,845,923	34,586,807	1,307,257,153	1,303,135,335	482,790,978	57,837,152	741,227,403	114,787,606	(5,757,731)	4,035,864,703	\$ 1,890,981,219
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 89,861,869										
	\$ 86,412,774										
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:	\$ 2,525,113										
ON A TOTAL COMPANY BASIS	\$ 2,444,162										
ON A JURISDICTIONAL BASIS											
CURRENT MONTH AMOUNT	\$ 772,634,885	236,119,052	111,990,516	102,132,242	97,364,140	(4,079,948)	73,921,547	(246,447)	(488,152)	616,713,050	\$ 155,921,835
SYSTEM PER BOOKS	\$ 740,535,615	224,163,015	107,959,865	98,724,986	95,667,500	(3,870,474)	70,101,028	(237,638)	(488,135)	592,020,148	\$ 148,515,468

NOTES:
(1) AMOUNTS ASSOCIATED WITH FPLS WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.
(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.
THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
FEBRUARY, 2017

SCHEDULE 2: PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (157,438,156)	0	0	0	(113,355)	(60,688,042)	0	0	0	(60,801,397)	\$ (66,636,759)
TOTAL PROFORMA ADJUSTMENTS	\$ (157,438,156)	0	0	0	(113,355)	(60,688,042)	0	0	0	(60,801,397)	\$ (66,636,759)

FOOTNOTES:

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
FEBRUARY, 2017

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,624,126,546	\$ 1,541,529,346
FUEL AND CAPACITY	112,215,491	106,249,588
FUEL CLAUSE - GAS RESERVES (1)	60,280,309	57,011,012
CAPITALIZED EXECUTIVE COMPENSATION	15,286,776	14,796,706
LOAD CONTROL	48,701,367	48,701,367
ASSET RETIREMENT OBLIGATION	421,774,050	408,252,630
CAPITAL LEASES	59,224,688	57,326,036
TOTAL	\$ 2,341,609,227	\$ 2,233,866,685
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (242,739,463)	\$ (230,394,612)
ACCUM PROV DECOMMISSIONING COSTS	(3,959,881,177)	(3,759,476,447)
ASSET RETIREMENT OBLIGATION	27,165,240	26,294,364
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,673,127,174	3,555,372,426
FUEL AND CAPACITY	(35,587,221)	(33,660,326)
FUEL CLAUSE - GAS RESERVES (1)	(6,061,474)	(5,732,731)
OTHER RATE CASE ADJUSTMENTS (2)	218,652	210,259
LOAD CONTROL	(22,261,076)	(22,261,076)
CAPITAL LEASES	(7,043,141)	(6,817,349)
TOTAL	\$ (573,062,486)	\$ (476,465,490)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,725,569,149	\$ 1,633,470,462
CWIP - CLAUSE PROJECTS (1)	24,417,638	23,136,535
TOTAL	\$ 1,749,986,787	\$ 1,656,606,997
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)	\$ (3,263,704,289)	\$ (3,172,244,567)
TOTAL ADJUSTMENTS	\$ 254,829,239	\$ 241,763,624

NOTES:
(1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016
(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
FEBRUARY, 2017

SCHEDULE 2: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 10,905,665,446	3,322,703,521	1,540,025,299	1,558,210,698	1,208,511,753	175,071,694	784,136,228	119,042,850	(6,428,233)	8,701,275,808	\$ 2,204,409,637
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	(462,329,186)	0	0	0	(11,906,539)	(173,981,987)	0	0	0	(185,888,526)	\$ (277,040,663)
FRANCHISE EXPENSE	0	0	0	0	(451,022,563)	173,981,954	0	0	0	(277,040,609)	277,040,609
GROSS RECEIPTS TAX	(241,229,633)	0	0	0	(241,007,736)	(85,597)	0	0	0	(241,093,333)	(136,300)
FINANCIAL PLANNING SERVICES	0	0	(480,545)	0	0	185,370	0	0	0	(295,175)	295,175
INDUSTRY ASSOCIATION DUES	0	0	(2,375,109)	0	0	916,198	0	0	0	(1,458,911)	1,488,911
ECONOMIC DEVELOPMENT 5%	0	0	(126,256)	0	0	48,703	0	0	0	(77,553)	77,553
AVIATION - EXPENSES	0	0	(111,398)	0	0	42,971	0	0	0	(68,425)	68,425
EXECUTIVE COMPENSATION	0	0	(35,016,773)	0	0	13,507,720	0	0	0	(21,509,053)	21,509,053
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY, INCL GAS RESERVES (1)	(3,092,839,424)	(3,050,438,128)	(1,195,966)	(8,738,943)	(2,277,673)	14,494,754	(26,792,862)	0	0	(3,072,948,917)	(19,690,807)
CONSERVATION COST RECOVERY	(61,082,798)	0	(47,962,707)	(9,586,482)	(1,075,283)	(955,131)	6,831	0	0	(59,572,771)	(1,510,027)
CAPACITY COST RECOVERY	(340,475,011)	(235,622,014)	(41,403,103)	(31,479,240)	(413,463)	(13,123,181)	1,027,144	0	0	(321,213,856)	(19,291,155)
ENVIRONMENTAL COST RECOVERY	(229,692,693)	0	(55,731,443)	(52,814,959)	(342,983)	(69,642,787)	22,785,036	0	668,502	(155,078,634)	(74,614,059)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	2,842,473	0	(1,098,484)	0	0	0	1,745,989	(1,745,989)
STORM DEFICIENCY RECOVERY	(120,500,732)	0	(588,611)	(108,174,023)	0	(4,524,114)	0	0	0	(113,296,748)	(7,203,984)
INTEREST TAX DEFICIENCIES	0	0	815,749	0	0	(314,675)	0	0	0	501,074	(501,074)
INTEREST SYNCHRONIZATION	0	0	0	0	0	21,126,068	(8,210,616)	0	0	12,915,452	(12,915,452)
TOTAL FPSC ADJUSTMENTS	\$ (4,548,549,480)	(3,288,260,141)	(184,188,160)	(205,951,173)	(708,046,239)	(39,420,216)	(11,184,467)	0	688,502	(4,434,379,895)	\$ (114,169,595)
FPSC ADJUSTED	\$ 6,357,135,965	36,443,380	1,355,839,139	1,352,259,522	500,465,514	135,651,478	772,951,761	119,042,850	(5,757,731)	4,266,895,913	\$ 2,090,240,052
PRO FORMA ADJUSTMENTS	\$ (157,438,156)	0	0	0	(113,355)	(60,688,042)	0	0	0	(60,801,397)	\$ (96,636,759)
(SEE SCHEDULE 2, PAGE 3C OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,199,697,809	36,443,380	1,355,839,139	1,352,259,522	500,352,159	74,963,436	772,951,761	119,042,850	(5,757,731)	4,206,094,516	\$ 1,993,603,293
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 89,881,869										

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/MAINTENANCE RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.
THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
FEBRUARY, 2017

SCHEDULE 2: PAGE 38 OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	17,589,791	16,984,588
INTEREST & DIVIDENDS RECEIVABLE	(309,365)	(298,721)
NET UNDERRECOVERED FUEL, CAPACITY, ECCR, ECCR	(724,422)	0
FUEL CLAUSE - GAS RESERVES (1)	1,707,545	1,614,936
CASH CAPITAL SUB ACCOUNT	1,141,558	1,079,646
POLE ATTACHMENTS RENTS RECEIVABLE	16,778,593	16,201,300
PREPAYMENTS - ECCR	53,150,483	53,150,483
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	9,703,845	9,331,390
TEMPORARY CASH INVESTMENTS	2,045,312	1,974,940
STORM DEFICIENCY RECOVERY	321,130,064	321,130,064
NUCLEAR COST RECOVERY	91,460	91,460
JOBGING ACCOUNTS	8,944,037	8,636,304
OTH REG ASSETS - CLAUSES	4,687,162	4,432,954
MISC. DEFERRED DEBIT - CLAUSES	14,912,739	14,103,947
CEDAR BAY TRANSACTION	690,764,337	654,440,684
ICL TRANSACTION	68,496,795	64,886,389
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,210,109,935	\$ 1,167,760,366
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(124,937)	(120,932)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	11,411,954	11,411,954
ACCUM. PROV. - RATE REFUNDS	(212,150)	(214,051)
GAIN ON SALE OF EMISSION ALLOWANCE	(9,717)	(9,223)
JOBGING ACCOUNTS	(15,388,735)	(14,859,262)
FUEL CLAUSE - GAS RESERVES (1)	11,820,402	11,179,323
POLE ATTACHMENT RENTS PAYABLE	(7,886,526)	(7,615,178)
SJRP ACCELERATED RECOVERY	(22,016,362)	(20,855,899)
STORM DEFICIENCY RECOVERY	(80,821,715)	(80,821,715)
ASSET RETIREMENT OBLIGATION	(4,122,066,465)	(3,989,919,421)
MARGIN CALL CASH COLLATERAL	(317,308)	(306,390)
NUCLEAR COST RECOVERY	(241,969,846)	(241,969,846)
CEDAR BAY TRANSACTION	(6,232,818)	(5,904,292)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (4,473,814,224)	\$ (4,340,004,933)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,263,704,289)	\$ (3,172,244,567)

NOTES:

(1) AMOUNTS ASSOCIATED WITH PPL'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
FEBRUARY, 2017

SCHEDULE 2: PAGE 3C 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)	\$ (157,438,156)	0	0	0	(113,355)	(60,688,042)	0	0	0	(60,801,397)	\$ (96,636,759)
TOTAL PROFORMA ADJUSTMENTS	\$ (157,438,156)	0	0	0	(113,355)	(60,688,042)	0	0	0	(60,801,397)	\$ (96,636,759)

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
FEBRUARY, 2017

SCHEDULE 3: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	CURRENT INCOME TAXES	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 10,905,685,446	3,322,703,521	1,540,025,299	1,558,210,696	1,208,511,753	175,071,694	784,136,228	119,042,850	(6,426,233)	8,701,275,808	\$ 2,204,409,637
JURISDICTIONAL PER BOOKS	\$ 10,489,433,171	3,142,310,016	1,486,213,588	1,505,944,263	1,190,920,745	187,910,362	751,731,130	114,787,606	(6,392,235)	8,355,425,456	\$ 2,116,007,715
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (462,929,186)	0	0	0	(11,906,599)	(173,981,987)	0	0	0	(185,888,526)	\$ (277,040,663)
FRANCHISE EXPENSE	0	0	0	0	(451,022,963)	173,981,954	0	0	0	(277,040,609)	277,040,609
GROSS RECEIPTS TAX	(241,229,633)	0	0	0	(241,007,736)	(95,597)	0	0	0	(241,093,333)	(136,300)
FINANCIAL PLANNING SERVICES	0	0	(465,139)	0	0	179,427	0	0	0	(285,712)	285,712
INDUSTRY ASSOCIATION DUES	0	0	(2,298,967)	0	0	896,826	0	0	0	(1,412,140)	1,412,140
ECONOMIC DEVELOPMENT 5%	0	0	(122,208)	0	0	47,142	0	0	0	(75,066)	75,066
AVIATION - EXPENSES	0	0	(107,825)	0	0	41,593	0	0	0	(66,231)	66,231
EXECUTIVE COMPENSATION	0	0	(33,894,180)	0	0	13,074,684	0	0	0	(20,819,506)	20,819,506
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(2,929,674,789)	(2,884,331,166)	(1,131,103)	(9,301,144)	(2,286,063)	12,664,448	(26,375,342)	0	0	(2,907,740,369)	(21,934,420)
CONSERVATION COST RECOVERY	(61,062,798)	0	(47,962,707)	(9,586,482)	(1,075,283)	(955,131)	6,831	0	0	(59,572,771)	(1,510,027)
CAPACITY COST RECOVERY	(340,039,258)	(223,392,043)	(39,220,781)	(31,351,671)	(404,277)	(18,644,534)	1,027,144	0	0	(311,986,162)	(28,053,096)
ENVIRONMENTAL COST RECOVERY	(229,692,693)	0	(53,961,760)	(50,128,981)	(333,951)	(71,351,927)	22,785,036	0	634,504	(152,357,080)	(77,335,614)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	2,733,373	(333,951)	(1,054,359)	0	0	0	1,678,974	(1,678,974)
STORM DEFICIENCY RECOVERY	(120,500,732)	0	(581,332)	(108,174,023)	0	(4,530,779)	0	0	0	(113,286,134)	(7,214,588)
INTEREST TAX DEFICIENCIES	0	0	789,597	0	0	(304,587)	0	0	0	485,010	(485,010)
INTEREST SYNCHRONIZATION	0	0	0	0	0	17,962,340	(7,947,366)	0	0	10,034,944	(10,034,944)
TOTAL FPSC ADJUSTMENTS	\$ (4,385,149,032)	(3,107,723,209)	(178,956,415)	(202,808,928)	(708,016,411)	(52,050,526)	(10,503,727)	0	634,504	(4,259,424,712)	\$ (125,724,390)
FPSC ADJUSTED	\$ 6,084,284,079	34,586,807	1,307,257,153	1,303,135,335	482,904,334	115,859,837	741,227,403	114,787,606	(5,757,731)	4,094,000,744	\$ 1,990,283,336
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (157,438,156)	0	0	0	(113,355)	(60,688,042)	0	0	0	(60,801,397)	\$ (96,636,759)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 5,926,845,923	34,586,807	1,307,257,153	1,303,135,335	482,790,978	55,171,795	741,227,403	114,787,606	(5,757,731)	4,033,199,346	\$ 1,893,646,577

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 89,861,869 AND THE JURISDICTIONAL NOI BY \$ 86,412,774

NOTES:

- (1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.
- (2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0660-AS-EI.

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
FEBRUARY, 2017

SCHEDULE 3: PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (157,438,156)	0	0	(113,355)	(60,688,042)	0	0	0	(60,801,397)	\$ (96,636,759)
TOTAL PROFORMA ADJUSTMENTS	\$ (157,438,156)	0	0	(113,355)	(60,688,042)	0	0	0	(60,801,397)	\$ (96,636,759)

FOOTNOTES:

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
FEBRUARY, 2017

SCHEDULE 3: PAGE 3 OF 3

	RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:			
ENVIRONMENTAL	\$ 1,627,689,707		\$ 1,544,911,298
FUEL AND CAPACITY	129,984,530		123,082,264
FUEL CLAUSE – GAS RESERVES (1)	0		0
CAPITALIZED EXECUTIVE COMPENSATION	15,687,911		15,184,981
LOAD CONTROL	45,873,910		45,873,910
ASSET RETIREMENT OBLIGATION	432,217,840		418,361,608
CAPITAL LEASES	59,224,688		57,326,036
TOTAL	\$ 2,310,678,586		\$ 2,204,740,097
ACCUMULATED PROVISION FOR DEPRECIATION:			
ENVIRONMENTAL	\$ (265,626,560)		\$ (252,117,754)
ACCUM PROV DECOMMISSIONING COSTS	(4,079,401,176)		(3,872,947,685)
ASSET RETIREMENT OBLIGATION	15,060,882		14,578,053
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,782,292,951		3,661,038,519
FUEL AND CAPACITY	(37,985,637)		(35,932,553)
FUEL CLAUSE – GAS RESERVES (1)	0		0
OTHER RATE CASE ADJUSTMENTS (2)	2,842,473		2,733,373
LOAD CONTROL	(18,968,777)		(18,968,777)
CAPITAL LEASES	(7,729,167)		(7,481,382)
TOTAL	\$ (609,515,010)		\$ (509,098,205)
CONSTRUCTION WORK IN PROGRESS:			
CONSTRUCTION WORK IN PROGRESS	\$ 1,664,654,116		\$ 1,580,388,974
CWIP - CLAUSE PROJECTS (1)	28,838,125		27,353,221
TOTAL	\$ 1,693,492,240		\$ 1,607,742,195
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)	\$ (3,263,704,289)		\$ (3,172,244,567)
TOTAL ADJUSTMENTS	\$ 130,951,527		\$ 131,139,520

NOTES:

- (1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.
(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
FEBRUARY, 2017

SCHEDULE 3: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 10,905,685,446	3,322,703,521	1,540,025,299	1,558,210,696	1,208,511,753	175,071,694	784,136,228	119,042,850	(6,426,233)	8,701,275,808	\$ 2,204,409,637
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (462,929,188)	0	0	0	(11,906,539)	(173,981,987)	0	0	0	(185,888,526)	\$ (277,040,663)
FRANCHISE EXPENSE	0	0	0	0	(451,022,563)	173,981,954	0	0	0	(277,040,609)	277,040,609
GROSS RECEIPTS TAX	(241,229,633)	0	0	0	(241,007,796)	(85,597)	0	0	0	(241,093,333)	(196,300)
FINANCIAL PLANNING SERVICES	0	0	(480,545)	0	0	185,370	0	0	0	(295,175)	295,175
INDUSTRY ASSOCIATION DUES	0	0	(2,375,109)	0	0	916,198	0	0	0	(1,458,911)	1,458,911
ECONOMIC DEVELOPMENT 5%	0	0	(126,256)	0	0	48,703	0	0	0	(77,553)	77,553
AVIATION - EXPENSES	0	0	(111,396)	0	0	42,971	0	0	0	(68,425)	68,425
EXECUTIVE COMPENSATION	0	0	(95,016,772)	0	0	13,507,720	0	0	0	(21,509,053)	21,509,053
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(3,092,639,424)	(3,050,438,128)	(1,195,966)	(6,738,943)	(2,277,673)	14,494,754	(26,792,862)	0	0	(3,072,948,817)	(19,690,607)
CONSERVATION COST RECOVERY	(61,082,798)	0	(47,962,707)	(9,596,482)	(1,075,283)	(955,131)	6,831	0	0	(59,572,771)	(1,510,027)
CAPACITY COST RECOVERY	(349,475,011)	(235,822,014)	(41,403,103)	(31,479,240)	(413,463)	(13,123,181)	1,027,144	0	0	(321,213,856)	(19,261,155)
ENVIRONMENTAL COST RECOVERY	(229,692,693)	0	(55,731,442)	(52,814,959)	(342,983)	(69,642,787)	22,785,038	0	668,502	(155,078,694)	(74,614,059)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	2,842,473	0	(1,056,484)	0	0	0	1,745,989	(1,745,989)
STORM DEFICIENCY RECOVERY	(120,500,732)	0	(598,611)	(108,174,023)	0	(4,524,114)	0	0	0	(113,266,748)	(7,203,964)
INTEREST TAX DEFICIENCIES	0	0	815,749	0	0	(314,675)	0	0	0	501,074	(501,074)
INTEREST SYNCHRONIZATION	0	0	0	0	0	19,948,757	(8,210,616)	0	0	11,138,141	(11,138,141)
TOTAL FPSC ADJUSTMENTS	\$ (4,548,549,480)	(3,286,260,141)	(184,186,160)	(205,951,173)	(708,046,239)	(41,197,527)	(11,184,467)	0	668,502	(4,436,157,206)	\$ (112,392,274)
FPSC ADJUSTED	\$ 6,357,135,965	36,443,380	1,355,839,139	1,352,259,522	500,465,514	133,874,167	772,651,761	119,042,850	(5,757,731)	4,295,118,603	\$ 2,092,017,363
PRO FORMA ADJUSTMENTS	\$ (157,438,156)	0	0	0	(113,355)	(60,688,042)	0	0	0	(60,801,397)	\$ (96,636,759)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,199,697,809	36,443,380	1,355,839,139	1,352,259,522	500,352,159	73,186,125	772,651,761	119,042,850	(5,757,731)	4,204,317,205	\$ 1,995,380,604

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

NOTES:
(1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.
(2) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.
THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
FEBRUARY, 2017

SCHEDULE 3: PAGE 38 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)	\$ (157,438,156)	0	0	0	(113,355)	(60,688,042)	0	0	0	(60,801,397)	\$ (96,536,759)
TOTAL PROFORMA ADJUSTMENTS	\$ (157,438,156)	0	0	0	(113,355)	(60,688,042)	0	0	0	(60,801,397)	\$ (96,536,759)

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
FEBRUARY, 2017

SCHEDULE 4: PAGE 1 OF 2

AVERAGE	ADJUSTMENTS				LOW POINT			MIDPOINT			HIGH POINT		
	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 2	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	\$ 8,890,573,939	\$ 8,548,373,764	\$ 150,495,603	\$ (257,200,229)	\$ 8,441,669,137	28.03%	4.57%	1.28%	4.57%	1.28%	4.57%	1.28%	
SHORT TERM DEBT	834,593,380	801,702,615	14,551,947	(0)	816,254,562	2.71%	1.53%	0.04%	1.53%	0.04%	1.53%	0.04%	
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	14,035,267,424	13,482,146,952	244,718,535	0	13,726,865,486	45.58%	9.60%	4.38%	10.55%	4.81%	11.80%	5.29%	
CUSTOMER DEPOSITS	416,220,156	416,088,830	7,552,554	-	423,641,385	1.41%	2.09%	0.03%	2.09%	0.03%	2.09%	0.03%	
DEFERRED INCOME TAX	7,227,489,786	6,942,958,938	119,117,674	(380,472,822)	6,681,603,791	22.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	177,710,442	169,006,059	507,718	(141,034,605)	28,479,172	0.09%	7.65%	0.01%	8.27%	0.01%	8.89%	0.01%	
TOTAL	\$ 31,581,855,127	\$ 30,360,277,158	\$ 536,944,031	\$ (778,707,656)	\$ 30,118,513,534	100.00%		5.73%		6.17%		6.65%	

YEAR END	ADJUSTMENTS				LOW POINT			MIDPOINT			HIGH POINT		
	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 2	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	\$ 9,141,951,082	\$ 8,845,834,707	\$ 177,329,160	\$ (256,536,197)	\$ 8,766,627,670	27.54%	4.39%	1.21%	4.39%	1.21%	4.39%	1.21%	
SHORT TERM DEBT	1,291,087,996	1,248,332,550	25,772,275	(0)	1,274,104,825	4.00%	1.50%	0.06%	1.50%	0.06%	1.50%	0.06%	
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	14,486,696,824	14,006,957,885	289,178,688	-	14,296,136,572	44.91%	9.60%	4.31%	10.55%	4.74%	11.80%	5.21%	
CUSTOMER DEPOSITS	407,958,205	407,993,662	8,423,176	-	416,416,838	1.31%	2.16%	0.03%	2.16%	0.03%	2.16%	0.03%	
DEFERRED INCOME TAX	7,466,806,523	7,217,480,343	141,152,481	(380,472,822)	6,978,160,003	21.92%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	250,828,891	239,990,832	2,103,778	(138,090,059)	104,004,551	0.33%	7.59%	0.02%	8.21%	0.03%	8.83%	0.03%	
TOTAL	\$ 33,045,329,522	\$ 31,966,589,979	\$ 643,959,558	\$ (775,099,078)	\$ 31,835,450,459	100.00%		5.63%		6.06%		6.53%	

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
PROFORMA ADJUSTED BASIS
FEBRUARY, 2017

AVERAGE	FISC ADJUSTED 1	PRO-FORMA ADJUSTMENTS 2	TOTAL PRO-FORMA ADJUSTED 3	TOTAL RATIO (%) 4	LOW POINT			MIDPOINT			HIGH POINT		
					COST RATE (%) 5	WEIGHTED COST (%) 6	WEIGHTED COST (%) 7	COST RATE (%) 8	WEIGHTED COST (%) 9	WEIGHTED COST (%) 10			
LONG TERM DEBT	\$ 8,441,669,137	\$ -	\$ 8,441,669,137	28.03%	4.57%	1.28%	4.57%	1.28%	4.57%	1.28%	4.57%	1.28%	
SHORT TERM DEBT	816,254,562	-	816,254,562	2.71%	1.53%	0.04%	1.53%	0.04%	1.53%	0.04%	1.53%	0.04%	
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	13,726,865,486	-	13,726,865,486	45.58%	9.60%	4.38%	10.55%	4.81%	11.60%	5.29%	11.60%	5.29%	
CUSTOMER DEPOSITS	423,641,385	-	423,641,385	1.41%	2.09%	0.03%	2.09%	0.03%	2.09%	0.03%	2.09%	0.03%	
DEFERRED INCOME TAX	6,681,603,791	-	6,681,603,791	22.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	28,479,172	-	28,479,172	0.09%	7.65%	0.01%	8.27%	0.01%	8.89%	0.01%	8.89%	0.01%	
TOTAL	\$ 30,118,513,534	\$ -	\$ 30,118,513,534	100.00%		5.73%		6.17%		6.65%		6.65%	

YEAR END	FISC ADJUSTED 1	PRO-FORMA ADJUSTMENTS 2	TOTAL PRO-FORMA ADJUSTED 3	TOTAL RATIO (%) 4	LOW POINT			MIDPOINT			HIGH POINT		
					COST RATE (%) 5	WEIGHTED COST (%) 6	WEIGHTED COST (%) 7	COST RATE (%) 8	WEIGHTED COST (%) 9	WEIGHTED COST (%) 10			
LONG TERM DEBT	\$ 8,766,627,670	\$ -	\$ 8,766,627,670	27.54%	4.39%	1.21%	4.39%	1.21%	4.39%	1.21%	4.39%	1.21%	
SHORT TERM DEBT	1,274,104,825	-	1,274,104,825	4.00%	1.50%	0.06%	1.50%	0.06%	1.50%	0.06%	1.50%	0.06%	
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	14,296,136,572	-	14,296,136,572	44.91%	9.60%	4.31%	10.55%	4.74%	11.60%	5.21%	11.60%	5.21%	
CUSTOMER DEPOSITS	416,416,838	-	416,416,838	1.31%	2.16%	0.03%	2.16%	0.03%	2.16%	0.03%	2.16%	0.03%	
DEFERRED INCOME TAX	6,978,160,003	-	6,978,160,003	21.92%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	104,004,551	-	104,004,551	0.33%	7.59%	0.02%	8.21%	0.03%	8.83%	0.03%	8.83%	0.03%	
TOTAL	\$ 31,835,450,459	\$ -	\$ 31,835,450,459	100.00%		5.63%		6.06%		6.53%		6.53%	

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
FEBRUARY, 2017

<u>A. TIMES INTEREST EARNED WITH AFUDC</u>		
EARNINGS BEFORE INTEREST CHARGES	\$ 2,216,994,185	
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	21,284,811	
INCOME TAXES	1,065,082,495	
TOTAL	\$ 3,303,361,491	
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 478,366,923	
TIMES INTEREST EARNED WITH AFUDC	6.91	

<u>B. TIMES INTEREST EARNED WITHOUT AFUDC</u>		
EARNINGS BEFORE INTEREST CHARGES	\$ 2,216,994,185	
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(68,577,058)	
INCOME TAXES	1,065,082,495	
TOTAL	\$ 3,213,499,621	
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 478,366,923	
TIMES INTEREST EARNED WITHOUT AFUDC	6.72	

<u>C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS</u>		
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 21,284,811	
X (1 - INCOME_TAX_RATE)	0.6143	
SUBTOTAL	\$ 13,074,195	
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	68,577,058	
TOTAL	\$ 81,651,254	
NET INCOME AVAILABLE FOR COMMON	\$ 1,759,912,072	
AFUDC AS PERCENT OF NET INCOME	4.64%	

<u>D. PERCENT INTERNALLY GENERATED FUNDS</u>		
NET INCOME	\$ 1,759,912,072	
PREFERRED DIVIDENDS DECLARED	0	
COMMON DIVIDENDS	(1,300,000,000)	
AFUDC (DEBT & OTHER)	(89,861,869)	
DEPRECIATION AND AMORTIZATION EXPENSE	1,558,210,696	
DEFERRED INCOME TAXES	786,641,677	
INVESTMENT TAX CREDITS	119,042,850	
OTHER SOURCE/USES OF FUNDS	99,953,470	
INTERNALLY GENERATED FUNDS	\$ 2,933,898,896	
CONSTRUCTION EXPENDITURES	\$ 4,096,272,602	
PERCENT INTERNALLY GENERATED FUNDS	71.62%	

<u>E. LONG TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL</u>	
---	--

<u>F. SHORT TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL</u>	
--	--

<u>AVERAGE RETAIL AMOUNTS</u>		
JURIS ADJUSTED LONG TERM DEBT	\$ 8,441,669,137	
JURIS ADJUSTED SHORT TERM DEBT	816,254,562	
JURIS ADJUSTED PREFERRED STOCK	0	
JURIS ADJUSTED COMMON STOCK	13,726,865,486	
TOTAL	\$ 22,984,789,186	
LTD TO TOTAL INVESTOR FUNDS	36.73%	
STD TO TOTAL INVESTOR FUNDS	3.55%	

<u>G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY</u>	
--	--

FPSC RATE OF RETURN	6.60%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	1.28%
SHORT TERM DEBT	0.04%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.01%
SUBTOTAL	1.36%
TOTAL	5.24%
DIVIDED BY COMMON EQUITY RATIO	45.58%
JURISDICTIONAL RETURN ON COMMON EQUITY	11.50%

FOOTNOTES

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

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF:

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

SCHEDULE 5: PAGE 2 OF 2

H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 6.28%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.28%
SHORT TERM DEBT	0.04%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.01%
SUBTOTAL	<u>1.36%</u>

PRO FORMA ROR LESS NON-EQUITY COST

PRO FORMA COMMON EQUITY RATIO

PRO FORMA RETURN ON COMMON EQUITY

<u>4.92%</u>
45.58%
10.79%