



September 15, 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 July 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  
JULY, 2017

SCHEDULE 1: PAGE 1 OF 1

	ACTUAL PER BOOKS	FPSC ADJUSTMENTS	FPSC ADJUSTED	PRO FORMA ADJUSTMENTS	PRO FORMA ADJUSTED
<b>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</b>					
NET OPERATING INCOME	\$ 2,284,762,971 (A)	(217,060,572) (B)	2,067,702,399	(120,688,292)	\$ 1,947,014,107
RATE BASE	\$ 31,529,486,154	(226,957,789)	31,303,128,365	0	\$ 31,303,128,365
AVERAGE RATE OF RETURN	7.25%		6.61%		6.22%
<b>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</b>					
NET OPERATING INCOME	\$ 2,284,762,971 (A)	(215,857,767) (B)	2,068,905,204	(120,688,292)	\$ 1,948,216,912
RATE BASE	\$ 33,046,054,390	(421,814,144)	32,624,240,246	0	\$ 32,624,240,246
YEAR END RATE OF RETURN	6.91%		6.34%		5.97%

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

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

LOW	5.74%
MIDPOINT	6.17%
HIGH	6.65%

**IV. FINANCIAL INTEGRITY INDICATORS**

A. TIMES INTEREST EARNED WITH AFUDC	7.13	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.95	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	4.46%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	84.74%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	36.25%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	3.78%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.50%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.66%	(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 Ousdahl*  
for K. Ousdahl  
(SIGNATURE)

9/15/17  
(DATE)

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
RATE BASE  
JULY, 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	\$ 44,774,816,192	14,643,102,540	30,131,713,652	266,751,047	2,992,883,547	693,074,648	34,084,422,895	(1,317,787,977)	\$ 32,766,634,918
JURISDICTIONAL PER BOOKS	\$ 42,925,712,466	12,955,282,549	29,970,429,917	253,176,502	2,867,372,778	662,167,462	33,753,146,659	(2,223,660,505)	\$ 31,529,486,154
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,197,693,009)	(532,653,599)	(1,664,939,409)	0	(1,660,059,231)	0	(3,324,998,640)	3,098,640,851	\$ (226,357,789)
FPSC ADJUSTED:	\$ 40,728,119,459	12,422,628,950	28,305,490,508	253,176,502	1,207,313,547	662,167,462	30,428,148,019	874,980,346	\$ 31,303,128,365
PRO FORMA ADJUSTMENTS	\$ 0	0	0	0	0	0	0	0	\$ 0
TOTAL PRO FORMA ADJUSTMENTS:	\$ 40,728,119,459	12,422,628,950	28,305,490,508	253,176,502	1,207,313,547	662,167,462	30,428,148,019	874,980,346	\$ 31,303,128,365

NOTE:

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

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
JULY, 2017

SCHEDULE 2, 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	\$ 11,258,985,551	3,402,893,200	1,713,547,465	1,237,480,060	297,614,751	704,101,454	113,677,255	(6,471,306)	8,961,443,469	\$ 2,297,542,081
JURISDICTIONAL PER BOOKS	\$ 10,812,049,871	3,229,803,126	1,448,227,947	1,220,211,187	283,847,722	670,269,298	109,655,289	(6,438,118)	8,615,657,700	\$ 2,196,392,171
FPSC ADJUSTMENTS										
FRANCHISE REVENUE	\$ (484,159,372)	0	0	(12,452,579)	(181,960,866)	0	0	0	(194,413,474)	\$ (289,745,997)
FRANCHISE EXPENSE	0	0	0	(471,706,632)	181,960,833	0	0	0	(289,745,799)	289,745,799
GROSS RECEIPTS TAX	(250,583,149)	0	0	(250,359,555)	(86,251)	0	0	0	(250,445,806)	(137,342)
FINANCIAL PLANNING SERVICES	0	0	0	(434,643)	167,664	0	0	0	(266,980)	266,980
INDUSTRY ASSOCIATION DUES	0	0	0	(2,389,717)	921,833	0	0	0	(1,467,884)	1,467,884
ECONOMIC DEVELOPMENT 5%	0	0	0	(128,067)	49,402	0	0	0	(78,665)	78,665
AVIATION - EXPENSES	0	0	0	(144,797)	55,855	0	0	0	(88,941)	88,941
EXECUTIVE COMPENSATION	0	0	0	(32,548,319)	12,555,514	0	0	0	(19,992,805)	19,992,805
FUEL COST REC RETAIL	(3,011,501,712)	(2,987,675,815)	4,686,667	(2,143,657)	10,362,736	(20,298,370)	0	0	(2,995,690,679)	(15,821,033)
CONSERVATION COST RECOVERY	(58,397,302)	0	(9,302,873)	(1,111,818)	(944,825)	3,159	0	0	(56,897,838)	(1,499,464)
CAPACITY COST RECOVERY	(330,393,620)	(213,686,791)	(17,136,993)	(388,901)	(20,044,262)	(4,312,571)	0	0	(281,608,954)	(38,784,666)
ENVIRONMENTAL COST RECOVERY	(199,966,646)	0	(46,866,949)	(295,372)	(70,597,506)	22,688,893	0	631,479	(123,679,243)	(76,287,404)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	(916,361)	0	353,486	0	0	0	(562,875)	562,875
STORM DEFICIENCY RECOVERY	(251,906,162)	0	(241,338,675)	0	(3,854,755)	0	0	0	(245,768,033)	(6,138,129)
INTEREST TAX DEFICIENCIES	0	0	0	0	(137,566)	0	0	0	219,089	(219,089)
INTEREST SYNCHRONIZATION	0	0	0	0	20,035,238	(7,774,541)	0	0	12,260,697	(12,260,697)
TOTAL FPSC ADJUSTMENTS	\$ (4,586,907,963)	(3,201,362,606)	(147,276,412)	(738,458,515)	(51,163,522)	(9,693,431)	0	631,479	(4,458,218,190)	\$ (128,688,772)
FPSC ADJUSTED	\$ 6,225,141,909	28,440,520	1,300,951,435	481,752,673	232,694,200	660,575,867	109,655,289	(5,806,639)	4,157,439,509	\$ 2,067,702,399
PRO FORMA ADJUSTMENTS	\$ (196,622,304)	0	0	(141,568)	(75,792,444)	0	0	0	(75,994,012)	\$ (120,688,292)
(SEE SCHEDULE 2, PAGE 2A OF 3)										
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,028,519,604	28,440,520	1,300,951,435	481,611,105	156,891,756	660,575,867	109,655,289	(5,806,639)	4,081,505,497	\$ 1,947,014,107
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 91,757,996									
	\$ 88,370,800									
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:										
ON A TOTAL COMPANY BASIS	\$ 2,641,279									
ON A JURISDICTIONAL BASIS	\$ 2,561,336									
CURRENT MONTH AMOUNT										
SYSTEM PER BOOKS	\$ 1,158,188,829	346,210,285	111,985,394	121,616,984	93,215,867	33,005,757	230,216	(488,969)	910,169,989	\$ 249,018,840
JURISDICTIONAL PER BOOKS	\$ 1,115,532,674	328,943,678	108,417,148	120,100,670	89,690,002	31,756,003	222,071	(488,951)	876,779,770	\$ 238,752,904

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

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

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
DETAIL OF PRO FORMA ADJUSTMENTS  
JULY, 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)	\$ (196,622,304)	0	0	0	(141,568)	(75,792,444)	0	0	0	(75,934,012)	\$ (120,668,292)
TOTAL PROFORMA ADJUSTMENTS	\$ (196,622,304)	0	0	0	(141,568)	(75,792,444)	0	0	0	(75,934,012)	\$ (120,668,292)

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  
JULY, 2017

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 1,627,839,820	\$ 1,546,559,030
FUEL AND CAPACITY	123,234,964	116,950,468
CAPITALIZED EXECUTIVE COMPENSATION	16,548,195	16,047,334
LOAD CONTROL	46,716,569	46,716,569
ASSET RETIREMENT OBLIGATION	426,762,677	413,845,941
CAPITAL LEASES	59,267,504	57,473,667
TOTAL	<u>\$ 2,300,369,728</u>	<u>\$ 2,197,593,008</u>
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (263,305,188)	\$ (250,157,915)
ACCUM PROV DECOMMISSIONING COSTS	(4,104,245,874)	(3,925,268,733)
ASSET RETIREMENT OBLIGATION	15,672,251	15,197,902
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,805,441,730	3,690,263,226
FUEL AND CAPACITY	(37,344,756)	(35,456,829)
OTHER RATE CASE ADJUSTMENTS (1)	(73,191)	(70,489)
LOAD CONTROL	(19,776,925)	(19,776,925)
CAPITAL LEASES	(7,614,295)	(7,383,835)
TOTAL	<u>\$ (611,246,248)</u>	<u>\$ (532,653,599)</u>
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 1,726,736,991	\$ 1,635,982,687
CWIP - CLAUSE PROJECTS	25,359,074	24,076,545
TOTAL	<u>\$ 1,752,096,065</u>	<u>\$ 1,660,059,231</u>
<b>NUCLEAR FUEL:</b>		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
<b>WORKING CAPITAL:</b>		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,180,052,717)	\$ (3,098,640,851)
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 261,166,828</b>	<b>\$ 226,357,789</b>

**NOTES:**

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

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
SYSTEM ADJUSTMENTS  
INCOME STATEMENT  
JULY, 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	\$ 11,258,985,551	3,402,893,200	1,498,600,590	1,713,547,485	1,237,480,080	297,814,751	704,101,454	113,677,255	(8,471,306)	8,961,443,469	\$ 2,297,542,081
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (484,159,372)	0	0	0	(12,452,579)	(191,960,895)	0	0	0	(194,413,474)	\$ (289,745,897)
FRANCHISE EXPENSE	0	0	0	0	(471,706,632)	181,960,833	0	0	0	(289,745,799)	289,745,799
GROSS RECEIPTS TAX	(250,583,146)	0	0	0	(250,359,555)	(86,251)	0	0	0	(250,445,806)	(137,342)
FINANCIAL PLANNING SERVICES	0	0	(448,209)	0	0	172,897	0	0	0	(275,312)	275,312
INDUSTRY ASSOCIATION DUES	0	0	(2,464,304)	0	0	950,605	0	0	0	(1,513,699)	1,513,699
ECONOMIC DEVELOPMENT 5%	0	0	(132,064)	0	0	50,944	0	0	0	(81,120)	81,120
AVIATION - EXPENSES	0	0	(149,316)	0	0	57,569	0	0	0	(91,717)	91,717
EXECUTIVE COMPENSATION	0	0	(33,564,199)	0	0	12,947,390	0	0	0	(20,616,809)	20,616,809
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY	(3,182,171,022)	(3,147,824,948)	(623,724)	4,688,667	(2,144,837)	7,355,928	(21,337,121)	0	0	(3,159,908,034)	(22,262,988)
CONSERVATION COST RECOVERY	(58,397,302)	0	(45,541,482)	(9,302,873)	(1,111,818)	(944,825)	3,159	0	0	(58,897,838)	(1,499,464)
CAPACITY COST RECOVERY	(330,797,787)	(225,215,159)	(37,983,759)	(17,314,588)	(997,340)	(14,931,318)	(4,312,571)	0	0	(300,154,731)	(30,643,055)
ENVIRONMENTAL COST RECOVERY	(199,966,646)	0	(30,776,511)	(49,330,084)	(303,329)	(69,064,294)	22,688,893	0	664,667	(126,120,657)	(73,845,989)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(951,485)	0	367,035	0	0	0	(584,450)	584,450
STORM DEFICIENCY RECOVERY	(251,906,162)	0	(591,233)	(241,338,675)	0	(3,848,340)	0	0	0	(245,778,248)	(6,127,914)
INTEREST TAX DEFICIENCIES	0	0	367,810	0	0	(141,883)	0	0	0	225,927	(225,927)
INTEREST SYNCHRONIZATION	0	0	0	0	0	20,537,927	(6,017,196)	0	0	12,520,731	(12,520,731)
TOTAL FPSC ADJUSTMENTS	\$ (4,757,981,439)	(3,373,040,107)	(151,906,990)	(313,571,035)	(738,476,090)	(46,576,648)	(10,974,896)	0	664,667	(4,833,881,038)	\$ (124,100,401)
FPSC ADJUSTED	\$ 6,501,004,112	29,853,093	1,346,693,600	1,399,976,430	499,003,971	251,038,103	693,126,618	113,677,255	(5,806,639)	4,327,562,432	\$ 2,173,441,680
PRO FORMA ADJUSTMENTS	\$ (196,622,304)	0	0	0	(141,568)	(75,792,444)	0	0	0	(75,934,012)	\$ (120,688,292)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,304,381,807	29,853,093	1,346,693,600	1,399,976,430	498,862,403	175,245,659	693,126,618	113,677,255	(5,806,639)	4,251,628,420	\$ 2,052,753,388

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 91,757,996

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

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

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

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS

	SYSTEM	JURISDICTIONAL
<b>ADJUSTMENTS TO ASSETS PER BOOKS:</b>		
ACCOUNTS RECEIVABLE - ASSOC COS	21,939,831	21,228,816
INTEREST & DIVIDENDS RECEIVABLE	(309,081)	(299,064)
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRG	16,855,865	17,208,175
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	15,228,404	15,097,415
PREPAYMENTS - ECCR	51,902,819	51,902,819
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	10,203,574	9,826,915
TEMPORARY CASH INVESTMENTS	1,435,901	1,389,367
STORM DEFICIENCY RECOVERY	276,522,811	276,391,109
NUCLEAR COST RECOVERY	61,077	61,077
JOBGING ACCOUNTS	10,047,313	9,721,705
OTH REG ASSETS - CLAUSES	1,479,002	1,404,343
MISC. DEFERRED DEBIT - CLAUSES	16,040,351	15,230,640
CEDAR BAY TRANSACTION	683,292,250	648,481,328
ICL TRANSACTION	234,111,111	222,127,375
	\$ 1,338,811,230	\$ 1,289,772,021

TOTAL ADJUSTMENTS TO ASSETS PER BOOKS

**ADJUSTMENTS TO LIABILITIES PER BOOKS:**

ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(214,560)	(208,066)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	105,172,104	105,172,104
ACCUM. PROV. - RATE REFUNDS	(68,912)	(70,026)
GAIN ON SALE OF EMISSION ALLOWANCE	(5,641)	(5,360)
JOBGING ACCOUNTS	(17,429,346)	(16,864,505)
POLE ATTACHMENT RENTS PAYABLE	(7,287,857)	(7,225,170)
SJRPP ACCELERATED RECOVERY	(18,231,454)	(17,298,218)
STORM DEFICIENCY RECOVERY	(80,821,715)	(80,821,715)
ASSET RETIREMENT OBLIGATION	(4,247,876,659)	(4,119,307,069)
MARGIN CALL CASH COLLATERAL	(503,846)	(487,518)
NUCLEAR COST RECOVERY	(245,760,154)	(245,760,154)
CEDAR BAY TRANSACTION	(5,835,904)	(5,537,175)
	\$ (4,518,863,946)	\$ (4,388,412,872)

TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS

**NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS**

	\$ (3,180,052,717)	\$ (3,098,640,851)
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FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
DETAIL OF PRO FORMA ADJUSTMENTS  
JULY, 2017

SCHEDULE 2: PAGE 30 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)	\$ (196,622,304)	0	0	(141,566)	(75,792,444)	0	0	0	(75,934,012)	\$ (120,688,292)
TOTAL PROFORMA ADJUSTMENTS	\$ (196,622,304)	0	0	(141,566)	(75,792,444)	0	0	0	(75,934,012)	\$ (120,688,292)

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  
JULY, 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	\$ 11,258,985,551	3,402,893,200	1,498,600,590	1,713,547,465	1,237,480,050	287,614,751	704,101,454	113,677,255	(6,471,306)	8,961,443,469	\$ 2,297,542,081
JURISDICTIONAL PER BOOKS	\$ 10,812,049,971	3,229,803,126	1,448,227,847	1,680,081,349	1,220,211,187	283,847,722	670,269,298	109,655,289	(6,438,118)	8,615,657,700	\$ 2,196,392,171
FFSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (484,159,372)	0	0	0	(12,452,579)	(181,960,895)	0	0	0	(194,413,474)	\$ (289,745,897)
FRANCHISE EXPENSE	0	0	0	0	(471,706,632)	181,960,833	0	0	0	(289,745,799)	289,745,799
GROSS RECEIPTS TAX	(250,563,149)	0	0	0	(280,359,555)	(86,251)	0	0	0	(250,445,806)	(137,342)
FINANCIAL PLANNING SERVICES	0	0	(434,643)	0	0	167,864	0	0	0	(266,980)	266,980
INDUSTRY ASSOCIATION DUES	0	0	(2,389,717)	0	0	921,833	0	0	0	(1,467,884)	1,467,884
ECONOMIC DEVELOPMENT 5%	0	0	(128,067)	0	0	49,402	0	0	0	(78,665)	78,665
AVIATION - EXPENSES	0	0	(144,797)	0	0	55,855	0	0	0	(88,941)	88,941
EXECUTIVE COMPENSATION	0	0	(32,548,319)	0	0	12,655,514	0	0	0	(19,892,805)	19,892,805
FUEL COST REC RETAIL	(3,011,501,712)	(2,987,675,815)	(592,238)	4,686,667	(2,143,657)	10,362,736	(20,298,370)	0	0	(2,995,680,679)	(19,921,033)
CONSERVATION COST RECOVERY	(58,397,302)	0	(45,541,462)	(9,302,873)	(1,111,816)	(944,825)	3,159	0	0	(56,997,838)	(1,499,464)
CAPACITY COST RECOVERY	(330,393,620)	0	(36,039,437)	(17,136,983)	(388,901)	(20,044,262)	(4,312,571)	0	0	(291,608,954)	(38,784,666)
ENVIRONMENTAL COST RECOVERY	(199,566,646)	0	(29,239,787)	(46,896,949)	(295,372)	(70,597,506)	22,688,893	0	631,479	(123,679,243)	(76,287,404)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(916,361)	0	353,486	0	0	0	(562,875)	562,875
STORM DEFICIENCY RECOVERY	(251,906,162)	0	(574,602)	(241,338,675)	0	(3,854,755)	0	0	0	(245,768,033)	(6,136,129)
INTEREST TAX DEFICIENCIES	0	0	356,677	0	0	(137,598)	0	0	0	219,089	(219,089)
INTEREST SYNCHRONIZATION	0	0	0	0	0	18,832,433	(7,774,541)	0	0	11,057,892	(11,057,892)
TOTAL FFSC ADJUSTMENTS	\$ (4,586,907,963)	(3,201,362,606)	(147,276,412)	(310,895,194)	(738,458,515)	(52,366,327)	(9,693,431)	0	631,479	(4,459,420,995)	\$ (127,466,967)
FFSC ADJUSTED	\$ 6,225,141,909	28,440,520	1,300,951,435	1,349,186,165	481,752,673	231,481,395	660,575,867	109,655,289	(5,806,639)	4,156,236,705	\$ 2,068,905,204
PRO FORMA ADJUSTMENTS	\$ (196,622,304)	0	0	0	(141,568)	(75,792,444)	0	0	0	(75,934,012)	\$ (120,688,292)
(SEE SCHEDULE 2, PAGE 2A OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,028,519,604	28,440,520	1,300,951,435	1,349,186,165	481,611,105	155,688,952	660,575,867	109,655,289	(5,806,639)	4,080,302,693	\$ 1,948,216,912

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

NOTES:  
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.  
THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

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

SCHEDULE 3: 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)	\$	(196,622,304)	0	0	0	(141,568)	(75,792,444)	0	0	0	(75,934,012)	\$ (120,688,292)
TOTAL PROFORMA ADJUSTMENTS	\$	(196,622,304)	0	0	0	(141,568)	(75,792,444)	0	0	0	(75,934,012)	\$ (120,688,292)

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  
JULY, 2017

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 1,629,246,761	\$ 1,547,895,720
FUEL AND CAPACITY	132,671,102	125,903,540
CAPITALIZED EXECUTIVE COMPENSATION	18,193,626	17,642,963
LOAD CONTROL	48,361,545	48,361,545
ASSET RETIREMENT OBLIGATION	432,217,840	419,135,994
CAPITAL LEASES	59,410,224	57,612,067
<b>TOTAL</b>	<b>\$ 2,320,101,098</b>	<b>\$ 2,216,551,829</b>
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (287,343,939)	\$ (272,996,372)
ACCUM PROV DECOMMISSIONING COSTS	(4,276,137,530)	(4,089,664,572)
ASSET RETIREMENT OBLIGATION	843,985	818,440
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,965,621,177	3,845,594,554
FUEL AND CAPACITY	(40,057,019)	(38,030,209)
OTHER RATE CASE ADJUSTMENTS (1)	(951,485)	(916,361)
LOAD CONTROL	(20,975,531)	(20,975,531)
CAPITAL LEASES	(8,308,333)	(8,056,867)
<b>TOTAL</b>	<b>\$ (667,308,676)</b>	<b>\$ (584,226,917)</b>
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 1,953,613,378	\$ 1,851,835,726
CWIP - CLAUSE PROJECTS	38,221,120	36,294,358
<b>TOTAL</b>	<b>\$ 1,991,834,498</b>	<b>\$ 1,888,130,084</b>
<b>NUCLEAR FUEL:</b>		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>WORKING CAPITAL:</b>		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,180,052,717)	\$ (3,098,640,851)
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 464,574,203</b>	<b>\$ 421,814,144</b>

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

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
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SCHEDULE 3: PAGE 3A 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	\$ 11,258,985,551	3,402,893,200	1,713,547,485	1,237,480,080	297,614,751	704,101,454	113,677,255	(6,471,306)	8,961,443,469	\$ 2,297,542,081
FPSC ADJUSTMENTS										
FRANCHISE REVENUE	\$ (484,159,372)	0	0	(12,452,579)	(181,960,895)	0	0	0	(194,413,474)	\$ (289,745,897)
FRANCHISE EXPENSE	0	0	0	(471,706,632)	181,960,893	0	0	0	(289,745,799)	289,745,799
GROSS RECEIPTS TAX	(250,583,149)	0	0	(250,359,555)	(86,251)	0	0	0	(250,445,806)	(137,342)
FINANCIAL PLANNING SERVICES	0	0	0	(448,209)	172,897	0	0	0	(275,312)	275,312
INDUSTRY ASSOCIATION DUES	0	0	0	(2,464,304)	950,605	0	0	0	(1,513,698)	1,513,698
ECONOMIC DEVELOPMENT 5%	0	0	0	(132,084)	50,944	0	0	0	(81,120)	81,120
AVIATION - EXPENSES	0	0	0	(148,316)	57,599	0	0	0	(91,717)	91,717
EXECUTIVE COMPENSATION	0	0	0	(33,564,199)	12,947,390	0	0	0	(20,616,809)	20,616,809
FUEL COST REC RETAIL	(3,182,171,022)	(3,147,824,948)	4,668,687	(2,144,837)	7,355,928	(21,337,121)	0	0	(3,159,908,094)	(22,262,988)
CONSERVATION COST RECOVERY	(89,397,302)	0	(9,302,873)	(1,111,818)	(944,825)	3,159	0	0	(56,897,838)	(1,469,464)
CAPACITY COST RECOVERY	(330,797,787)	(225,215,159)	(17,314,586)	(387,340)	(14,931,318)	(4,312,571)	0	0	(300,154,731)	(30,643,055)
ENVIRONMENTAL COST RECOVERY	(199,986,646)	0	(49,330,084)	(303,329)	(69,064,294)	22,688,893	0	684,667	(128,120,657)	(73,845,989)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	(951,485)	0	367,035	0	0	0	(584,450)	584,450
STORM DEFICIENCY RECOVERY	(251,906,162)	0	(241,338,675)	0	(3,646,340)	0	0	0	(245,778,248)	(6,127,914)
INTEREST TAX DEFICIENCIES	0	0	0	0	(141,883)	0	0	0	225,927	(225,927)
INTEREST SYNCHRONIZATION	0	0	0	0	21,033,185	(8,017,196)	0	0	13,015,989	(13,015,989)
TOTAL FPSC ADJUSTMENTS	\$ (4,757,981,439)	(3,373,040,107)	(313,571,035)	(738,476,090)	(46,081,390)	(10,974,896)	0	664,667	(4,633,385,760)	\$ (124,566,659)
FPSC ADJUSTED	\$ 6,501,004,112	29,853,093	1,399,976,430	499,003,971	251,533,361	693,126,618	113,677,255	(5,806,639)	4,328,057,690	\$ 2,172,946,422
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3)	\$ (196,622,304)	0	0	(141,568)	(75,792,444)	0	0	0	(75,934,012)	\$ (120,688,292)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,304,381,807	29,853,093	1,399,976,430	498,862,403	175,740,917	693,126,618	113,677,255	(5,806,639)	4,252,123,678	\$ 2,052,258,130
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 91,757,996									

NOTES:  
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.  
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FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
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INCOME STATEMENT  
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JULY, 2017

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)	\$ (196,622,304)	0	0	0	(141,568)	(75,792,444)	0	0	0	(75,934,012)	\$ (120,688,292)
TOTAL PROFORMA ADJUSTMENTS	\$ (196,622,304)	0	0	0	(141,568)	(75,792,444)	0	0	0	(75,934,012)	\$ (120,688,292)

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  
JULY, 2017

SCHEDULE 4: PAGE 1 OF 2

AVERAGE	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 2	ADJUSTMENTS PRO RATA 3	ADJUSTMENTS SPECIFIC 4	ADJUSTED RETAIL 5	RATIO (%) 6	LOW POINT			MIDPOINT			HIGH POINT		
							COST RATE (%) 7	WEIGHTED COST (%) 8	WEIGHTED COST (%) 10	COST RATE (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 11	WEIGHTED COST (%) 12		
LONG TERM DEBT	\$ 9,080,225,808	\$ 8,738,444,426	\$ 140,708,634	\$ (229,800,575)	\$ 8,649,352,485	27.63%	4.52%	1.25%	4.52%	1.25%	4.52%	1.25%	4.52%	1.25%	
SHORT TERM DEBT	922,877,635	887,432,927	14,675,602	(0)	902,108,530	2.88%	1.88%	0.05%	1.88%	0.05%	1.88%	0.05%	1.88%	0.05%	
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	14,639,086,039	14,076,846,674	232,790,783	(0)	14,309,637,457	45.71%	9.60%	4.39%	10.55%	4.82%	11.60%	5.30%	11.60%	5.30%	
CUSTOMER DEPOSITS	411,980,264	411,579,818	6,806,353	(0)	418,386,171	1.34%	2.10%	0.03%	2.10%	0.03%	2.10%	0.03%	2.10%	0.03%	
DEFERRED INCOME TAX	7,497,261,865	7,209,926,971	113,161,049	(367,084,181)	6,956,003,839	22.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	215,203,307	205,255,337	1,100,373	(138,715,828)	67,639,883	0.22%	7.65%	0.02%	8.28%	0.02%	8.90%	0.02%	8.90%	0.02%	
TOTAL	\$ 32,766,634,918	\$ 31,529,486,154	\$ 509,242,795	\$ (735,600,584)	\$ 31,303,128,365	100.00%	5.74%	5.74%	6.17%	6.17%	6.65%	6.65%	6.65%	6.65%	
YEAR END															
LONG TERM DEBT	\$ 9,271,370,826	\$ 9,016,191,099	\$ 84,379,121	\$ (229,265,943)	\$ 8,871,304,277	27.19%	4.39%	1.19%	4.39%	1.19%	4.39%	1.19%	4.39%	1.19%	
SHORT TERM DEBT	997,798,365	969,843,531	9,313,217	0	979,156,748	3.00%	2.12%	0.06%	2.12%	0.06%	2.12%	0.06%	2.12%	0.06%	
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	15,335,656,977	14,906,005,296	143,139,448	(0)	15,049,144,745	46.13%	9.60%	4.43%	10.55%	4.87%	11.60%	5.35%	11.60%	5.35%	
CUSTOMER DEPOSITS	400,192,915	399,852,137	3,839,702	(0)	403,691,839	1.24%	2.17%	0.03%	2.17%	0.03%	2.17%	0.03%	2.17%	0.03%	
DEFERRED INCOME TAX	7,735,691,080	7,515,644,228	68,646,222	(367,084,181)	7,217,206,268	22.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	248,603,736	238,518,098	986,685	(135,768,414)	103,736,369	0.32%	7.64%	0.02%	8.27%	0.03%	8.90%	0.03%	8.90%	0.03%	
TOTAL	\$ 33,989,313,898	\$ 33,046,054,390	\$ 310,304,395	\$ (732,118,538)	\$ 32,624,240,246	100.00%	5.74%	5.74%	6.18%	6.18%	6.66%	6.66%	6.66%	6.66%	

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  
JULY, 2017

SCHEDULE 4: PAGE 2 OF 2

AVERAGE	LOW POINT				MIDPOINT			HIGH POINT		
	1	2	3	4	5	6	7	8	9	10
LONG TERM DEBT	\$ 8,649,352,485	\$ -	\$ 8,649,352,485	27.63%	4.52%	1.25%	4.52%	1.25%	4.52%	1.25%
SHORT TERM DEBT	902,108,530	-	902,108,530	2.88%	1.88%	0.05%	1.88%	0.05%	1.88%	0.05%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	14,309,637,457	-	14,309,637,457	45.71%	9.60%	4.39%	10.55%	4.82%	11.60%	5.30%
CUSTOMER DEPOSITS	418,386,171	-	418,386,171	1.34%	2.10%	0.03%	2.10%	0.03%	2.10%	0.03%
DEFERRED INCOME TAX	6,956,003,839	-	6,956,003,839	22.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	67,639,883	-	67,639,883	0.22%	7.65%	0.02%	8.28%	0.02%	8.90%	0.02%
TOTAL	\$ 31,303,128,365	\$ -	\$ 31,303,128,365	100.00%		5.74%		6.17%		6.65%
YEAR END										
LONG TERM DEBT	\$ 8,871,304,277	\$ -	\$ 8,871,304,277	27.19%	4.39%	1.19%	4.39%	1.19%	4.39%	1.19%
SHORT TERM DEBT	979,156,748	-	979,156,748	3.00%	2.12%	0.06%	2.12%	0.06%	2.12%	0.06%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	15,049,144,745	-	15,049,144,745	46.13%	9.60%	4.43%	10.55%	4.87%	11.60%	5.55%
CUSTOMER DEPOSITS	403,691,839	-	403,691,839	1.24%	2.17%	0.03%	2.17%	0.03%	2.17%	0.03%
DEFERRED INCOME TAX	7,217,206,268	-	7,217,206,268	22.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	103,736,369	-	103,736,369	0.32%	7.64%	0.02%	8.27%	0.03%	8.90%	0.03%
TOTAL	\$ 32,624,240,246	\$ -	\$ 32,624,240,246	100.00%		5.74%		6.18%		6.66%

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  
JULY, 2017

SCHEDULE 5: PAGE 1 OF 2

<u>A. TIMES INTEREST EARNED WITH AFUDC</u>		
EARNINGS BEFORE INTEREST CHARGES	\$ 2,342,532,124	
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	20,783,397	
INCOME TAXES	1,109,529,723	
TOTAL	\$ 3,472,845,244	
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 486,797,522	
TIMES INTEREST EARNED WITH AFUDC	7.13	
<u>B. TIMES INTEREST EARNED WITHOUT AFUDC</u>		
EARNINGS BEFORE INTEREST CHARGES	\$ 2,342,532,124	
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(70,974,599)	
INCOME TAXES	1,109,529,723	
TOTAL	\$ 3,381,087,249	
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 486,797,522	
TIMES INTEREST EARNED WITHOUT AFUDC	6.95	

<u>C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS</u>		
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 20,783,397	
X (1 - INCOME_TAX_RATE)	0.6143	
SUBTOTAL	\$ 12,766,201	
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	\$ 70,974,599	
TOTAL	\$ 83,740,801	
NET INCOME AVAILABLE FOR COMMON	\$ 1,876,517,999	
AFUDC AS PERCENT OF NET INCOME	4.46%	

<u>D. PERCENT INTERNALLY GENERATED FUNDS</u>		
NET INCOME	\$ 1,876,517,999	
PREFERRED DIVIDENDS DECLARED	0	
COMMON DIVIDENDS	(800,000,000)	
AFUDC (DEBT & OTHER)	(91,757,996)	
DEPRECIATION AND AMORTIZATION EXPENSE	1,713,547,465	
DEFERRED INCOME TAXES	706,737,310	
INVESTMENT TAX CREDITS	113,677,255	
OTHER SOURCE/USES OF FUNDS	111,561,474	
INTERNALLY GENERATED FUNDS	\$ 3,630,283,507	
CONSTRUCTION EXPENDITURES	\$ 4,284,150,514	
PERCENT INTERNALLY GENERATED FUNDS	84.74%	

<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>		
AVERAGE RETAIL AMOUNTS		
JURIS ADJUSTED LONG TERM DEBT	\$ 8,649,352,485	
JURIS ADJUSTED SHORT TERM DEBT	902,108,530	
JURIS ADJUSTED PREFERRED STOCK	0	
JURIS ADJUSTED COMMON STOCK	14,309,637,457	
TOTAL	\$ 23,861,098,472	
LTD TO TOTAL INVESTOR FUNDS	36.25%	
STD TO TOTAL INVESTOR FUNDS	3.78%	

<u>G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY</u>		
FPSC RATE OF RETURN	6.61%	
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR:		
LONG TERM DEBT	1.25%	
SHORT TERM DEBT	0.05%	
PREFERRED STOCK	0.00%	
CUSTOMER DEPOSITS	0.03%	
TAX CREDITS - WTD COST	0.02%	
SUBTOTAL	1.35%	
TOTAL	5.26%	
DIVIDED BY COMMON EQUITY RATIO	45.71%	
JURISDICTIONAL RETURN ON COMMON EQUITY	11.50%	

\*\* INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF:

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 118,032,780
GAINS ON DISPOSITION OF PROPERTY	(6,471,306)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	0
TOTAL	\$ 111,561,474

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

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H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 6.22%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.25%
SHORT TERM DEBT	0.05%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.02%
SUBTOTAL	<u>1.35%</u>

PRO FORMA ROR LESS NON EQUITY COST 4.87%

PRO FORMA COMMON EQUITY RATIO 45.71%

PRO FORMA RETURN ON COMMON EQUITY 10.66%