



Florida Power & Light Company, 700 Universe Blvd, Juno Beach FL. 33408-0420

February 26, 2018

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

Dear Mr. Fletcher:

The cover letter accompanying Florida Power & Light Company's ("FPL") Rate of Return Surveillance Report for December 2017 filed on February 15, 2018 contained a scrivener's error stating that the return on equity was 11.50%. The correct return on equity for December 2017 is 11.08%, which can be seen on Schedule 1: Page 1 of 1 and Schedule 5: Page 1 of 2.

For ease of reference, I am attaching FPL's Rate of Return Surveillance Report for December 2017 and other accompanying schedules, which are the identical to those FPL provided on February 15, 2018.

Sincerely,

A handwritten signature in black ink that reads "Elizabeth Fuentes". The signature is written in a cursive style with a large, prominent initial 'E'.

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, 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	\$ 2,292,749,267 (A)	(229,924,932) (B)	2,062,824,335	(156,435,318)	\$ 1,906,489,017
RATE BASE	\$ 32,983,093,544	(354,601,113)	32,628,492,431	0	\$ 32,628,492,431
AVERAGE RATE OF RETURN	6.95%		6.32%		5.84%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,292,749,267 (A)	(220,994,945) (B)	2,071,754,322	(156,435,318)	\$ 1,915,319,003
RATE BASE	\$ 35,472,103,159	(653,209,347)	34,818,893,812	0	\$ 34,818,893,812
YEAR END RATE OF RETURN	6.46%		5.98%		5.53%

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

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

LOW	5.66%
MIDPOINT	6.09%
HIGH	6.56%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.96	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.76	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	4.90%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	45.38%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	36.26%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	4.51%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.08%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.01%	(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-El, ORDER NO. PSC-16-0560-AS-El. 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)

2/15/18
(DATE)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
DECEMBER, 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	\$ 45,979,826,433	14,993,282,629	30,986,533,804	278,508,548	3,237,530,419	667,287,342	35,169,658,113	(915,165,894)	\$ 34,254,692,219
JURISDICTIONAL PER BOOKS	\$ 44,106,821,289	19,023,787,688	31,089,053,631	264,189,706	3,108,721,347	638,980,735	35,094,945,420	(2,111,851,876)	\$ 32,983,093,544
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,219,219,778)	(582,140,545)	(1,637,079,233)	0	(1,815,562,338)	0	(3,453,031,572)	3,098,430,459	\$ (354,601,113)
FPSC ADJUSTED:	\$ 41,887,601,511	12,441,627,113	29,445,974,398	264,189,706	1,292,769,008	638,980,735	31,641,913,848	986,578,563	\$ 32,628,492,491
PRO FORMA ADJUSTMENTS	\$ 0	0	0	0	0	0	0	0	\$ 0
TOTAL PRO FORMA ADJUSTMENTS:	\$ 41,887,601,511	12,441,627,113	29,445,974,398	264,189,706	1,292,769,008	638,980,735	31,641,913,848	986,578,563	\$ 32,628,492,491
PRO FORMA ADJUSTED	\$ 41,887,601,511	12,441,627,113	29,445,974,398	264,189,706	1,292,769,008	638,980,735	31,641,913,848	986,578,563	\$ 32,628,492,491

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, 2017

SCHEDULE 2: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 11,676,080,880	3,493,805,509	2,806,827,200	672,384,470	1,293,650,050	193,447,400	935,186,816	(3,502,803)	(6,006,065)	9,385,791,577	\$ 2,290,299,303
JURISDICTIONAL PER BOOKS	\$ 11,244,264,510	3,328,486,639	2,753,255,882	620,279,656	1,275,635,595	183,143,418	895,014,380	(3,379,298)	(6,000,033)	9,048,436,238	\$ 2,195,828,273
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (506,346,509)	0	0	0	(13,023,232)	(190,299,454)	0	0	0	(203,322,686)	\$ (303,023,823)
FRANCHISE EXPENSE	0	0	0	0	(493,323,216)	190,299,431	0	0	0	(303,023,785)	303,023,785
GROSS RECEIPTS TAX	(260,865,872)	0	0	0	(260,812,708)	(87,668)	0	0	0	(260,710,366)	(155,506)
FINANCIAL PLANNING SERVICES	0	0	(373,875)	0	0	144,222	0	0	0	(229,653)	229,653
INDUSTRY ASSOCIATION DUES	0	0	(2,307,827)	0	0	890,244	0	0	0	(1,417,583)	1,417,583
ECONOMIC DEVELOPMENT 5%	0	0	(135,695)	0	0	52,344	0	0	0	(83,350)	83,350
AVIATION - EXPENSES	0	0	(151,946)	0	0	58,613	0	0	0	(93,333)	93,333
EXECUTIVE COMPENSATION	0	0	(96,137,478)	0	0	13,940,032	0	0	0	(22,197,446)	22,197,446
FUEL COST REC RETAIL	(3,125,419,088)	(3,109,482,160)	(223,736)	9,050,670	(2,225,499)	(26,595,272)	18,296,848	0	0	(3,112,189,148)	(13,223,940)
CONSERVATION COST RECOVERY	(56,630,159)	0	(43,503,650)	(9,566,945)	(1,049)	(935,972)	(1,049)	0	0	(55,138,091)	(1,482,068)
CAPACITY COST RECOVERY	(317,800,212)	(197,049,811)	(36,487,293)	(4,285,849)	(381,156)	(20,172,540)	(10,527,799)	0	0	(268,914,448)	(48,885,764)
ENVIRONMENTAL COST RECOVERY	(200,286,208)	0	(33,660,143)	(43,722,679)	(289,530)	(66,231,567)	18,883,352	0	117,460	(124,903,126)	(75,395,082)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(392,970,924)	0	(73,343,391)	(311,251,282)	0	(3,231,139)	0	0	0	(387,825,812)	(5,145,112)
INTEREST TAX DEFICIENCIES	0	0	188,015	0	0	(72,527)	0	0	0	115,488	(115,488)
INTEREST SYNCHRONIZATION	0	0	0	0	0	20,756,749	(8,250,445)	0	0	12,506,304	(12,506,304)
TOTAL FPSC ADJUSTMENTS	\$ (4,860,330,973)	(3,306,531,971)	(226,137,217)	(360,786,065)	(770,983,617)	(81,484,513)	18,390,307	0	117,460	(4,727,427,036)	\$ (132,903,938)
FPSC ADJUSTED	\$ 6,383,933,537	21,954,668	2,527,118,665	259,493,571	504,649,978	103,648,904	913,405,287	(3,379,298)	(5,882,573)	4,321,009,202	\$ 2,062,924,335

PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3) PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ (254,860,453)	0	0	0	(189,500)	(98,241,635)	0	0	0	(98,425,134)	\$ (156,435,318)
	\$ 6,129,073,085	21,954,668	2,527,118,665	259,493,571	504,466,479	5,407,270	913,405,287	(3,379,298)	(5,882,573)	4,222,584,068	\$ 1,906,489,017

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

(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:
ON A TOTAL COMPANY BASIS
ON A JURISDICTIONAL BASIS

CURRENT MONTH AMOUNT
SYSTEM PER BOOKS
JURISDICTIONAL PER BOOKS

	\$ 880,595,651	253,612,124	1,416,990,424	(1,002,315,190)	92,864,312	213,001,532	(184,794,038)	(273,648)	(612,693)	789,471,822	\$ 92,123,829
	\$ 851,563,958	241,277,949	1,407,254,193	(1,001,360,663)	91,612,779	198,745,482	(172,478,257)	(263,998)	(606,863)	764,160,699	\$ 87,373,319

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DEAMTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-A-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, 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)	\$ (254,860,453)	0	0	0	(183,500)	(98,241,635)	0	0	0	(98,423,134)	\$ (156,435,318)
TOTAL PROFORMA ADJUSTMENTS	\$ (254,860,453)	0	0	0	(183,500)	(98,241,635)	0	0	0	(98,423,134)	\$ (156,435,318)

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, 2017

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,627,831,836	\$ 1,548,316,648
FUEL AND CAPACITY	132,956,082	126,425,378
CAPITALIZED EXECUTIVE COMPENSATION	18,688,458	18,133,980
LOAD CONTROL	48,264,376	48,264,376
ASSET RETIREMENT OBLIGATION	433,358,656	420,501,091
CAPITAL LEASES	59,338,864	57,578,305
TOTAL	<u>\$ 2,320,438,274</u>	<u>\$ 2,219,219,778</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (282,198,475)	\$ (268,413,842)
ACCUM PROV DECOMMISSIONING COSTS	(4,251,585,434)	(4,076,104,882)
ASSET RETIREMENT OBLIGATION	3,338,601	3,239,546
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,942,764,012	3,825,783,894
FUEL AND CAPACITY	(39,365,121)	(37,470,370)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
LOAD CONTROL	(21,223,220)	(21,223,220)
CAPITAL LEASES	(8,194,808)	(7,951,671)
TOTAL	<u>\$ (656,464,445)</u>	<u>\$ (582,140,545)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,877,862,259	\$ 1,780,033,540
CWIP - CLAUSE PROJECTS	37,772,518	35,918,799
TOTAL	<u>\$ 1,915,634,778</u>	<u>\$ 1,815,952,338</u>
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
WORKING CAPITAL:		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,175,017,375)	\$ (3,098,430,459)
TOTAL ADJUSTMENTS	\$ 404,591,231	\$ 354,601,113

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
DECEMBER, 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	\$ 11,676,050,680	3,493,805,509	2,806,627,200	672,384,470	1,293,650,050	199,447,400	955,165,916	(3,502,803)	(6,008,068)	9,385,751,577	\$ 2,290,299,903
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (506,346,509)	0	0	0	(13,023,232)	(190,289,454)	0	0	0	(206,322,686)	\$ (303,023,823)
FRANCHISE EXPENSE	0	0	0	0	(493,323,216)	190,289,431	0	0	0	(303,023,785)	303,023,785
GROSS RECEIPTS TAX	(260,665,672)	0	0	0	(280,612,708)	(87,658)	0	0	0	(280,710,366)	(155,500)
FINANCIAL PLANNING SERVICES	0	0	(365,307)	0	0	148,632	0	0	0	(236,675)	236,675
INDUSTRY ASSOCIATION DUES	0	0	(2,378,393)	0	0	917,465	0	0	0	(1,460,928)	1,460,928
ECONOMIC DEVELOPMENT 5%	0	0	(139,844)	0	0	59,945	0	0	0	(85,899)	85,899
AVIATION - EXPENSES	0	0	(156,592)	0	0	60,405	0	0	0	(96,186)	96,186
EXECUTIVE COMPENSATION	0	0	(37,242,445)	0	0	14,366,273	0	0	0	(22,876,172)	22,876,172
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY	(3,278,382,614)	(3,263,351,609)	(234,987)	8,053,218	(2,226,656)	(25,893,747)	17,942,397	0	0	(3,265,721,463)	(12,661,351)
CONSERVATION COST RECOVERY	(56,630,159)	0	(43,503,850)	(9,566,945)	(1,130,275)	(935,972)	(1,049)	0	0	(55,138,091)	(1,492,068)
CAPACITY COST RECOVERY	(318,163,213)	(207,385,690)	(38,388,854)	(4,519,730)	(389,357)	(15,502,453)	(10,527,799)	0	0	(276,713,874)	(41,448,339)
ENVIRONMENTAL COST RECOVERY	(200,296,208)	0	(35,388,790)	(45,968,095)	(236,993)	(64,688,040)	18,853,352	0	123,492	(127,345,073)	(72,953,134)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(392,970,954)	0	(73,343,391)	(311,251,282)	0	(3,231,139)	0	0	0	(387,825,812)	(5,145,112)
INTEREST TAX DEFICIENCIES	0	0	153,764	0	0	(74,744)	0	0	0	119,019	(119,019)
INTEREST SYNCHRONIZATION	0	0	0	0	0	21,376,806	(6,502,717)	0	0	12,874,089	(12,874,089)
TOTAL FPSC ADJUSTMENTS	\$ (5,013,657,700)	(3,470,747,369)	(230,968,687)	(363,252,835)	(771,002,437)	(73,510,250)	17,794,184	0	123,492	(4,891,563,902)	\$ (122,093,799)
FPSC ADJUSTED	\$ 6,662,433,180	23,058,140	2,575,659,513	309,131,635	522,647,613	119,937,150	952,960,000	(3,502,803)	(5,882,573)	4,494,227,675	\$ 2,168,205,506
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ (254,860,453)	0	0	0	(183,500)	(96,241,635)	0	0	0	(96,425,194)	\$ (156,435,318)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,407,572,728	23,058,140	2,575,659,513	309,131,635	522,464,113	21,695,515	952,960,000	(3,502,803)	(5,882,573)	4,398,602,541	\$ 2,011,770,187

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

\$ 100,584,617

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
DECEMBER, 2017

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	21,627,018	20,940,551
INTEREST & DIVIDENDS RECEIVABLE	22,971	22,242
NET UNDERRECOVERED FUEL, CAPACITY, ECRC, ECRC	21,781,273	21,982,186
POLE ATTACHMENTS RENTS RECEIVABLE	15,146,192	15,146,192
PREPAYMENTS - ECRC	50,655,155	50,655,155
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	9,867,409	9,507,987
TEMPORARY CASH INVESTMENTS	428,216	414,624
STORM DEFICIENCY RECOVERY	232,375,654	232,272,890
NUCLEAR COST RECOVERY	27,234	27,234
JOBGING ACCOUNTS	11,840,703	11,484,866
OTH REG ASSETS - CLAUSES	1,042,350	982,442
MISC. DEFERRED DEBIT - CLAUSES	16,571,801	15,778,342
CEDAR BAY TRANSACTION	674,360,681	640,987,318
ICL TRANSACTION	391,685,897	372,284,050
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,447,432,557	\$ 1,392,476,080
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(212,827)	(206,512)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	405,142,023	405,142,023
ACCUM. PROV. - RATE REFUNDS	(6,337)	(7,149)
GAIN ON SALE OF EMISSION ALLOWANCE	(3,017)	(2,870)
JOBGING ACCOUNTS	(18,818,470)	(18,221,150)
POLE ATTACHMENT RENTS PAYABLE	(7,475,517)	(7,475,517)
SJRPP ACCELERATED RECOVERY	(14,446,533)	(13,730,936)
STORM DEFICIENCY RECOVERY	(353,268,071)	(353,268,071)
ASSET RETIREMENT OBLIGATION	(4,379,475,886)	(4,248,538,714)
MARGIN CALL CASH COLLATERAL	(513,462)	(497,164)
NUCLEAR COST RECOVERY	(247,893,679)	(247,893,679)
CEDAR BAY TRANSACTION	(5,478,157)	(5,206,801)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (4,622,449,932)	\$ (4,490,906,538)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,175,017,375)	\$ (3,098,430,459)

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

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)	\$ (254,860,453)	0	0	(183,500)	(98,241,635)	0	0	0	(98,425,134)	\$ (156,435,318)
TOTAL PROFORMA ADJUSTMENTS	\$ (254,860,453)	0	0	(183,500)	(98,241,635)	0	0	0	(98,425,134)	\$ (156,435,318)

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, 2017

SCHEDULE 3: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 11,678,090,880	3,493,895,509	2,806,827,200	672,384,470	1,293,650,050	183,447,400	935,185,816	(3,502,803)	(6,006,065)	9,385,791,577	\$ 2,290,299,303
JURISDICTIONAL PER BOOKS	\$ 11,244,254,510	3,328,486,639	2,753,255,882	620,279,655	1,275,635,595	185,143,418	895,014,380	(3,379,298)	(6,000,033)	9,048,456,288	\$ 2,195,828,273
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (506,346,509)	0	0	0	(13,023,232)	(190,299,454)	0	0	0	(203,322,686)	\$ (303,023,823)
FRANCHISE EXPENSE	0	0	0	0	(493,323,216)	190,299,431	0	0	0	(303,023,785)	303,023,785
GROSS RECEIPTS TAX	(260,865,872)	0	0	0	(260,612,708)	(97,658)	0	0	0	(260,710,366)	(155,506)
FINANCIAL PLANNING SERVICES	0	0	(373,875)	0	0	144,222	0	0	0	(229,653)	229,653
INDUSTRY ASSOCIATION DUES	0	0	(2,307,827)	0	0	880,244	0	0	0	(1,417,583)	1,417,583
ECONOMIC DEVELOPMENT 5%	0	0	(135,656)	0	0	52,944	0	0	0	(83,360)	83,360
AVIATION - EXPENSES	0	0	(181,946)	0	0	58,613	0	0	0	(93,333)	93,333
EXECUTIVE COMPENSATION	0	0	(56,137,478)	0	0	13,940,032	0	0	0	(22,197,446)	22,197,446
FUEL COST REC RETAIL	(3,125,419,088)	(3,109,482,160)	0	8,050,570	(2,225,499)	(26,585,272)	18,286,848	0	0	(3,112,186,148)	(13,229,940)
CONSERVATION COST RECOVERY	(95,630,199)	0	(43,503,890)	(9,586,945)	(1,130,275)	(935,972)	(1,048)	0	0	(55,136,091)	(1,492,088)
CAPACITY COST RECOVERY	(317,800,212)	(197,049,811)	(56,487,293)	(4,285,849)	(381,156)	(20,172,540)	(10,527,789)	0	0	(268,914,448)	(48,882,754)
ENVIRONMENTAL COST RECOVERY	(200,288,208)	0	(33,680,143)	(43,722,579)	(289,530)	(66,231,687)	18,893,352	0	117,460	(124,903,126)	(75,385,082)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(392,970,924)	0	(73,343,391)	(311,251,282)	0	(3,231,139)	0	0	0	(387,825,812)	(5,145,112)
INTEREST TAX DEFICIENCIES	0	0	188,015	0	0	(72,527)	0	0	0	115,488	(115,488)
INTEREST SYNCHRONIZATION	0	0	0	0	0	11,926,762	(8,250,445)	0	0	3,676,317	(3,676,317)
TOTAL FPSC ADJUSTMENTS	\$ (4,860,330,973)	(3,305,531,971)	(228,137,217)	(360,786,085)	(770,985,617)	(90,324,500)	18,390,907	0	117,460	(4,736,257,022)	\$ (124,073,951)
FPSC ADJUSTED	\$ 6,383,933,537	21,954,668	2,527,118,665	259,493,571	504,649,978	94,818,918	913,405,287	(3,379,298)	(5,882,573)	4,312,179,216	\$ 2,071,754,322
PRO FORMA ADJUSTMENTS	\$ (254,860,493)	0	0	0	(183,500)	(98,241,635)	0	0	0	(98,425,134)	\$ (156,435,318)
(SEE SCHEDULE 2, PAGE 2A OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,129,073,085	21,954,668	2,527,118,665	259,493,571	504,466,479	(3,422,717)	913,405,287	(3,379,298)	(5,882,573)	4,213,754,081	\$ 1,915,319,003

(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
DECEMBER, 2017

SCHEDULE 3: PAGE 2A 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)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (254,860,453)	0	0	0	(183,500)	(98,241,635)	0	0	0	(98,425,134)	\$ (156,435,318)
TOTAL PROFORMA ADJUSTMENTS	\$ (254,860,453)	0	0	0	(183,500)	(98,241,635)	0	0	0	(98,425,134)	\$ (156,435,318)

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, 2017

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,627,726,325	\$ 1,548,216,291
FUEL AND CAPACITY	148,058,415	140,779,549
CAPITALIZED EXECUTIVE COMPENSATION	24,221,926	23,503,271
LOAD CONTROL	51,082,126	51,082,126
ASSET RETIREMENT OBLIGATION	453,401,251	439,949,031
CAPITAL LEASES	59,410,224	57,647,548
TOTAL	<u>\$ 2,363,900,267</u>	<u>\$ 2,261,177,817</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (306,618,479)	\$ (291,640,965)
ACCUM PROV DECOMMISSIONING COSTS	(4,501,082,634)	(4,315,304,299)
ASSET RETIREMENT OBLIGATION	(13,562,920)	(13,160,514)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,175,546,408	4,051,659,737
FUEL AND CAPACITY	(41,354,736)	(39,361,352)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
LOAD CONTROL	(24,322,261)	(24,322,261)
CAPITAL LEASES	(8,902,500)	(8,638,367)
TOTAL	<u>\$ (720,297,123)</u>	<u>\$ (640,768,051)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,401,206,972	\$ 2,272,322,213
CWIP - CLAUSE PROJECTS	61,939,787	58,907,828
TOTAL	<u>\$ 2,463,146,759</u>	<u>\$ 2,331,230,040</u>
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
WORKING CAPITAL:		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,175,017,375)	\$ (3,098,430,459)
TOTAL ADJUSTMENTS	<u>\$ 931,732,528</u>	<u>\$ 853,209,347</u>

NOTES:

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

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

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)	(GAINS)LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 11,676,090,880	3,453,805,509	2,808,827,200	1,293,650,050	183,447,400	935,185,816	(3,502,803)	(6,008,065)	9,385,791,577	\$ 2,290,298,303
FPSC ADJUSTMENTS										
FRANCHISE REVENUE	\$ (506,346,509)	0	0	(13,023,232)	(180,299,454)	0	0	0	(203,322,686)	\$ (903,023,823)
FRANCHISE EXPENSE	0	0	0	(493,333,216)	190,299,431	0	0	0	(303,023,785)	303,023,785
GROSS RECEIPTS TAX	(260,864,872)	0	0	(260,612,708)	(97,658)	0	0	0	(260,710,366)	(155,508)
FINANCIAL PLANNING SERVICES	0	0	0	0	148,632	0	0	0	(236,675)	236,675
INDUSTRY ASSOCIATION DUES	0	0	0	0	917,465	0	0	0	(1,460,928)	1,460,928
ECONOMIC DEVELOPMENT 5%	0	0	0	0	53,945	0	0	0	(85,899)	85,899
AVIATION - EXPENSES	0	0	0	0	60,405	0	0	0	(96,186)	96,186
EXECUTIVE COMPENSATION	0	0	0	0	14,365,273	0	0	0	(22,876,172)	22,876,172
FUEL COST REC RETAIL	(3,278,392,814)	(3,263,361,666)	8,053,218	(2,226,556)	(35,863,747)	17,942,397	0	0	(3,285,721,463)	(12,861,351)
CONSERVATION COST RECOVERY	(66,630,159)	0	(9,586,945)	(1,130,275)	(935,872)	(1,049)	0	0	(55,138,091)	(1,492,069)
CAPACITY COST RECOVERY	(318,163,213)	(207,385,680)	(4,519,730)	(389,357)	(15,502,453)	(10,527,799)	0	0	(276,713,874)	(41,448,339)
ENVIRONMENTAL COST RECOVERY	(200,298,208)	0	(45,968,096)	(296,993)	(84,698,040)	18,883,352	0	123,492	(127,345,073)	(72,953,194)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(392,970,924)	0	(311,251,282)	0	(3,231,136)	0	0	0	(387,825,812)	(5,145,112)
INTEREST TAX DEFICIENCIES	0	0	193,764	0	(74,744)	0	0	0	119,019	(119,019)
INTEREST SYNCHRONIZATION	0	0	0	0	17,958,897	(6,502,717)	0	0	9,456,180	(9,456,180)
TOTAL FPSC ADJUSTMENTS	\$ (5,013,657,700)	(3,470,747,366)	(963,352,665)	(771,002,437)	(76,928,159)	17,794,184	0	123,492	(4,894,961,811)	\$ (118,673,899)
FPSC ADJUSTED	\$ 6,662,433,180	23,058,140	2,575,858,513	522,647,613	116,519,241	952,980,000	(3,502,803)	(5,882,573)	4,490,809,766	\$ 2,171,624,414
PRO FORMA ADJUSTMENTS	\$ (254,860,463)	0	0	(183,500)	(98,241,633)	0	0	0	(98,423,134)	\$ (158,435,318)
(SEE SCHEDULE 3, PAGE 3B OF 3)										
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,407,572,728	23,058,140	2,575,858,513	522,464,113	18,277,606	952,980,000	(3,502,803)	(5,882,573)	4,392,386,632	\$ 2,015,189,096

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 100,564,817

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0660-A-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, 2017

SCHEDULE 3: PAGE 38 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)	\$ (254,860,453)	0	0	(183,500)	(88,241,635)	0	0	0	(98,425,134)	\$ (158,435,318)
TOTAL PROFORMA ADJUSTMENTS	\$ (254,860,453)	0	0	(183,500)	(88,241,635)	0	0	0	(98,425,134)	\$ (158,435,318)

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, 2017

SCHEDULE 4: PAGE 1 OF 2

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
	1	2	3	4	5	6	7	8	9	10	11	12
LONG TERM DEBT	\$ 9,455,269,337	\$ 9,104,754,795	\$ 88,579,559	\$ (201,685,151)	\$ 8,991,649,192	27.56%	4.41%	1.21%	4.41%	1.21%	4.41%	1.21%
SHORT TERM DEBT	1,151,901,705	1,108,493,894	11,028,769	(0)	1,119,522,663	3.43%	2.04%	0.07%	2.04%	0.07%	2.04%	0.07%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	15,110,778,627	14,541,350,186	144,676,661	(0)	14,686,026,846	45.01%	9.60%	4.32%	10.55%	4.75%	11.60%	5.22%
CUSTOMER DEPOSITS	405,774,045	405,288,405	4,032,347	0	409,320,752	1.25%	2.09%	0.03%	2.09%	0.03%	2.09%	0.03%
DEFERRED INCOME TAX	7,879,311,685	7,562,634,079	72,079,893	(337,934,299)	7,316,779,674	22.42%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	251,656,621	240,572,185	1,036,292	(136,415,174)	105,193,304	0.32%	7.50%	0.02%	8.22%	0.03%	8.84%	0.03%
TOTAL	\$ 34,254,692,219	\$ 32,963,093,544	\$ 321,433,522	\$ (676,034,634)	\$ 32,628,492,431	100.00%		5.66%		6.09%		6.56%
YEAR END	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS PRO RATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
	1	2	3	4	5	6	7	8	9	10	11	12
LONG TERM DEBT	\$ 10,250,915,493	\$ 10,189,623,696	\$ (51,876,731)	\$ (201,067,709)	\$ 9,936,677,156	28.70%	4.09%	1.17%	4.09%	1.17%	4.09%	1.17%
SHORT TERM DEBT	1,713,044,510	1,702,914,759	(8,644,628)	(0)	1,694,070,132	4.89%	2.13%	0.10%	2.13%	0.10%	2.13%	0.10%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	14,957,957,442	14,669,506,509	(77,229,495)	(0)	14,792,277,014	42.73%	9.60%	4.10%	10.55%	4.51%	11.60%	4.96%
CUSTOMER DEPOSITS	393,587,246	392,957,638	(2,040,950)	(0)	390,916,688	1.13%	2.18%	0.02%	2.18%	0.02%	2.18%	0.02%
DEFERRED INCOME TAX	8,139,821,610	8,060,753,372	(40,214,785)	(337,934,299)	7,702,604,288	22.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	243,825,377	236,347,285	(634,355)	(133,464,395)	102,348,535	0.30%	7.35%	0.02%	7.95%	0.02%	8.55%	0.03%
TOTAL	\$ 35,698,151,678	\$ 35,472,103,159	\$ (180,742,943)	\$ (672,466,404)	\$ 34,618,893,812	100.00%		5.43%		5.83%		6.28%

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
DECEMBER, 2017

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,358,971,757
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	22,042,040
INCOME TAXES	1,102,278,591
TOTAL	\$ 3,483,292,388
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 500,744,898
TIMES INTEREST EARNED WITH AFUDC	6.96

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,358,971,757
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(78,542,777)
INCOME TAXES	1,102,278,591
TOTAL	\$ 3,382,707,571
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 500,744,898
TIMES INTEREST EARNED WITHOUT AFUDC	6.76

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 22,042,040
X (1 - INCOME TAX RATE)	0.8143
SUBTOTAL	\$ 13,539,323
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	78,542,777
TOTAL	\$ 92,082,100
NET INCOME AVAILABLE FOR COMMON	\$ 1,880,268,899
AFUDC AS PERCENT OF NET INCOME	4.90%

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:

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 1,880,268,899
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(1,450,000,000)
AFUDC (DEBT & OTHER)	(100,584,817)
DEPRECIATION AND AMORTIZATION EXPENSE	672,384,470
DEFERRED INCOME TAXES	925,234,912
INVESTMENT TAX CREDITS	(3,502,803)
OTHER SOURCE/USES OF FUNDS	216,070,878
INTERNALLY GENERATED FUNDS	\$ 2,139,871,539
CONSTRUCTION EXPENDITURES	\$ 4,715,810,415
PERCENT INTERNALLY GENERATED FUNDS	45.38%

E. LONG TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL

JURIS ADJUSTED LONG TERM DEBT	\$ 8,991,648,192
JURIS ADJUSTED SHORT TERM DEBT	1,119,522,863
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	14,686,026,846
TOTAL	\$ 24,797,198,702
LTD TO TOTAL INVESTOR FUNDS	36.26%
STD TO TOTAL INVESTOR FUNDS	4.51%

F. SHORT TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL

AVERAGE RETAIL AMOUNTS	
JURIS ADJUSTED LONG TERM DEBT	\$ 8,991,648,192
JURIS ADJUSTED SHORT TERM DEBT	1,119,522,863
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	14,686,026,846
TOTAL	\$ 24,797,198,702
LTD TO TOTAL INVESTOR FUNDS	36.26%
STD TO TOTAL INVESTOR FUNDS	4.51%

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.32%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	1.21%
SHORT TERM DEBT	0.07%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.03%
SUBTOTAL	1.34%
TOTAL	4.99%
DIVIDED BY COMMON EQUITY RATIO	45.01%
JURISDICTIONAL RETURN ON COMMON EQUITY	11.08%

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

SCHEDULE 5: PAGE 2 OF 2

H. PRO FORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 5.84%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.21%
SHORT TERM DEBT	0.07%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.03%
SUBTOTAL	<u>1.34%</u>

PRO FORMA FOR LESS NON EQUITY COST 4.51%

PRO FORMA COMMON EQUITY RATIO 45.01%

PRO FORMA RETURN ON COMMON EQUITY 10.01%

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
BASIS FOR THE REQUESTED AFUDC RATE
FPSC ADJUSTED BASIS
DECEMBER, 2017

SCHEDULE A: PAGE 1 OF 1

CAPITAL COMPONENTS	JURISDICTIONAL AVERAGE	CAPITAL RATIO	COST OF CAPITAL	AFUDC WEIGHTED COMPONENTS
LONG TERM DEBT	\$ 8,991,649,192	27.56%	4.09%	1.13%
SHORT TERM DEBT	1,119,522,663	3.43%	2.04% *	0.07%
PREFERRED STOCK	-	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	409,320,752	1.25%	2.09% *	0.03%
COMMON EQUITY	14,686,026,846	45.01%	10.55%	4.75%
DEFERRED INCOME TAX	7,316,779,674	22.42%	0.00%	0.00%
INVESTMENT TAX CREDITS	105,193,304	0.32%	0.00%	0.00%
TOTAL	\$ 32,628,492,431	100.00%		5.97%

* 13-MONTH AVERAGE

NOTE:
EFFECTIVE JANUARY 1, 2017 THE COMMISSION APPROVED AFUDC RATE IS 6.16%

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
BASIS FOR THE REQUESTED AFUDC RATE
FPSC ADJUSTED BASIS
DECEMBER, 2017

SCHEDULE B: PAGE 1 OF 3

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	COMMISSION ADJUSTMENTS *	ADJUSTED RETAIL
LONG TERM DEBT	\$ 9,455,269,337	9,104,754,795	(113,105,603)	8,991,649,192
SHORT TERM DEBT	1,151,901,705	1,108,493,894	11,028,769	1,119,522,663
PREFERRED STOCK	-	-	-	-
COMMON EQUITY	15,110,778,827	14,541,350,186	144,676,661	14,686,026,846
CUSTOMER DEPOSITS	405,774,045	405,288,405	4,032,347	409,320,752
DEFERRED INCOME TAX	7,879,311,685	7,582,694,079	(265,854,406)	7,316,779,674
INVESTMENT TAX CREDITS	251,656,621	240,572,185	(135,378,881)	105,193,304
TOTAL	\$ 34,254,692,219	32,983,093,544	(354,601,113)	32,628,492,431

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

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

SCHEDULE B: PAGE 2 OF 3

RATE BASE ADJUSTMENTS	JURISDICTIONAL
PLANT IN SERVICE:	
ENVIRONMENTAL	\$ 1,548,316,648
FUEL AND CAPACITY	126,425,378
CAPITALIZED EXECUTIVE COMPENSATION	18,133,980
LOAD CONTROL	48,264,376
ASSET RETIREMENT OBLIGATION	420,501,091
CAPITAL LEASES	57,578,305
TOTAL	<u>\$ 2,219,219,778</u>
ACCUMULATED PROVISION FOR DEPRECIATION:	
ENVIRONMENTAL	\$ (268,413,842)
ACCUM PROV DECOMMISSIONING COSTS	(4,076,104,882)
ASSET RETIREMENT OBLIGATION	3,239,546
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,925,783,894
FUEL AND CAPACITY	(37,470,370)
OTHER RATE CASE ADJUSTMENTS (1)	0
LOAD CONTROL	(21,223,220)
CAPITAL LEASES	(7,951,671)
TOTAL	<u>\$ (582,140,545)</u>
CONSTRUCTION WORK IN PROGRESS:	
CONSTRUCTION WORK IN PROGRESS	\$ 1,780,033,540
CWIP - CLAUSE PROJECTS (1)	\$ 35,918,799
TOTAL	<u>\$ 1,815,952,338</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)	\$ (3,098,430,459)
TOTAL ADJUSTMENTS	<u>\$ 354,601,113</u>

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-\$-E1.

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

SCHEDULE B: PAGE 3 OF 3

<u>WORKING CAPITAL ADJUSTMENTS</u>	<u>JURISDICTIONAL</u>
<u>ADJUSTMENTS TO ASSETS PER BOOKS:</u>	
ACCOUNTS RECEIVABLE - ASSOC COS	\$ 20,940,551
INTEREST & DIVIDENDS RECEIVABLE	22,242
NET UNDERRECOVERED FUEL, CAPACITY, ECCR, ECR	21,982,186
POLE ATTACHMENTS RENTS RECEIVABLE	15,146,192
PREPAYMENTS - ECCR	50,655,155
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	9,507,987
TEMPORARY CASH INVESTMENTS	414,624
STORM DEFICIENCY RECOVERY	232,272,880
NUCLEAR COST RECOVERY	27,234
JOBGING ACCOUNTS	11,464,866
OTH REG ASSETS - CLAUSES	992,442
MISC. DEFERRED DEBIT - CLAUSES	15,778,342
CEDAR BAY TRANSACTION	640,987,318
ICL TRANSACTION	372,284,050
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,392,476,080
<u>ADJUSTMENTS TO LIABILITIES PER BOOKS:</u>	
ACCOUNTS PAYABLE - ASSOC COS	\$ 0
ACCUM DEFERRED RETIREMENT BENEFITS	(206,512)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	405,142,023
ACCUM. PROV. - RATE REFUNDS	(7,149)
GAIN ON SALE OF EMISSION ALLOWANCE	(2,870)
JOBGING ACCOUNTS	(18,221,150)
POLE ATTACHMENT RENTS PAYABLE	(7,475,517)
SJRPP ACCELERATED RECOVERY	(13,730,936)
ASSET RETIREMENT OBLIGATION	(4,249,538,714)
MARGIN CALL CASH COLLATERAL	(497,164)
STORM DEFICIENCY RECOVERY	(353,268,071)
NUCLEAR COST RECOVERY	(247,893,679)
CEDAR BAY TRANSACTION	(5,206,801)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (4,490,906,539)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,098,430,459)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
METHODOLOGY FOR MONTHLY COMPOUNDING
OF THE AFUDC RATE
DECEMBER, 2017

SCHEDULE C: PAGE 1 OF 1

AFUDC COMPOUNDING

$((1+R/12)^{**12})-1 =$ APPROVED RATE
 $((1+R/12)^{**12})-1 =$ 5.97%
 $((1+R/12)^{**12}) =$ 1.05970000
 $(1+R/12) =$ 1.00484385
 $(R/12) =$ 0.00484385

MONTHS	AFUDC		MONTHLY		CUMULATIVE	
	BASE	AFUDC	AFUDC	AFUDC	AFUDC	AFUDC
JAN	1.00000000	0.00484385	0.00484385	0.00484385	0.00484385	0.00484385
FEB	1.00484385	0.00486731	0.00486731	0.00971116	0.00971116	0.00971116
MAR	1.00971116	0.00489089	0.00489089	0.01460205	0.01460205	0.01460205
APR	1.01460205	0.00491458	0.00491458	0.01951662	0.01951662	0.01951662
MAY	1.01951662	0.00493838	0.00493838	0.02445501	0.02445501	0.02445501
JUN	1.02445501	0.00496230	0.00496230	0.02941731	0.02941731	0.02941731
JUL	1.02941731	0.00498634	0.00498634	0.03440365	0.03440365	0.03440365
AUG	1.03440365	0.00501049	0.00501049	0.03941415	0.03941415	0.03941415
SEP	1.03941415	0.00503476	0.00503476	0.04444891	0.04444891	0.04444891
OCT	1.04444891	0.00505915	0.00505915	0.04950806	0.04950806	0.04950806
NOV	1.04950806	0.00508366	0.00508366	0.05459172	0.05459172	0.05459172
DEC	1.05459172	0.00510828	0.00510828	0.05970000	0.05970000	0.05970000

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FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
SUPPLEMENTAL EARNINGS SURVEILLANCE INFORMATION
COMMERCIAL/INDUSTRIAL SERVICE RIDER
DECEMBER, 2017

SCHEDULE D: PAGE 1 OF 1

CONFIDENTIAL

CSA-1

The information below is presented to comply with Order No. PSC-14-0197-PAA-EI, Docket No. 140048-EI. This supplemental information is to be treated as confidential. The total difference for all executed Contract Service Arrangements (CSAs) between the calendar year 2017 revenues that would have been received under the otherwise applicable tariff rate(s) and the CISR rate is (b) (1)

Footnotes:

(1) Please note that, but for the Commercial Industrial Service Rider, FPL would not serve this load and would receive no revenues for it.

RESERVE AMOUNT BALANCE AS OF DECEMBER 31, 2017

ATTACHMENT 1

	AMOUNT	RELATED ORDER
Rollover Reserve Amount - 12/31/2016 ⁽¹⁾	\$ 252,100,355	
Depreciation Reserve Surplus Approved by FPSC - 1/1/2017	\$ 1,000,000,000	PSC-16-0560-AS-EI
Total Reserve Amount Available Under Current Settlement Agreement	\$ 1,252,100,355	
Actual Amortization from 1/1/2017 - 12/31/2017:		
January, 2017	\$ (125,223,511)	
February, 2017	\$ (35,682,879)	
March, 2017	\$ (52,328,640)	
April, 2017	\$ 26,451,730	
May, 2017	\$ (36,038,470)	
June, 2017	\$ (7,408,419)	
July, 2017	\$ 25,671,697	
August, 2017	\$ 22,847,456	
September, 2017	\$ 75,509,428	
October, 2017	\$ 54,523,942	
November, 2017	\$ (52,119,437)	
December, 2017 ⁽²⁾	\$ (1,148,303,252)	
Total Amortization from 1/1/2017 - 12/31/2017	\$ (1,252,100,355)	
Remaining Reserve Amount - 12/31/2017	\$0	

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) The December 2017 amortization amount is a partial offset to the \$1.3 billion Hurricane Irma restoration cost write-off.