



May 15, 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:

Enclosed is Florida Power & Light Company's Rate of Return Surveillance Report to the Florida Public Service Commission for March 2018. 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 11.22%.

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". The signature is written in a cursive style with a prominent initial "E" and a long, sweeping underline.

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
MARCH, 2018

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	\$ 2,351,672,188 (A)	(237,691,108) (B)	2,113,981,081	(157,852,363)	\$ 1,956,128,718
RATE BASE	\$ 33,789,840,620	(407,516,768)	33,382,323,852	0	\$ 33,382,323,852
AVERAGE RATE OF RETURN	6.96%		6.33%		5.86%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,351,672,188 (A)	(220,016,692) (B)	2,131,655,497	(157,852,363)	\$ 1,973,803,134
RATE BASE	\$ 36,028,673,579	(324,021,253)	35,704,652,326	0	\$ 35,704,652,326
YEAR END RATE OF RETURN	6.53%		5.97%		5.53%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	5.61%
MIDPOINT	6.04%
HIGH	6.51%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.56 (SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.36 (SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	5.17% (SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	60.64% (SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	36.49% (FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	5.03% (FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.22% (FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.15% (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-A5-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.

(VICE PRESIDENT AND CHIEF ACCOUNTING OFFICER)

Kimberly Ousdahl
for K. Ousdahl
(SIGNATURE)

5/15/18
(DATE)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
MARCH, 2018

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	\$ 46,576,026,310	15,162,099,961	31,413,926,349	295,792,900	3,446,875,535	647,902,864	35,804,497,647	(633,457,555)	\$ 35,171,040,092
JURISDICTIONAL PER BOOKS	\$ 44,589,048,176	12,805,158,400	31,783,889,776	279,404,839	3,289,961,880	621,441,066	35,984,697,560	(2,194,858,940)	\$ 33,789,840,620
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,219,790,904)	(597,968,987)	(1,621,821,917)	0	(1,969,530,437)	0	(3,591,352,354)	3,183,835,596	\$ (407,516,788)
FPSC ADJUSTED:	\$ 42,369,257,272	12,207,189,413	30,162,067,859	279,404,839	1,330,431,443	621,441,066	32,393,345,206	988,978,646	\$ 33,382,323,852

PRO FORMA ADJUSTMENTS

TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 42,369,257,272	12,207,189,413	30,162,067,859	279,404,839	1,330,431,443	621,441,066	32,393,345,206	988,978,646	\$ 33,382,323,852

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
MARCH, 2018

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	\$ 11,786,066,091	3,460,300,206	2,824,130,213	892,322,671	1,300,259,633	58,081,759	711,876,701	205,454,437	(6,029,720)	9,446,395,900	\$ 2,339,670,190
JURISDICTIONAL PER BOOKS	\$ 11,348,831,787	3,294,701,739	2,770,686,939	828,497,036	1,280,917,932	55,681,138	678,214,523	197,686,813	(6,023,750)	9,100,362,370	\$ 2,248,469,417
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (509,672,558)	0	0	0	(13,108,778)	(177,763,765)	0	0	0	(190,872,543)	\$ (318,800,015)
FRANCHISE EXPENSE	0	0	0	0	(496,561,137)	177,763,089	0	0	0	(318,798,048)	318,798,048
GROSS RECEIPTS TAX	(263,124,910)	0	0	0	(262,795,887)	(113,113)	0	0	0	(262,909,000)	(215,910)
FINANCIAL PLANNING SERVICES	0	0	(368,500)	0	0	135,322	0	0	0	(233,178)	233,178
INDUSTRY ASSOCIATION DUES	0	0	(2,316,001)	0	0	829,263	0	0	0	(1,486,738)	1,486,738
ECONOMIC DEVELOPMENT 5%	0	0	(139,974)	0	0	50,264	0	0	0	(89,710)	89,710
AVIATION - EXPENSES	0	0	(160,320)	0	0	56,896	0	0	0	(103,423)	103,423
EXECUTIVE COMPENSATION	0	0	(35,943,227)	0	0	12,973,141	0	0	0	(22,970,086)	22,970,086
FUEL COST REC RETAIL	(3,114,514,136)	(3,094,873,480)	(214,963)	6,050,666	(2,208,433)	(9,984,295)	970,612	0	0	(3,100,259,892)	(14,254,244)
CONSERVATION COST RECOVERY	(55,893,309)	0	(42,629,432)	(9,813,106)	(1,133,309)	(829,333)	(676)	0	0	(54,405,856)	(1,487,453)
CAPACITY COST RECOVERY	(284,957,942)	(177,702,707)	(35,757,363)	(2,555,548)	(368,594)	(24,758,460)	(2,903,943)	0	0	(244,046,615)	(50,911,326)
ENVIRONMENTAL COST RECOVERY	(196,249,713)	0	(35,169,525)	(43,440,495)	(281,946)	(56,888,870)	14,874,610	0	116,567	(120,759,658)	(75,490,055)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(421,310,525)	0	(120,118,607)	(293,323,414)	0	(2,780,268)	0	0	0	(416,222,289)	(5,088,236)
INTEREST TAX DEFICIENCIES	0	0	285,240	0	0	(100,656)	0	0	0	184,584	(184,584)
INTEREST SYNCHRONIZATION	0	0	0	0	0	19,626,456	(7,888,760)	0	0	11,737,697	(11,737,697)
TOTAL FPSC ADJUSTMENTS	\$ (4,855,723,092)	(3,272,576,187)	(272,532,671)	(343,081,896)	(776,458,084)	(61,754,327)	5,051,843	0	116,567	(4,721,234,755)	\$ (134,488,336)
FPSC ADJUSTED	\$ 6,493,108,695	22,125,552	2,498,154,268	485,415,140	504,459,848	(6,073,190)	683,266,366	197,686,813	(5,907,183)	4,379,127,615	\$ 2,113,981,081
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (254,045,015)	0	0	0	(182,912)	(96,009,740)	0	0	0	(96,192,652)	\$ (157,852,363)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,239,063,680	22,125,552	2,498,154,268	485,415,140	504,276,935	(102,082,930)	683,266,366	197,686,813	(5,907,183)	4,282,934,962	\$ 1,956,128,718
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 107,357,282										
	\$ 103,202,771										
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:	\$ 2,890,620										
ON A TOTAL COMPANY BASIS	\$ 2,799,478										
ON A JURISDICTIONAL BASIS											
CURRENT MONTH AMOUNT	\$ 827,193,978	229,044,635	112,976,327	149,976,022	99,629,543	(99,765,942)	32,982,968	105,135,560	(496,141)	629,482,973	\$ 197,711,006
SYSTEM PER BOOKS	\$ 798,502,342	217,809,545	108,858,450	144,287,705	97,849,054	(97,594,800)	34,211,252	101,160,696	(496,140)	608,082,763	\$ 192,419,590
JURISDICTIONAL PER BOOKS											

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
MARCH, 2018

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)	\$ (254,045,015)	0	0	0	(182,912)	(96,009,740)	0	0	0	(96,192,652)	\$ (157,852,363)
TOTAL PROFORMA ADJUSTMENTS	\$ (254,045,015)	0	0	0	(182,912)	(96,009,740)	0	0	0	(96,192,652)	\$ (157,852,363)

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
MARCH, 2018

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,615,139,729	\$ 1,536,453,521
FUEL AND CAPACITY	138,455,282	131,759,497
CAPITALIZED EXECUTIVE COMPENSATION	20,789,023	20,133,537
LOAD CONTROL	49,265,675	49,265,675
ASSET RETIREMENT OBLIGATION	438,495,231	424,669,319
CAPITAL LEASES	59,381,680	57,509,354
TOTAL	<u>\$ 2,321,526,620</u>	<u>\$ 2,219,790,904</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (285,036,455)	\$ (271,150,079)
ACCUM PROV DECOMMISSIONING COSTS	(4,349,571,904)	(4,159,967,304)
ASSET RETIREMENT OBLIGATION	(4,746,585)	(4,596,923)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,034,260,755	3,907,059,070
FUEL AND CAPACITY	(40,523,578)	(38,576,617)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
LOAD CONTROL	(22,458,582)	(22,458,582)
CAPITAL LEASES	(8,548,077)	(8,278,553)
TOTAL	<u>\$ (676,624,424)</u>	<u>\$ (597,968,987)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,041,710,556	\$ 1,924,357,083
CWIP - CLAUSE PROJECTS	47,483,784	45,173,354
TOTAL	<u>\$ 2,089,194,340</u>	<u>\$ 1,969,530,437</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)	\$ (3,270,673,054)	\$ (3,183,835,586)
TOTAL ADJUSTMENTS	\$ 463,423,481	\$ 407,516,768

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
MARCH, 2018

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	\$ 11,786,666,091	3,480,300,206	2,824,130,213	892,322,871	1,300,259,633	58,081,759	711,876,701	205,454,437	(8,028,720)	9,448,395,900	\$ 2,339,670,190
FFSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (508,672,558)	0	0	0	(13,108,778)	(177,763,765)	0	0	0	(190,872,543)	\$ (318,600,015)
FRANCHISE EXPENSE	0	0	0	0	(468,591,137)	177,763,089	0	0	0	(318,798,048)	318,798,048
GROSS RECEIPTS TAX	(263,124,910)	0	0	0	(282,795,887)	(113,113)	0	0	0	(545,909,000)	(215,910)
FINANCIAL PLANNING SERVICES	0	0	(380,497)	0	0	139,728	0	0	0	(240,770)	240,770
INDUSTRY ASSOCIATION DUES	0	0	(2,391,402)	0	0	856,281	0	0	0	(1,535,141)	1,535,141
ECONOMIC DEVELOPMENT 5%	0	0	(144,531)	0	0	51,900	0	0	0	(92,631)	92,631
AVIATION - EXPENSES	0	0	(165,539)	0	0	58,749	0	0	0	(106,791)	106,791
EXECUTIVE COMPENSATION	0	0	(37,113,427)	0	0	13,395,508	0	0	0	(23,717,921)	23,717,921
FUEL COST RECOVERY	(3,288,546,904)	(3,250,318,483)	(225,789)	6,053,218	(2,209,811)	(8,629,591)	522,439	0	0	(3,254,806,787)	(13,540,118)
CONSERVATION COST RECOVERY	(55,893,309)	0	(42,629,432)	(9,813,106)	(1,133,309)	(829,333)	(676)	0	0	(54,405,856)	(1,487,453)
CAPACITY COST RECOVERY	(265,947,044)	(186,823,873)	(37,583,427)	(2,788,184)	(376,836)	(21,075,880)	(2,903,943)	0	0	(251,552,242)	(43,784,802)
ENVIRONMENTAL COST RECOVERY	(198,246,713)	0	(38,970,657)	(45,885,207)	(289,149)	(55,357,595)	14,874,610	0	122,537	(123,285,461)	(72,864,252)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(421,310,525)	0	(120,118,607)	(283,323,414)	0	(2,780,288)	0	0	0	(416,222,289)	(5,085,236)
INTEREST TAX DEFICIENCIES	0	0	294,526	0	0	(103,933)	0	0	0	190,593	(160,593)
INTEREST SYNCHRONIZATION	0	0	0	0	0	20,270,045	(8,145,593)	0	0	12,124,452	(12,124,452)
TOTAL FFSC ADJUSTMENTS	\$ (5,009,944,093)	(3,437,142,336)	(277,428,783)	(345,536,893)	(778,474,707)	(54,117,288)	4,348,837	0	122,537	(4,886,230,433)	\$ (123,714,530)
FFSC ADJUSTED	\$ 6,776,121,128	23,157,870	2,548,701,430	548,785,678	523,784,926	3,984,471	716,223,538	205,454,437	(5,907,183)	4,580,165,468	\$ 2,215,955,681
PRO FORMA ADJUSTMENTS	\$ (254,045,015)	0	0	0	(182,912)	(86,086,740)	0	0	0	(86,192,652)	\$ (157,852,363)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 8,522,076,113	23,157,870	2,548,701,430	548,785,878	523,602,013	(92,045,269)	716,223,538	205,454,437	(5,907,183)	4,463,972,815	\$ 2,058,103,288
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 107,357,282										

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
MARCH, 2018

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	21,156,909	20,457,793
INTEREST & DIVIDENDS RECEIVABLE	27,813	26,894
NET UNDERRECOVERED FUEL, CAPACITY, ECCR, ECR	20,476,186	20,469,254
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	13,668,408	13,668,408
PREPAYMENTS - ECCR	49,906,557	49,906,557
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	10,389,284	9,987,239
TEMPORARY CASH INVESTMENTS	685,912	663,246
STORM DEFICIENCY RECOVERY	205,282,434	205,179,670
NUCLEAR COST RECOVERY	7,534	7,534
JOBGING ACCOUNTS	17,638,933	17,056,067
OTH REG ASSETS - CLAUSES	2,872,696	2,734,953
MISC. DEFERRED DEBIT - CLAUSES	11,731,834	11,169,306
CEDAR BAY TRANSACTION	658,228,689	626,310,401
ICL TRANSACTION	413,875,000	393,805,711
SJRPP TRANSACTION	23,310,350	22,179,243
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,449,258,538	\$ 1,393,622,277
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(207,163)	(200,631)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	332,002,556	332,002,556
ACCUM. PROV. - RATE REFUNDS	(1,281)	0
GAIN ON SALE OF EMISSION ALLOWANCE	(2,124)	(2,020)
JOBGING ACCOUNTS	(21,468,431)	(20,759,022)
POLE ATTACHMENT RENTS PAYABLE	(6,957,053)	(6,957,053)
SJRPP ACCELERATED RECOVERY	(12,425,566)	(11,823,036)
STORM DEFICIENCY RECOVERY	(289,138,704)	(289,138,704)
ASSET RETIREMENT OBLIGATION	(4,468,038,339)	(4,327,159,492)
MARGIN CALL CASH COLLATERAL	(551,923)	(533,685)
NUCLEAR COST RECOVERY	(247,848,010)	(247,848,010)
CEDAR BAY TRANSACTION	(5,295,553)	(5,038,765)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (4,719,931,592)	\$ (4,577,457,863)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,270,673,054)	\$ (3,183,835,586)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
MARCH, 2018

SCHEDULE 2: PAGE 30 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)	\$ (254,045,015)	0	0	0	(182,912)	(96,009,740)	0	0	0	(96,192,652)	\$ (157,852,363)
TOTAL PROFORMA ADJUSTMENTS	\$ (254,045,015)	0	0	0	(182,912)	(96,009,740)	0	0	0	(96,192,652)	\$ (157,852,363)

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
MARCH, 2018

	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	\$ 11,796,066,091	3,480,300,208	2,824,130,213	892,322,671	1,300,259,633	58,081,759	711,876,701	205,454,437	(6,028,720)	9,446,395,000	\$ 2,339,670,190
JURISDICTIONAL PER BOOKS	\$ 11,348,831,787	3,294,701,739	2,770,686,939	828,497,038	1,280,917,932	55,881,138	678,214,523	197,666,813	(6,023,750)	9,100,362,370	\$ 2,248,469,417
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	(509,872,558)	0	0	0	(13,108,776)	(177,763,765)	0	0	0	(190,872,543)	\$ (318,900,015)
FRANCHISE EXPENSE	0	0	0	0	(486,561,137)	177,763,089	0	0	0	(318,798,048)	318,798,048
GROSS RECEIPTS TAX	(283,124,910)	0	0	0	(282,795,887)	(113,115)	0	0	0	(282,909,000)	(215,010)
FINANCIAL PLANNING SERVICES	0	0	(368,500)	0	0	135,322	0	0	0	(233,178)	233,178
INDUSTRY ASSOCIATION DUES	0	0	(2,316,001)	0	0	829,263	0	0	0	(1,486,738)	1,486,738
ECONOMIC DEVELOPMENT 5%	0	0	(139,674)	0	0	50,264	0	0	0	(89,710)	89,710
AVIATION - EXPENSES	0	0	(160,320)	0	0	56,896	0	0	0	(103,423)	103,423
EXECUTIVE COMPENSATION	0	0	(35,943,227)	0	0	12,973,141	0	0	0	(22,970,086)	22,970,086
FUEL COST REC RETAIL	(3,114,514,136)	(3,084,873,480)	(214,963)	6,050,666	(2,208,433)	(9,984,295)	970,612	0	0	(3,100,259,892)	(14,254,244)
CONSERVATION COST RECOVERY	(55,893,309)	0	(42,628,432)	(9,813,106)	(1,133,309)	(820,333)	(678)	0	0	(54,405,656)	(1,487,453)
CAPACITY COST RECOVERY	(294,857,842)	(177,702,707)	(35,757,353)	(2,555,548)	(368,594)	(24,758,460)	(2,903,843)	0	0	(244,046,615)	(50,911,326)
ENVIRONMENTAL COST RECOVERY	(186,248,713)	0	(35,166,525)	(43,440,485)	(281,946)	(56,858,870)	14,874,610	0	116,567	(120,759,658)	(75,490,055)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(421,310,525)	0	(120,118,807)	(293,323,414)	0	(2,780,268)	0	0	0	(416,222,289)	(5,088,236)
INTEREST TAX DEFICIENCIES	0	0	285,240	0	0	(100,556)	0	0	0	184,584	(184,584)
INTEREST SYNCHRONIZATION	0	0	0	0	0	1,952,040	(7,888,760)	0	0	(5,936,719)	5,936,719
TOTAL FPSC ADJUSTMENTS	\$ (4,855,723,092)	(3,272,576,187)	(272,532,671)	(343,081,896)	(776,458,084)	(76,428,743)	5,051,843	0	116,587	(4,738,609,171)	\$ (116,813,920)
FPSC ADJUSTED	\$ 6,493,108,695	22,125,552	2,498,154,268	485,415,140	504,459,848	(23,747,606)	683,289,368	197,666,813	(5,907,183)	4,381,453,199	\$ 2,131,655,497

PRO FORMA ADJUSTMENTS	\$ (254,045,015)	0	0	0	(182,912)	(98,009,740)	0	0	0	(98,192,652)	\$ (157,852,363)
(SEE SCHEDULE 2, PAGE 2A OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,239,063,680	22,125,552	2,498,154,268	485,415,140	504,276,935	(116,757,346)	683,289,368	197,666,813	(5,907,183)	4,283,260,546	\$ 1,973,803,134

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 107,357,282 AND THE JURISDICTIONAL NOI BY \$ 103,202,771

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

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
MARCH, 2018

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)	\$ (254,045,015)	0	0	0	(182,912)	(96,009,740)	0	0	0	(96,192,652)	\$ (157,852,363)
TOTAL PROFORMA ADJUSTMENTS	\$ (254,045,015)	0	0	0	(182,912)	(96,009,740)	0	0	0	(96,192,652)	\$ (157,852,363)

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
MARCH, 2018

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,572,647,326	\$ 1,496,031,259
FUEL AND CAPACITY	152,451,036	145,076,538
CAPITALIZED EXECUTIVE COMPENSATION	25,853,152	25,037,993
LOAD CONTROL	51,368,272	51,368,272
ASSET RETIREMENT OBLIGATION	452,358,730	438,095,697
CAPITAL LEASES	59,410,224	57,536,999
TOTAL	<u>\$ 2,314,088,740</u>	<u>\$ 2,213,146,759</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (307,163,028)	\$ (292,198,692)
ACCUM PROV DECOMMISSIONING COSTS	(4,472,945,989)	(4,277,963,322)
ASSET RETIREMENT OBLIGATION	(21,609,071)	(20,927,729)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,149,899,294	4,019,051,485
FUEL AND CAPACITY	(42,665,181)	(40,614,331)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
LOAD CONTROL	(26,044,366)	(26,044,366)
CAPITAL LEASES	(9,265,000)	(8,972,871)
TOTAL	<u>\$ (729,793,340)</u>	<u>\$ (647,669,825)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,996,498,938	\$ 1,878,281,558
CWIP - CLAUSE PROJECTS	67,378,809	64,098,347
TOTAL	<u>\$ 2,063,877,748</u>	<u>\$ 1,942,379,906</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)	\$ (3,270,673,054)	\$ (3,183,835,586)
TOTAL ADJUSTMENTS	\$ 377,500,094	\$ 324,021,253

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
MARCH, 2018

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	\$ 11,785,068,091	3,460,300,206	2,824,130,213	892,322,671	1,300,259,633	68,081,759	711,876,701	205,454,437	(6,029,720)	9,446,395,900	\$ 2,339,670,190
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (509,672,598)	0	0	0	(13,108,778)	(177,763,765)	0	0	0	(190,672,543)	\$ (318,800,015)
FRANCHISE EXPENSE	0	0	0	0	(496,561,137)	177,763,089	0	0	0	(318,798,048)	318,798,048
GROSS RECEIPTS TAX	(263,124,910)	0	0	0	(262,795,887)	(113,113)	0	0	0	(262,909,000)	(215,910)
FINANCIAL PLANNING SERVICES	0	0	(980,497)	0	0	139,728	0	0	0	(240,770)	240,770
INDUSTRY ASSOCIATION DUES	0	0	(2,391,402)	0	0	856,291	0	0	0	(1,535,141)	1,535,141
ECONOMIC DEVELOPMENT 5%	0	0	(144,531)	0	0	51,900	0	0	0	(92,631)	92,631
AVIATION - EXPENSES	0	0	(165,539)	0	0	58,749	0	0	0	(106,791)	106,791
EXECUTIVE COMPENSATION	0	0	(37,113,427)	0	0	13,395,506	0	0	0	(23,717,921)	23,717,921
FUEL COST REC RETAIL	(3,288,346,904)	(3,250,318,463)	(225,789)	6,053,218	(2,209,611)	(8,628,591)	522,439	0	0	(3,254,806,787)	(13,540,118)
CONSERVATION COST RECOVERY	(55,893,309)	0	(42,629,432)	(9,813,106)	(1,133,309)	(929,333)	(876)	0	0	(54,405,956)	(1,487,453)
CAPACITY COST RECOVERY	(295,347,044)	(186,823,873)	(37,583,427)	(2,788,184)	(376,836)	(21,075,980)	(2,903,943)	0	0	(251,552,242)	(43,794,802)
ENVIRONMENTAL COST RECOVERY	(196,248,713)	0	(36,870,657)	(45,665,207)	(289,149)	(55,357,595)	14,874,610	0	122,537	(123,285,461)	(72,964,252)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(421,310,525)	0	(120,118,607)	(283,323,414)	0	(2,780,268)	0	0	0	(416,222,289)	(5,088,236)
INTEREST TAX DEFICIENCIES	0	0	294,526	0	0	(103,933)	0	0	0	190,593	(190,593)
INTEREST SYNCHRONIZATION	0	0	0	0	0	5,064,648	(8,145,593)	0	0	(3,080,945)	3,080,945
TOTAL FPSC ADJUSTMENTS	\$ (5,009,944,963)	(3,437,142,336)	(277,428,783)	(345,536,693)	(776,474,707)	(89,322,665)	4,346,637	0	122,537	(4,901,435,830)	\$ (108,509,132)
FPSC ADJUSTED	\$ 6,776,121,128	23,157,870	2,546,701,430	546,785,978	523,784,926	(11,240,926)	716,223,538	205,454,437	(5,907,183)	4,544,960,070	\$ 2,231,161,058
PRO FORMA ADJUSTMENTS	\$ (254,045,015)	0	0	0	(182,912)	(96,009,740)	0	0	0	(96,192,652)	\$ (157,852,363)
(SEE SCHEDULE 3, PAGE 3B OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,522,076,113	23,157,870	2,546,701,430	546,785,978	523,602,013	(107,250,666)	716,223,538	205,454,437	(5,307,183)	4,448,767,418	\$ 2,073,308,695
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 107,357,282										

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. FSC-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
MARCH, 2018

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)	\$ (254,045,015)	0	0	(182,912)	(96,009,740)	0	0	0	(96,192,652)	\$ (157,852,363)
TOTAL PROFORMA ADJUSTMENTS	\$ (254,045,015)	0	0	(182,912)	(96,009,740)	0	0	0	(96,192,652)	\$ (157,852,363)

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
MARCH, 2018

SCHEDULE 4: PAGE 1 OF 2

AVERAGE	SYSTEM PER BOOKS			RETAIL PER BOOKS		ADJUSTMENTS		LOW POINT			MIDPOINT			HIGH POINT		
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	
LONG TERM DEBT	\$ 9,765,136,504	\$ 9,381,510,422	\$ 62,485,429	\$ (186,569,426)	\$ 9,257,426,425	27.73%	4.34%	1.20%	4.34%	1.20%	4.34%	1.20%	4.34%	1.20%	4.34%	
SHORT TERM DEBT	1,319,111,439	1,266,545,506	8,606,976	-	1,275,152,482	3.82%	2.24%	0.09%	2.24%	0.09%	2.24%	0.09%	2.24%	0.09%	2.24%	
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	15,348,330,051	14,736,706,743	100,145,226	0	14,836,851,969	44.45%	9.60%	4.27%	10.55%	4.69%	11.60%	5.16%	11.60%	5.16%		
CUSTOMER DEPOSITS	402,055,280	401,547,155	2,728,766	0	404,275,921	1.21%	2.10%	0.03%	2.10%	0.03%	2.10%	0.03%	2.10%	0.03%		
DEFERRED INCOME TAX (1)	8,058,581,971	7,738,035,287	50,469,274	(311,311,955)	7,477,192,606	22.40%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
INVESTMENT TAX CREDITS (2)	277,824,847	265,495,508	887,084	(134,958,143)	131,424,449	0.39%	7.55%	0.03%	8.17%	0.03%	8.78%	0.03%	8.78%	0.03%		
TOTAL	\$ 35,171,040,092	\$ 33,789,840,620	\$ 225,322,755	\$ (632,839,523)	\$ 33,382,323,852	100.00%	5.61%	6.04%	5.61%	6.04%	6.04%	6.04%	6.04%	6.04%		

YEAR END	SYSTEM PER BOOKS			RETAIL PER BOOKS		ADJUSTMENTS		LOW POINT			MIDPOINT			HIGH POINT		
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	
LONG TERM DEBT	\$ 10,326,256,006	\$ 10,168,299,506	\$ 86,064,373	\$ (185,902,751)	\$ 10,068,461,128	28.20%	4.38%	1.24%	4.38%	1.24%	4.38%	1.24%	4.38%	1.24%		
SHORT TERM DEBT	1,367,632,807	1,346,587,788	11,609,760	0	1,358,197,548	3.80%	2.54%	0.10%	2.54%	0.10%	2.54%	0.10%	2.54%	0.10%		
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
COMMON EQUITY	15,980,936,266	15,735,022,953	135,661,297	(0)	15,870,684,250	44.45%	9.60%	4.27%	10.55%	4.69%	11.60%	5.16%	11.60%	5.16%		
CUSTOMER DEPOSITS	390,743,074	390,341,450	3,365,373	0	393,706,824	1.10%	2.18%	0.02%	2.18%	0.02%	2.18%	0.02%	2.18%	0.02%		
DEFERRED INCOME TAX	8,109,833,619	7,977,767,948	66,097,226	(311,311,955)	7,732,553,220	21.66%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
INVESTMENT TAX CREDITS (2)	421,742,918	410,653,933	2,402,387	(132,006,963)	281,049,356	0.79%	7.55%	0.06%	8.16%	0.06%	8.77%	0.07%	8.77%	0.07%		
TOTAL	\$ 36,597,144,691	\$ 36,028,673,579	\$ 305,200,416	\$ (629,221,669)	\$ 35,704,652,326	100.00%	5.68%	6.11%	5.68%	6.11%	6.11%	6.11%	6.11%	6.11%		

NOTE:
(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$989.2 MILLION OF EXCESS DEFERRED TAXES
(2) INVESTMENT TAX CREDITS COST RATES ARE BASED ON THE WEIGHTED AVERAGE COST OF LONG TERM DEBT, PREFERRED STOCK AND COMMON EQUITY.
(3) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,413,136,449
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	23,173,455
INCOME TAXES	953,163,100
TOTAL	\$ 3,389,473,004
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 516,329,945
TIMES INTEREST EARNED WITH AFUDC	6.56

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,413,136,449
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(84,183,827)
INCOME TAXES	953,163,100
TOTAL	\$ 3,282,115,722
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 516,329,945
TIMES INTEREST EARNED WITHOUT AFUDC	6.36

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 23,173,455
X (1 - INCOME_TAX_RATE) (1)	0.6473
SUBTOTAL	\$ 15,000,641
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	84,183,827
TOTAL	\$ 99,184,468
NET INCOME AVAILABLE FOR COMMON	\$ 1,919,979,959
AFUDC AS PERCENT OF NET INCOME	5.17%

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 180,308,349
GAINS ON DISPOSITION OF PROPERTY	(6,029,720)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	0
	\$ 174,278,630

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF:

NOTE:

(1) INCOME TAX RATE IS BASED ON A PHASED IN RATE FOR THE TWELVE MONTHS ENDED MARCH 2018

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 1,919,979,959
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(1,050,000,000)
AFUDC (DEBT & OTHER)	(107,357,282)
DEPRECIATION AND AMORTIZATION EXPENSE	892,322,671
DEFERRED INCOME TAXES	703,855,920
INVESTMENT TAX CREDITS	205,454,437
OTHER SOURCE/USES OF FUNDS	174,278,630
INTERNALLY GENERATED FUNDS	\$ 2,738,534,334
CONSTRUCTION EXPENDITURES	\$ 4,515,694,034
PERCENT INTERNALLY GENERATED FUNDS	60.64%

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

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

AVERAGE RETAIL AMOUNTS	
JURIS ADJUSTED LONG TERM DEBT	\$ 9,257,426,425
JURIS ADJUSTED SHORT TERM DEBT	1,275,152,482
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	14,836,851,969
TOTAL	\$ 25,369,430,876
LTD TO TOTAL INVESTOR FUNDS	36.45%
STD TO TOTAL INVESTOR FUNDS	5.09%

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.33%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	1.20%
SHORT TERM DEBT	0.09%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.03%
SUBTOTAL	1.35%
TOTAL	4.98%
DIVIDED BY COMMON EQUITY RATIO	44.45%
JURISDICTIONAL RETURN ON COMMON EQUITY	11.22%

FLORIDA POWER & LIGHT COMPANY
 AND SUBSIDIARIES
 FINANCIAL INTEGRITY INDICATORS
 MARCH, 2018

SCHEDULE 5: PAGE 2 OF 2

H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 5.86%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.20%
SHORT TERM DEBT	0.09%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.03%
SUBTOTAL	<u>1.35%</u>

PRO FORMA ROR LESS NON EQUITY COST

4.51%

PRO FORMA COMMON EQUITY RATIO

44.45%

PRO FORMA RETURN ON COMMON EQUITY

10.15%