



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

July 13, 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 May 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 11.41%.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason Chin", with a long, sweeping horizontal flourish extending to the right.

Jason Chin
Sr. Manager of Regulatory Accounting

Enclosures

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
EARNINGS SURVEILLANCE REPORT SUMMARY
MAY, 2018

SCHEDULE 1: PAGE 1 OF 1

	ACTUAL PER BOOKS	FPSC ADJUSTMENTS	FPSC ADJUSTED	PRO FORMA ADJUSTMENTS	PRO FORMA ADJUSTED
<u>I. LEVERAGE RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,425,039,132 (A)	(237,417,841) (B)	2,187,621,291	(74,371,312)	\$ 2,113,249,979
RATE BASE	\$ 34,374,544,907	(339,105,796)	34,035,439,111	0	\$ 34,035,439,111
AVERAGE RATE OF RETURN	7.05%		6.43%		6.21%
<u>II. YEAR-END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,425,039,132 (A)	(219,364,092) (B)	2,205,675,040	(74,371,312)	\$ 2,131,303,728
RATE BASE	\$ 36,400,249,408	(202,798,173)	36,197,451,236	0	\$ 36,197,451,236
YEAR-END RATE OF RETURN	6.66%		6.09%		5.89%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	5.62%
MIDPOINT	6.05%
HIGH	6.51%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.39 (SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.19 (SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	5.10% (SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	59.38% (SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	36.69% (FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	4.89% (FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.41% (FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.92% (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.

KEITH FERGUSON
(VICE PRESIDENT, ACCOUNTING AND CONTROLLER)

(SIGNATURE)

7/13/2018
(DATE)

FOR KEITH FERGUSON

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
MAY, 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	\$ 47,009,434,094	15,221,345,659	31,788,088,435	306,871,306	3,532,418,769	633,631,571	36,261,010,101	(486,669,136)	\$ 35,774,340,866
JURISDICTIONAL PER BOOKS	\$ 45,008,482,421	12,680,497,283	32,327,985,138	289,822,433	3,379,585,597	607,752,645	36,805,145,802	(2,230,600,895)	\$ 34,374,544,907
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,222,218,972)	(614,401,801)	(1,607,815,371)	0	(2,011,418,803)	0	(3,619,234,173)	3,280,128,377	\$ (339,105,796)
FPSC ADJUSTED:	\$ 42,786,265,449	12,066,095,662	30,720,169,767	289,822,433	1,368,166,794	607,752,645	32,985,911,629	1,049,527,482	\$ 34,035,438,111
PRO FORMA ADJUSTMENTS	\$ 0	0	0	0	0	0	0	0	\$ 0
TOTAL PRO FORMA ADJUSTMENTS:	\$ 42,786,265,449	12,066,095,662	30,720,169,767	289,822,433	1,368,166,794	607,752,645	32,985,911,629	1,049,527,482	\$ 34,035,438,111
PRO FORMA ADJUSTED	\$ 42,786,265,449	12,066,095,662	30,720,169,767	289,822,433	1,368,166,794	607,752,645	32,985,911,629	1,049,527,482	\$ 34,035,438,111

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
MAY, 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	\$ 11,657,558,739	3,401,765,267	2,602,278,505	871,011,514	1,250,509,842	29,359,039	647,111,424	208,839,818	(6,065,541)	9,244,790,768	\$ 2,412,745,969
JURISDICTIONAL PER BOOKS	\$ 11,225,332,770	3,238,416,452	2,748,992,996	806,059,944	1,271,189,712	28,147,647	616,134,330	200,944,011	(6,059,632)	8,904,824,857	\$ 2,320,507,912
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (503,060,564)	0	0	0	(12,938,718)	(165,623,816)	0	0	0	(178,562,534)	\$ (224,468,000)
FRANCHISE EXPENSE	0	0	0	0	(490,483,637)	165,718,041	0	0	0	(324,775,596)	324,775,596
GROSS RECEIPTS TAX	(260,312,156)	0	0	0	(259,996,148)	(103,106)	0	0	0	(260,099,257)	(212,899)
FINANCIAL PLANNING SERVICES	0	0	(371,376)	0	0	126,111	0	0	0	(245,265)	245,265
INDUSTRY ASSOCIATION DUES	0	0	(2,317,921)	0	0	776,486	0	0	0	(1,541,435)	1,541,435
ECONOMIC DEVELOPMENT 5%	0	0	(126,289)	0	0	42,823	0	0	0	(83,467)	83,467
AVIATION - EXPENSES	0	0	(156,319)	0	0	52,091	0	0	0	(104,229)	104,229
EXECUTIVE COMPENSATION	0	0	(36,896,925)	0	0	12,584,171	0	0	0	(24,312,754)	24,312,754
FUEL COST REC RETAIL	0	0	(170,886)	0	0	(15,363,205)	5,046,187	0	0	(3,054,441,415)	(15,424,564)
CONSERVATION COST RECOVERY	(3,089,865,979)	(3,046,552,751)	(170,886)	4,769,649	(2,170,409)	(15,363,205)	5,046,187	0	0	(3,054,441,415)	(15,424,564)
CAPACITY COST RECOVERY	(57,741,898)	0	(44,427,054)	(9,963,368)	(1,134,053)	(750,300)	(1,056)	0	0	(96,275,631)	(1,486,057)
ENVIRONMENTAL COST RECOVERY	(283,371,164)	(170,598,016)	(34,597,055)	(1,391,833)	(399,277)	(25,315,722)	(163,612)	0	0	(232,445,614)	(50,925,550)
OTHER RATE CASE ADJUSTMENTS (1)	(193,288,479)	0	(35,744,127)	(43,290,521)	(278,909)	(49,129,096)	10,787,955	0	115,977	(117,828,721)	(75,759,758)
STORM DEFICIENCY RECOVERY	0	0	0	0	0	0	0	0	0	0	0
INTEREST TAX DEFICIENCIES	(370,552,742)	0	(120,256,707)	(243,105,599)	0	(2,400,506)	0	0	0	(665,762,813)	(4,789,928)
INTEREST SYNCHRONIZATION	0	0	284,303	0	0	(64,045)	0	0	0	190,259	(190,259)
TOTAL FPSC ADJUSTMENTS	\$ (4,738,192,972)	(3,217,150,767)	(274,780,355)	(292,981,772)	(767,371,151)	(61,253,052)	8,114,809	0	115,977	(4,605,306,351)	\$ (192,886,621)
FPSC ADJUSTED	\$ 6,487,139,798	2,265,665	2,475,212,040	513,078,172	503,819,550	(83,105,445)	624,249,139	200,944,011	(5,943,655)	4,299,518,506	\$ 2,187,621,291

PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (128,634,606)	0	0	0	(83,337)	(65,169,857)	0	0	0	(55,263,284)	\$ (74,371,312)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,357,505,192	2,265,665	2,475,212,040	513,078,172	503,735,223	(88,275,402)	624,249,139	200,944,011	(5,943,655)	4,244,255,213	\$ 2,113,249,979

(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	\$ 940,719,173	118,592,558	108,102,564	152,967,920	149,071,557	49,071,557	1,444,718	3,522,817	(508,800)	687,241,079	\$ 243,478,094
SYSTEM PER BOOKS	\$ 903,975,881	251,157,258	114,520,536	147,256,816	106,343,216	47,007,205	1,399,299	3,389,630	(508,796)	670,505,161	\$ 233,470,719

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

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
MAY, 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)	\$ (129,634,606)	0	0	0	(93,337)	(55,189,957)	0	0	0	(55,263,294)	\$ (74,371,312)
TOTAL PROFORMA ADJUSTMENTS	\$ (129,634,606)	0	0	0	(93,337)	(55,189,957)	0	0	0	(55,263,294)	\$ (74,371,312)

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
MAY, 2018

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,608,440,518	\$ 1,530,466,522
FUEL AND CAPACITY	141,852,989	135,094,467
CAPITALIZED EXECUTIVE COMPENSATION	22,365,051	21,659,873
LOAD CONTROL	49,788,893	49,788,893
ASSET RETIREMENT OBLIGATION	441,593,829	427,670,218
CAPITAL LEASES	59,410,224	57,536,999
TOTAL	\$ 2,323,451,505	\$ 2,222,216,972
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (291,427,574)	\$ (277,299,745)
ACCUM PROV DECOMMISSIONING COSTS	(4,394,957,301)	(4,203,374,282)
ASSET RETIREMENT OBLIGATION	(10,431,080)	(10,102,184)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,076,059,124	3,947,539,522
FUEL AND CAPACITY	(41,322,364)	(39,341,224)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
LOAD CONTROL	(23,315,185)	(23,315,185)
CAPITAL LEASES	(8,785,513)	(8,508,502)
TOTAL	\$ (694,179,893)	\$ (614,401,601)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,082,467,445	\$ 1,961,505,866
CWIP - CLAUSE PROJECTS	52,431,270	49,912,937
TOTAL	\$ 2,134,898,714	\$ 2,011,418,803
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
WORKING CAPITAL:		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,369,494,352)	\$ (3,260,128,377)
TOTAL ADJUSTMENTS	\$ 394,675,974	\$ 339,105,796

NOTES:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0660-AS-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
MAY, 2018

SCHEDULE 2: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE 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	\$ 11,657,639,739	3,401,788,387	2,802,278,505	871,011,514	1,289,599,842	29,339,939	547,111,424	208,839,618	6,085,541	9,244,790,769	\$ 2,412,745,966
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (503,060,564)	0	0	0	(12,928,718)	(165,823,816)	0	0	0	(178,562,534)	\$ (24,498,030)
FRANCHISE EXPENSE	0	0	0	0	(493,483,637)	165,718,041	0	0	0	(324,775,596)	324,775,596
GROSS RECEIPTS TAX	(280,312,156)	0	0	0	(259,996,148)	(103,108)	0	0	0	(560,099,257)	(212,889)
FINANCIAL PLANNING SERVICES	0	0	(983,487)	0	0	130,216	0	0	0	(253,250)	253,250
INDUSTRY ASSOCIATION DUES	0	0	(2,353,385)	0	0	801,768	0	0	0	(1,551,617)	1,551,617
ECONOMIC DEVELOPMENT %	0	0	(130,491)	0	0	44,217	0	0	0	(86,274)	86,274
AVIATION - EXPENSES	0	0	(161,499)	0	0	53,796	0	0	0	(107,703)	107,703
EXECUTIVE COMPENSATION	0	0	(98,096,174)	0	0	12,899,872	0	0	0	(85,196,302)	85,196,302
FUEL COST RECOVERY	(3,222,594,461)	(3,200,378,892)	(179,510)	4,774,846	(2,171,639)	(14,144,191)	5,952,346	0	0	(3,207,037,039)	25,104,301
CONSERVATION COST RECOVERY	(57,741,888)	0	(44,427,054)	(8,963,368)	(1,134,053)	(750,300)	(1,056)	0	0	(66,275,831)	(1,498,057)
CAPACITY COST RECOVERY	(283,784,261)	(179,125,398)	(36,523,194)	(1,629,584)	(387,320)	(21,878,042)	(103,612)	0	0	(239,505,150)	(44,279,051)
ENVIRONMENTAL COST RECOVERY	(193,288,479)	0	(97,865,213)	(45,495,080)	(286,029)	(47,798,927)	10,797,955	0	121,866	(120,216,409)	(73,072,070)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(370,552,742)	0	(120,256,707)	(243,105,688)	0	(2,400,596)	0	0	0	(695,702,813)	(4,789,529)
INTEREST TAX DEFICIENCIES	0	0	293,589	0	0	(97,108)	0	0	0	196,453	(196,453)
INTEREST SYNCHRONIZATION	0	0	0	0	0	18,831,450	(7,790,295)	0	0	11,041,155	(11,041,155)
TOTAL FPSC ADJUSTMENTS	\$ (4,891,334,432)	(3,375,504,230)	(279,824,955)	(285,419,765)	(787,387,543)	(54,210,848)	7,895,337	0	121,866	(4,768,199,998)	\$ (125,194,434)
FPSC ADJUSTED	\$ 6,766,292,304	22,282,078	2,522,653,550	575,591,729	523,122,299	(24,871,610)	654,996,781	208,839,618	(5,943,635)	4,478,650,770	\$ 2,289,551,535
PRO FORMA ADJUSTMENTS	\$ (129,634,606)	0	0	0	(83,437)	(65,169,957)	0	0	0	(65,253,294)	\$ (74,371,312)
(SEE SCHEDULE 2, PAGE 3C OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,636,657,698	22,282,078	2,522,653,550	575,591,729	523,028,963	(80,041,597)	654,996,781	208,839,618	(5,943,635)	4,421,387,476	\$ 2,215,180,223
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 108,739,208										

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
MAY, 2018

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	21,161,494	20,462,227
INTEREST & DIVIDENDS RECEIVABLE	39,411	38,108
NET UNDERRECOVERED FUEL, CAPACITY, ECCR, ECCR	28,112,529	28,080,993
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	14,104,195	14,104,195
PREPAYMENTS - ECCR	49,407,491	49,407,491
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	10,426,303	10,022,828
TEMPORARY CASH INVESTMENTS	697,453	674,406
STORM DEFICIENCY RECOVERY	186,433,392	186,398,700
NUCLEAR COST RECOVERY	0	0
JOBGING ACCOUNTS	23,929,785	23,139,042
OTH REG ASSETS - CLAUSES	3,786,168	3,604,261
MISC. DEFERRED DEBIT - CLAUSES	9,210,383	8,767,870
CEDAR BAY TRANSACTION	643,096,995	612,535,944
ICL TRANSACTION	405,513,889	386,243,186
SJRPP TRANSACTION	42,569,178	40,536,591
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,438,488,866	\$ 1,384,016,843
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(167,888)	(162,401)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	287,346,777	287,346,777
ACCUM. PROV. - RATE REFUNDS	(641)	0
GAIN ON SALE OF EMISSION ALLOWANCE	(1,642)	(1,563)
JOBGING ACCOUNTS	(27,723,275)	(26,807,179)
POLE ATTACHMENT RENTS PAYABLE	(7,051,286)	(7,051,286)
SJRPP ACCELERATED RECOVERY	(11,286,590)	(10,750,232)
STORM DEFICIENCY RECOVERY	(288,540,964)	(288,540,964)
ASSET RETIREMENT OBLIGATION	(4,507,250,812)	(4,385,135,582)
MARGIN CALL CASH COLLATERAL	(551,923)	(533,685)
NUCLEAR COST RECOVERY	(247,581,156)	(247,581,156)
CEDAR BAY TRANSACTION	(5,173,817)	(4,927,949)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (4,807,983,017)	\$ (4,664,145,219)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,369,494,351)	\$ (3,280,128,376)

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

SCHEDULE 2: PAGE 3C OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (129,634,606)	0	0	0	(83,337)	(55,169,957)	0	0	0	(55,263,294)	\$ (74,371,312)
TOTAL PROFORMA ADJUSTMENTS	\$ (129,634,606)	0	0	0	(83,337)	(55,169,957)	0	0	0	(55,263,294)	\$ (74,371,312)

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
MAY, 2018

	OPERATING REVENUES	NET INTERCHANGE	OPERATION & MAINTENANCE FUEL & 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	\$ 11,657,536,736	3,461,766,387	2,802,278,565	871,011,514	1,280,509,842	29,339,039	647,111,424	208,838,818	(6,065,541)	9,244,760,768	\$ 2,412,745,969
JURISDICTIONAL PER BOOKS	\$ 11,225,332,770	3,238,418,452	2,749,892,396	806,059,844	1,271,188,712	28,147,647	616,134,330	200,944,011	(6,059,632)	8,604,824,657	\$ 2,320,507,912
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (503,060,564)	0	0	0	(12,938,716)	(185,523,816)	0	0	0	(178,562,534)	\$ (324,489,030)
FRANCHISE EXPENSE	0	0	0	0	(490,493,037)	185,716,041	0	0	0	(324,775,996)	324,775,996
GROSS RECEIPTS TAX	(280,312,156)	0	0	0	(235,986,146)	(105,108)	0	0	0	(280,099,257)	(212,889)
FINANCIAL PLANNING SERVICES	0	0	(371,376)	0	0	128,111	0	0	0	(245,265)	245,265
INDUSTRY ASSOCIATION DUES	0	0	(2,317,591)	0	0	779,486	0	0	0	(1,541,435)	1,541,435
ECONOMIC DEVELOPMENT %	0	0	(126,268)	0	0	42,523	0	0	0	(83,467)	83,467
AVIATION - EXPENSES	0	0	(156,318)	0	0	52	0	0	0	(104,229)	104,229
EXECUTIVE COMPENSATION	0	0	(36,896,925)	0	0	12,484,171	0	0	0	(24,312,754)	24,312,754
FUEL COST REC RETAIL	(3,068,652,979)	0	(170,886)	4,769,649	(2,170,409)	(15,363,205)	5,046,187	0	0	(3,054,441,415)	(15,424,564)
CONSERVATION COST RECOVERY	(57,741,888)	0	(44,427,054)	(9,963,368)	(1,134,053)	(750,300)	(1,056)	0	0	(58,275,631)	(1,466,057)
CAPACITY COST RECOVERY	(263,371,164)	(170,598,016)	(34,597,055)	(1,391,933)	(359,277)	(25,315,722)	(153,812)	0	0	(232,445,014)	(50,925,590)
ENVIRONMENTAL COST RECOVERY	(193,288,479)	0	(35,744,127)	(43,290,521)	(278,308)	(49,129,086)	10,797,965	0	115,977	(117,526,721)	(75,759,759)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	0
STORM DEFICIENCY RECOVERY	(370,552,742)	0	(120,256,707)	(243,105,589)	0	(2,400,506)	0	0	0	(655,762,813)	(4,789,929)
INTEREST TAX DEFICENCIES	0	0	284,303	0	0	(94,045)	0	0	0	190,258	(190,258)
INTEREST SYNCHRONIZATION	0	0	0	0	0	173,237	(7,544,864)	0	0	(7,371,427)	7,371,427
TOTAL FPSC ADJUSTMENTS	\$ (4,738,192,972)	(3,217,150,767)	(274,760,355)	(262,981,772)	(767,371,151)	(79,306,640)	8,174,809	0	115,977	(4,623,390,099)	\$ (114,832,873)
FPSC ADJUSTED	\$ 6,487,139,798	21,265,685	2,475,212,040	513,078,172	503,816,560	(51,159,194)	624,249,139	200,944,011	(6,843,055)	4,281,464,738	\$ 2,205,675,040
PRO FORMA ADJUSTMENTS	\$ (129,634,609)	0	0	0	(93,337)	(55,169,957)	0	0	0	(55,263,294)	\$ (74,371,312)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,357,505,182	21,265,685	2,475,212,040	513,078,172	503,725,223	(106,329,151)	624,249,139	200,944,011	(5,943,855)	4,226,201,464	\$ 2,131,303,728

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 108,739,208 AND THE JURISDICTIONAL NOI BY \$ 104,531,220

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
MAY, 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)	\$ (129,634,606)	0	0	0	(93,337)	(55,169,957)	0	0	0	(55,263,294)	\$ (74,371,312)
TOTAL PROFORMA ADJUSTMENTS	\$ (129,634,606)	0	0	0	(93,337)	(55,169,957)	0	0	0	(55,263,294)	\$ (74,371,312)

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
MAY, 2018

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,595,497,604	\$ 1,518,151,955
FUEL AND CAPACITY	153,283,885	145,963,154
CAPITALIZED EXECUTIVE COMPENSATION	26,945,669	26,096,062
LOAD CONTROL	48,833,129	48,833,129
ASSET RETIREMENT OBLIGATION	452,358,730	438,095,697
CAPITAL LEASES	59,410,224	57,536,999
TOTAL	\$ 2,336,309,241	\$ 2,234,676,097
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (315,999,249)	\$ (300,680,234)
ACCUM PROV DECOMMISSIONING COSTS	(4,488,216,232)	(4,292,567,911)
ASSET RETIREMENT OBLIGATION	(27,668,184)	(26,795,796)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,163,538,753	4,032,260,887
FUEL AND CAPACITY	(44,019,696)	(41,910,338)
OTHER RATE CASE ADJUSTMENTS (1)	0	0
LOAD CONTROL	(24,332,679)	(24,332,679)
CAPITAL LEASES	(9,506,667)	(9,206,918)
TOTAL	\$ (746,203,653)	\$ (663,232,969)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,975,385,540	\$ 1,856,715,091
CWIP - CLAUSE PROJECTS	57,389,699	54,768,351
TOTAL	\$ 2,032,775,239	\$ 1,911,483,442
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
WORKING CAPITAL:		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,369,494,352)	\$ (3,280,128,377)
TOTAL ADJUSTMENTS	\$ 253,386,274	\$ 202,798,173

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
MAY 1, 2018

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	\$ 11,687,538,738	3,401,786,387	2,822,278,595	871,011,514	1,290,509,842	29,339,039	647,111,424	208,839,618	16,065,541	9,244,790,788	\$ 2,412,745,959
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (503,060,564)	0	0	(12,938,718)	(165,623,816)	0	0	0	(178,562,584)	\$ (324,498,030)	
FRANCHISE EXPENSE	0	0	0	(490,493,637)	165,718,041	0	0	0	(324,775,596)	334,775,596	
GROSS RECEIPTS TAX	(260,312,156)	0	0	(259,898,148)	(103,108)	0	0	0	(260,059,257)	(212,899)	
FINANCIAL PLANNING SERVICES	0	0	0	(383,467)	130,216	0	0	0	(253,250)	253,250	
INDUSTRY ASSOCIATION DUES	0	0	0	(2,393,385)	801,768	0	0	0	(1,591,618)	1,591,619	
ECONOMIC DEVELOPMENT 5%	0	0	0	(130,401)	44,217	0	0	0	(86,184)	86,184	
AVIATION - EXPENSES	0	0	0	(161,409)	53,786	0	0	0	(107,623)	107,622	
EXECUTIVE COMPENSATION	0	0	0	(68,058,174)	12,993,872	0	0	0	(25,104,301)	25,104,301	
FUEL COST REC RETAIL	(3,222,594,401)	(3,200,378,993)	(179,510)	(2,171,838)	(14,144,191)	5,052,346	0	0	(3,207,837,039)	(15,557,352)	
CONSERVATION COST RECOVERY	(57,741,988)	0	(44,427,054)	(9,963,368)	(750,300)	(1,056)	0	0	(56,275,831)	(1,466,057)	
CAPACITY COST RECOVERY	(263,794,201)	(178,125,398)	(56,323,194)	(1,629,584)	(367,320)	(188,612)	0	0	(239,505,150)	(44,279,051)	
ENVIRONMENTAL COST RECOVERY	(193,269,479)	0	(37,565,213)	(45,496,080)	(286,029)	(47,785,927)	10,797,955	121,866	(120,216,409)	(73,072,070)	
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	0	0	0	0	0	
STORM DEFICIENCY RECOVERY	(370,552,742)	0	(120,256,707)	(243,105,599)	(2,400,505)	0	0	0	(365,762,813)	(4,769,929)	
INTEREST TAX DEFICIENCIES	0	0	293,559	0	(97,105)	0	0	0	196,453	(196,453)	
INTEREST SYNCHRONIZATION	0	0	0	0	2,646,367	(7,790,295)	0	0	(5,143,928)	5,143,928	
TOTAL FPSC ADJUSTMENTS	\$ (4,691,334,632)	(3,379,504,290)	(279,624,955)	(295,419,765)	(70,995,732)	7,885,337	0	121,866	(4,784,325,082)	\$ (107,009,350)	
FPSC ADJUSTED	\$ 6,766,202,304	22,262,075	2,522,653,550	575,591,729	523,122,299	(41,056,693)	208,839,618	(5,943,655)	4,450,455,686	\$ 2,305,736,618	
PRO FORMA ADJUSTMENTS	\$ (129,634,606)	0	0	(93,337)	(55,169,957)	0	0	0	(65,263,294)	\$ (74,371,312)	
(SEE SCHEDULE 3, PAGE 3B OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,536,567,699	22,262,075	2,522,653,550	575,591,729	523,028,963	(96,226,650)	208,839,618	(5,943,655)	4,405,202,392	\$ 2,231,365,306	

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 108,739,208

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0580-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
MAY, 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)	\$ (128,634,606)	0	0	(53,337)	(55,169,957)	0	0	0	(55,263,294)	\$ (74,371,312)
TOTAL PROFORMA ADJUSTMENTS	\$ (128,634,606)	0	0	(63,337)	(55,169,957)	0	0	0	(55,263,294)	\$ (74,371,312)

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
MAY, 2018

SCHEDULE 4; PAGE 1 OF 2

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	LOW POINT			MIDPOINT			HIGH POINT		
			PRO RATA	SPECIFIC		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	\$ 9,986,820,334	\$ 9,595,649,844	\$ 73,583,484	\$ (175,511,927)	\$ 9,493,721,402	27.68%	4.33%	1.21%	4.33%	1.21%	4.33%	1.21%		
SHORT TERM DEBT	1,308,384,745	1,256,476,384	9,814,709	(0)	1,266,291,093	3.72%	2.42%	0.09%	2.42%	0.09%	2.42%	0.09%		
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
COMMON EQUITY	15,617,537,223	14,987,932,969	117,153,292	0	15,115,086,261	44.41%	9.60%	4.25%	10.55%	4.69%	11.60%	5.15%		
CUSTOMER DEPOSITS	400,706,837	400,189,602	3,125,989	0	403,315,602	1.18%	2.08%	0.02%	2.08%	0.02%	2.08%	0.02%		
DEFERRED INCOME TAX (1)	8,155,531,192	7,632,280,205	88,888,612	(293,385,932)	7,597,792,895	22.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
INVESTMENT TAX CREDITS (2)	305,360,635	292,005,901	1,234,167	(134,008,201)	159,231,867	0.47%	7.54%	0.04%	8.15%	0.04%	8.78%	0.04%		
TOTAL	\$ 35,774,340,966	\$ 34,374,544,907	\$ 263,800,263	\$ (602,906,059)	\$ 34,035,439,111	100.00%	5.82%	6.05%	6.51%	6.51%	6.51%	6.51%		
YEAR END														
LONG TERM DEBT	\$ 10,827,580,711	\$ 10,605,443,678	\$ 115,508,024	\$ (174,813,511)	\$ 10,546,138,192	29.14%	4.40%	1.28%	4.40%	1.28%	4.40%	1.28%		
SHORT TERM DEBT	938,804,679	919,395,963	10,181,323	0	929,577,285	2.57%	3.11%	0.08%	3.11%	0.08%	3.11%	0.08%		
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
COMMON EQUITY	16,419,554,403	16,080,098,836	178,069,821	0	16,258,168,657	44.92%	9.60%	4.31%	10.85%	4.74%	11.60%	5.21%		
CUSTOMER DEPOSITS	393,336,510	382,926,236	4,351,286	0	387,277,472	1.10%	2.18%	0.02%	2.18%	0.02%	2.18%	0.02%		
DEFERRED INCOME TAX	8,163,379,706	7,989,188,050	85,222,742	(293,385,932)	7,781,024,900	21.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
INVESTMENT TAX CREDITS (2)	425,803,560	413,196,604	3,124,401	(131,056,277)	285,264,728	0.79%	7.52%	0.06%	8.13%	0.06%	8.74%	0.07%		
TOTAL	\$ 37,168,459,569	\$ 36,400,249,408	\$ 395,457,547	\$ (699,255,720)	\$ 36,197,451,236	100.00%	5.76%	6.19%	6.67%	6.19%	6.67%	6.67%		

NOTE:
(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$1,489 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.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
PRO-FORMA ADJUSTED BASIS
MAY, 2018

SCHEDULE 4: PAGE 2 OF 2

AVERAGE	LOW POINT				MIDPOINT				HIGH POINT					
	1	2	3	4	5	6	7	8	9	10	9	8	7	6
LONG TERM DEBT	\$ 9,493,721,402	\$ -	\$ 9,493,721,402	27.89%	4.33%	1.21%	4.33%	1.21%	4.33%	1.21%	4.33%	1.21%	4.33%	1.21%
SHORT TERM DEBT	1,266,291,093	-	1,266,291,093	3.72%	2.42%	0.09%	2.42%	0.09%	2.42%	0.09%	2.42%	0.09%	2.42%	0.09%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	15,115,086,261	-	15,115,086,261	44.41%	9.60%	4.26%	10.55%	4.59%	11.60%	5.15%	11.60%	5.15%	11.60%	5.15%
CUSTOMER DEPOSITS	403,315,602	-	403,315,602	1.18%	2.08%	0.02%	2.08%	0.02%	2.08%	0.02%	2.08%	0.02%	2.08%	0.02%
DEFERRED INCOME TAX	7,597,792,885	-	7,597,792,885	22.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	159,231,867	-	159,231,867	0.47%	7.54%	0.04%	8.15%	0.04%	8.76%	0.04%	8.76%	0.04%	8.76%	0.04%
TOTAL	\$ 34,035,439,111	\$ -	\$ 34,035,439,111	100.00%		5.62%		6.05%		6.51%		6.05%		6.51%
YEAR END														
LONG TERM DEBT	\$ 10,546,138,192	\$ -	\$ 10,546,138,192	29.14%	4.40%	1.28%	4.40%	1.28%	4.40%	1.28%	4.40%	1.28%	4.40%	1.28%
SHORT TERM DEBT	929,577,285	-	929,577,285	2.57%	3.11%	0.08%	3.11%	0.08%	3.11%	0.08%	3.11%	0.08%	3.11%	0.08%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	16,258,168,657	-	16,258,168,657	44.92%	9.50%	4.31%	10.55%	4.74%	11.60%	5.21%	11.60%	5.21%	11.60%	5.21%
CUSTOMER DEPOSITS	397,277,472	-	397,277,472	1.10%	2.18%	0.02%	2.18%	0.02%	2.18%	0.02%	2.18%	0.02%	2.18%	0.02%
DEFERRED INCOME TAX	7,781,024,900	-	7,781,024,900	21.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	285,264,728	-	285,264,728	0.79%	7.52%	0.06%	8.13%	0.06%	8.74%	0.07%	8.74%	0.07%	8.74%	0.07%
TOTAL	\$ 36,197,451,236	\$ -	\$ 36,197,451,236	100.00%		5.76%		6.15%		6.67%		6.15%		6.67%

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.

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,485,073,502
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	23,305,492
INCOME TAXES	863,721,989
TOTAL	\$ 3,372,100,983
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 527,326,868
TIMES INTEREST EARNED WITH AFUDC	6.39

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,485,073,502
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(85,433,716)
INCOME TAXES	863,721,989
TOTAL	\$ 3,263,361,774
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 527,326,868
TIMES INTEREST EARNED WITHOUT AFUDC	6.19

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 23,305,492
X (1 - INCOME_TAX_RATE)	0.6694
SUBTOTAL	\$ 15,600,114
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	\$ 85,433,716
TOTAL	\$ 101,033,830
NET INCOME AVAILABLE FOR COMMON	\$ 1,891,052,126
AFUDC AS PERCENT OF NET INCOME	5.10%

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 176,955,897
GAINS ON DISPOSITION OF PROPERTY	(6,065,541)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	0
	\$ 170,890,356

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF:

NOTE:

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

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 1,981,052,126
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(1,050,000,000)
AFUDC (DEBT & OTHER)	(108,739,208)
DEPRECIATION AND AMORTIZATION EXPENSE	871,011,514
DEFERRED INCOME TAXES	640,895,190
INVESTMENT TAX CREDITS	208,839,618
OTHER SOURCE/USES OF FUNDS	170,890,356
INTERNALLY GENERATED FUNDS	\$ 2,713,949,596
CONSTRUCTION EXPENDITURES	\$ 4,570,408,089
PERCENT INTERNALLY GENERATED FUNDS	59.38%

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

AVERAGE RETAIL AMOUNTS	
JURIS ADJUSTED LONG TERM DEBT	\$ 9,493,721,402
JURIS ADJUSTED SHORT TERM DEBT	1,266,291,083
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	15,115,086,281
TOTAL	\$ 25,875,098,766
LTD TO TOTAL INVESTOR FUNDS	36.69%
STD TO TOTAL INVESTOR FUNDS	4.89%

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.43%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	1.21%
SHORT TERM DEBT	0.09%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	0.04%
SUBTOTAL	1.36%
TOTAL	5.07%
DIVIDED BY COMMON EQUITY RATIO	44.41%
JURISDICTIONAL RETURN ON COMMON EQUITY	11.41%

FLORIDA POWER & LIGHT COMPANY
 AND SUBSIDIARIES
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H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 6.21%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.21%
SHORT TERM DEBT	0.09%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	0.04%
SUBTOTAL	<u>1.36%</u>

PRO FORMA ROR LESS NON EQUITY COST

4.85%

PRO FORMA COMMON EQUITY RATIO

44.41%

PRO FORMA RETURN ON COMMON EQUITY

10.92%