



January 15, 2019

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 November 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 11.60%.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Jason Chin', is written over a horizontal line.

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
NOVEMBER, 2018

SCHEDULE 1: PAGE 1 OF 1

	ACTUAL PER BOOKS	FPSC ADJUSTMENTS	FPSC ADJUSTED	PRO FORMA ADJUSTMENTS	PRO FORMA ADJUSTED
I. AVERAGE RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ 2,616,125,495 (A)	(236,589,846) (B)	2,379,535,649	2,454,432	\$ 2,381,990,081
RATE BASE	\$ 35,901,961,326	(187,751,651)	35,714,209,675	0	\$ 35,714,209,675
AVERAGE RATE OF RETURN	7.29%		6.66%		6.67%
II. YEAR END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ 2,616,125,495 (A)	(233,081,659) (B)	2,383,043,836	2,454,432	\$ 2,385,498,268
RATE BASE	\$ 36,797,001,063	(363,633,438)	36,433,367,625	0	\$ 36,433,367,625
YEAR END RATE OF RETURN	7.11%		6.54%		6.55%

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

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

LOW	5.75%
MIDPOINT	6.19%
HIGH	6.67%

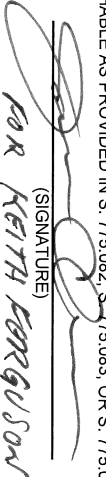
IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	5.80	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	5.60	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	4.99%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	53.18%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	37.06%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	3.59%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.60%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	11.62%	(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)
FOR KEITH FERGUSON

1/15/2019
(DATE)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
NOVEMBER, 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	\$ 48,376,287,034	15,484,935,707	32,891,351,326	362,026,312	3,754,300,277	604,887,086	37,612,565,001	(251,228,369)	\$ 37,361,336,632
JURISDICTIONAL PER BOOKS	\$ 46,332,941,398	12,474,377,912	33,858,563,485	341,703,969	3,580,890,435	580,182,149	38,361,340,038	(2,459,378,711)	\$ 35,901,961,326
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,220,145,839)	(649,203,011)	(1,570,942,828)	0	(2,142,851,908)	0	(3,713,794,736)	3,526,043,084	\$ (187,751,651)
FPSC ADJUSTED:	\$ 44,112,795,558	11,825,174,901	32,287,620,657	341,703,969	1,438,038,527	580,182,149	34,647,545,302	1,066,664,373	\$ 35,714,209,675
PRO FORMA ADJUSTMENTS	\$ 0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS:	\$ 44,112,795,558	11,825,174,901	32,287,620,657	341,703,969	1,438,038,527	580,182,149	34,647,545,302	1,066,664,373	\$ 35,714,209,675

NOTE:

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
NOVEMBER, 2018

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	\$ 11,622,543,217	3,305,546,469	2,705,391,010	1,138,941,034	1,299,156,015	557,297,546	(214,164,050)	206,851,876	(6,202,728)	8,992,807,173	\$ 2,629,736,044
JURISDICTIONAL PER BOOKS	\$ 11,173,621,848	3,143,180,314	2,653,858,628	1,076,420,599	1,278,661,763	529,487,949	(207,518,583)	199,031,419	(6,197,012)	8,666,925,077	\$ 2,506,696,771
FPSC ADJUSTMENTS	\$ (485,352,803)	0	0	0	(12,483,274)	(124,645,253)	0	0	0	(137,128,527)	\$ (348,224,275)
FRANCHISE REVENUE	0	0	0	0	(473,246,432)	124,740,778	0	0	0	(348,505,654)	348,505,654
FRANCHISE EXPENSE	0	0	0	0	(255,703,187)	(87,354)	0	0	0	(255,790,542)	(250,002)
GROSS RECEIPTS TAX	(256,040,544)	0	0	0	0	91,848	0	0	0	(256,720)	256,720
FINANCIAL PLANNING SERVICES	0	0	0	0	0	640,080	0	0	0	(1,655,239)	1,655,239
INDUSTRY ASSOCIATION DUES	0	0	0	0	0	38,502	0	0	0	(107,784)	107,784
ECONOMIC DEVELOPMENT 5%	0	0	0	0	0	43,038	0	0	0	(123,192)	123,192
AVIATION - EXPENSES	0	0	0	0	0	10,329,898	0	0	0	(26,791,033)	26,791,033
EXECUTIVE COMPENSATION	0	0	(37,120,932)	0	0	18,498,380	(26,807,650)	0	0	(2,980,471,583)	(13,801,709)
FUEL COST REC RETAIL	(2,994,273,292)	(2,970,618,759)	(176,890)	737,681	(2,104,324)	(505,656)	(853)	0	0	(55,744,316)	(1,386,824)
CONSERVATION COST RECOVERY	(57,131,141)	0	(44,045,428)	(10,067,490)	(1,124,890)	(18,791,027)	343,845	0	0	(200,178,431)	(50,988,597)
CAPACITY COST RECOVERY	(251,167,028)	(153,198,619)	(30,436,381)	2,236,746	(332,995)	(20,650,828)	(7,062,194)	0	114,158	(102,248,344)	(76,317,166)
ENVIRONMENTAL COST RECOVERY	(178,566,509)	0	(31,276,397)	(43,100,894)	(273,189)	(309,197)	0	0	0	910,755	(910,755)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	0	0	(1,516,142)	0	0	0	(162,967,536)	(4,127,775)
STORM DEFICIENCY RECOVERY	(167,095,311)	0	(41,455,900)	(119,995,494)	0	(89,570)	0	0	0	251,502	(251,502)
INTEREST TAX DEFICIENCIES	0	0	341,072	0	0	14,464,178	(6,120,041)	0	0	8,344,137	(8,344,137)
INTEREST SYNCHRONIZATION	0	0	0	0	0	0	0	0	0	0	0
TOTAL FPSC ADJUSTMENTS	\$ (4,389,626,628)	(3,123,817,379)	(187,129,258)	(168,969,498)	(745,268,292)	2,251,657	(39,646,893)	0	114,158	(4,262,465,507)	\$ (127,161,122)
FPSC ADJUSTED	\$ 6,783,995,220	19,362,935	2,466,729,370	907,451,100	533,393,470	531,739,606	(247,165,476)	199,031,419	(6,082,854)	4,404,459,570	\$ 2,379,535,649
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ 1,694,117	0	0	0	1,220	(761,535)	0	0	0	(760,315)	\$ 2,454,432
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,785,689,337	19,362,935	2,466,729,370	907,451,100	533,394,690	530,978,071	(247,165,476)	199,031,419	(6,082,854)	4,403,699,255	\$ 2,381,990,061
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 113,833,866	\$ 109,428,724									
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE ON A TOTAL COMPANY BASIS ON A JURISDICTIONAL BASIS	\$ 3,000,000	\$ 2,926,200									
CURRENT MONTH AMOUNT	\$ 923,952,691	277,199,281	112,855,987	173,095,722	106,999,183	40,435,288	4,936,647	(1,027,229)	(518,858)	713,975,991	\$ 209,976,699
SYSTEM PER BOOKS	\$ 888,853,300	263,560,541	108,849,563	167,154,884	105,308,470	38,865,871	4,744,108	(988,393)	(518,856)	686,976,189	\$ 201,877,111
JURISDICTIONAL PER BOOKS											

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

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

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

SCHEDULE 2: PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & 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)	\$ 1,694,117	0	0	0	1,220	(761,535)	0	0	0	(760,315)	\$ 2,454,432
TOTAL PROFORMA ADJUSTMENTS	\$ 1,694,117	0	0	0	1,220	(761,535)	0	0	0	(760,315)	\$ 2,454,432

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
NOVEMBER, 2018

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,593,584,766	\$ 1,517,590,065
FUEL AND CAPACITY	151,404,602	144,595,043
CAPITALIZED EXECUTIVE COMPENSATION	26,885,162	26,037,463
LOAD CONTROL	50,488,502	50,488,502
ASSET RETIREMENT OBLIGATION	437,698,560	423,897,768
CAPITAL LEASES	59,410,224	57,536,999
TOTAL	<u>\$ 2,319,471,817</u>	<u>\$ 2,220,145,839</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (311,284,516)	\$ (296,440,013)
ACCUM PROV DECOMMISSIONING COSTS	(4,550,030,174)	(4,351,687,287)
ASSET RETIREMENT OBLIGATION	(13,081,865)	(12,669,390)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,220,620,171	4,087,542,507
FUEL AND CAPACITY	(43,201,068)	(41,167,080)
OTHER RATE CASE ADJUSTMENTS (1)	93,842	93,842
LOAD CONTROL	(25,667,463)	(25,667,463)
CAPITAL LEASES	(9,507,917)	(9,208,129)
TOTAL	<u>\$ (732,058,989)</u>	<u>\$ (649,203,011)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,203,813,031	\$ 2,070,356,417
CWIP - CLAUSE PROJECTS	75,927,113	72,495,491
TOTAL	<u>\$ 2,279,740,145</u>	<u>\$ 2,142,851,908</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)	\$ (3,623,835,864)	\$ (3,526,043,084)
TOTAL ADJUSTMENTS	\$ 243,317,108	\$ 187,751,651

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
NOVEMBER, 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	\$ 11,622,543,217	3,305,546,469	2,705,391,010	1,138,941,034	1,289,156,015	557,287,546	(214,164,050)	206,851,876	(6,202,728)	8,992,807,173	\$ 2,629,736,044
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (485,952,803)	0	0	0	(12,489,274)	(124,645,259)	0	0	0	(197,128,527)	\$ (348,224,275)
FRANCHISE EXPENSE	0	0	0	0	(473,246,432)	124,740,778	0	0	0	(348,505,654)	348,505,654
GROSS RECEIPTS TAX	(256,040,544)	0	0	0	(255,703,187)	(87,354)	0	0	0	(255,790,542)	(250,002)
FINANCIAL PLANNING SERVICES	0	0	0	(361,981)	0	94,639	0	0	0	(267,143)	267,143
INDUSTRY ASSOCIATION DUES	0	0	(2,370,047)	0	0	660,919	0	0	0	(1,708,128)	1,709,128
ECONOMIC DEVELOPMENT 5%	0	0	(151,048)	0	0	39,755	0	0	0	(111,293)	111,293
AVIATION - EXPENSES	0	0	(171,642)	0	0	44,439	0	0	0	(127,202)	127,202
EXECUTIVE COMPENSATION	0	0	(38,329,474)	0	0	10,666,208	0	0	0	(27,663,266)	27,663,266
FUEL COST RECOVERY	(3,146,530,556)	(3,124,944,285)	(185,802)	774,846	(2,105,596)	18,602,649	(26,833,316)	0	0	(3,134,791,504)	(13,739,052)
CONSERVATION COST RECOVERY	(57,131,141)	0	(44,045,428)	(10,057,490)	(1,124,890)	(505,656)	(653)	0	0	(55,744,316)	(1,386,824)
CAPACITY COST RECOVERY	(251,572,523)	(160,331,171)	(31,841,723)	1,990,361	(340,313)	(16,548,170)	343,845	0	0	(206,727,170)	(44,845,353)
ENVIRONMENTAL COST RECOVERY	(176,566,509)	0	(32,842,591)	(45,259,210)	(290,431)	(19,661,678)	(7,062,194)	0	119,874	(104,966,231)	(73,580,279)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	1,219,952	0	(309,197)	0	0	0	910,755	(910,755)
STORM DEFICIENCY RECOVERY	(167,095,311)	0	(41,455,900)	(119,995,494)	0	(1,516,142)	0	0	0	(162,967,536)	(4,127,775)
INTEREST TAX DEFICIENCIES	0	0	352,176	0	0	(92,488)	0	0	0	259,690	(259,690)
INTEREST SYNCHRONIZATION	0	0	0	0	0	14,955,611	(6,319,291)	0	0	8,636,320	(8,636,320)
TOTAL FPSC ADJUSTMENTS	\$ (4,544,289,387)	(3,285,275,457)	(191,403,460)	(171,337,034)	(745,284,124)	6,439,261	(39,971,808)	206,851,876	119,874	(4,426,712,747)	\$ (117,576,640)
FPSC ADJUSTED	\$ 7,078,253,830	20,271,013	2,513,987,550	967,604,001	553,871,891	553,726,807	(254,135,858)	206,851,876	(6,082,854)	4,566,094,426	\$ 2,512,159,405
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ 1,894,117	0	0	0	1,220	(761,535)	0	0	0	(760,315)	\$ 2,454,432
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,079,947,947	20,271,013	2,513,987,550	967,604,001	553,873,111	552,965,272	(254,135,858)	206,851,876	(6,082,854)	4,565,334,111	\$ 2,514,613,837

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 113,833,866

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DEPLETION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-060-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
NOVEMBER, 2018

SCHEDULE 2: PAGE 38 OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	24,205,218	23,405,374
INTEREST & DIVIDENDS RECEIVABLE	61,064	59,046
NET UNDERRECOVERED FUEL, CAPACITY, ECCR, ECRC	53,660,024	53,608,174
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	15,326,713	15,326,713
PREPAYMENTS - ECCR	47,910,295	47,910,295
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	8,809,637	8,468,722
TEMPORARY CASH INVESTMENTS	1,139,771	1,102,108
STORM DEFICIENCY RECOVERY	127,323,734	127,441,068
NUCLEAR COST RECOVERY	0	0
JOBING ACCOUNTS	54,005,248	52,220,683
OTH REG ASSETS - CLAUSES	5,054,144	4,811,723
MISC. DEFERRED DEBIT - CLAUSES	5,030,954	4,789,646
CEDAR BAY TRANSACTION	597,701,913	571,322,199
ICL TRANSACTION	380,430,555	363,640,164
SRPP TRANSACTION	96,717,568	92,341,616
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,417,376,839	\$ 1,366,447,530
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(96,843)	(93,790)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(1,559,027)	(1,559,027)
ACCUM. PROV. - RATE REFUNDS	0	0
GAIN ON SALE OF EMISSION ALLOWANCE	(776)	(739)
JOBING ACCOUNTS	(49,332,970)	(47,702,797)
POLE ATTACHMENT RENTS PAYABLE	(7,360,175)	(7,360,175)
SRPP ACCELERATED RECOVERY	(8,869,674)	(8,478,209)
STORM DEFICIENCY RECOVERY	(76,849,150)	(76,849,150)
ASSET RETIREMENT OBLIGATION	(4,645,265,803)	(4,498,798,911)
MARGIN CALL CASH COLLATERAL	(551,923)	(533,685)
NUCLEAR COST RECOVERY	(246,517,747)	(246,517,747)
CEDAR BAY TRANSACTION	(4,808,609)	(4,596,380)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (5,041,212,698)	\$ (4,892,490,609)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,623,835,859)	\$ (3,526,043,080)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
NOVEMBER, 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)	\$ 1,694,117	0	0	0	1,220	(761,535)	0	0	0	(760,315)	\$ 2,454,432
TOTAL PROFORMA ADJUSTMENTS	\$ 1,694,117	0	0	0	1,220	(761,535)	0	0	0	(760,315)	\$ 2,454,432

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
 RATE BASE
 NOVEMBER, 2018

SCHEDULE 3: 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	\$ 49,660,751,543	15,903,380,590	33,757,370,953	403,855,974	4,015,614,617	585,898,497	38,762,737,041	(251,228,369)	\$ 38,511,506,672
JURISDICTIONAL PER BOOKS	\$ 47,577,452,401	13,085,447,631	34,492,004,770	381,094,615	3,821,311,293	561,969,096	39,256,379,775	(2,459,376,711)	\$ 36,797,001,063
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 38 OF 3)	\$ (2,210,565,239)	(680,266,675)	(1,530,298,564)	0	(2,359,377,959)	0	(3,889,676,523)	3,526,043,094	\$ (383,633,439)
FPSC ADJUSTED:	\$ 45,366,887,162	12,405,180,956	32,961,706,206	381,094,615	1,461,933,335	561,969,096	35,366,703,252	1,066,664,373	\$ 36,433,367,625
PRO FORMA ADJUSTMENTS	\$ 0	0	0	0	0	0	0	0	\$ 0
TOTAL PRO FORMA ADJUSTMENTS:	\$ 45,366,887,162	12,405,180,956	32,961,706,206	381,094,615	1,461,933,335	561,969,096	35,366,703,252	1,066,664,373	\$ 36,433,367,625

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR-END RATE OF RETURN
INCOME STATEMENT
NOVEMBER, 2018

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	\$ 11,622,843,217	3,305,546,469	2,705,381,010	1,138,941,034	1,299,156,015	557,287,546	(214,164,050)	206,851,876	(6,202,728)	8,992,807,173	\$ 2,629,726,044
JURISDICTIONAL PER BOOKS	\$ 11,173,821,848	3,143,180,314	2,653,858,828	1,076,420,599	1,278,661,753	529,487,949	(207,518,583)	199,031,419	(6,187,012)	8,666,925,077	\$ 2,506,896,771
FPSC ADJUSTMENTS	\$ (485,952,803)	0	0	0	(12,483,274)	(124,645,253)	0	0	0	(137,128,527)	\$ (348,224,275)
FRANCHISE REVENUE	0	0	0	0	(473,246,432)	124,740,778	0	0	0	(348,505,654)	348,505,654
FRANCHISE EXPENSE	0	0	0	0	(87,354)	(87,354)	0	0	0	(250,002)	(250,002)
GROSS RECEIPTS TAX	(256,040,544)	0	0	0	(255,703,187)	91,848	0	0	0	(256,720)	256,720
FINANCIAL PLANNING SERVICES	0	0	(350,568)	0	0	640,080	0	0	0	(1,655,239)	1,655,239
INDUSTRY ASSOCIATION DUES	0	0	(2,295,319)	0	0	38,502	0	0	0	(1,077,784)	1,077,784
ECONOMIC DEVELOPMENT 5%	0	0	(146,286)	0	0	43,038	0	0	0	(123,192)	123,192
AVIATION - EXPENSES	0	0	(166,230)	0	0	10,329,898	0	0	0	(26,791,033)	26,791,033
EXECUTIVE COMPENSATION	0	0	(37,120,832)	0	(2,104,324)	18,498,360	0	0	0	(2,980,471,583)	(13,801,709)
FUEL COST REC RETAIL	(2,994,273,292)	(2,970,618,759)	(176,880)	737,681	(2,124,890)	(505,656)	(28,807,850)	0	0	(65,744,316)	(1,386,824)
CONSERVATION COST RECOVERY	(57,131,141)	0	(44,045,428)	(10,067,490)	(1,124,890)	(18,791,027)	343,845	0	0	(200,178,431)	(50,888,587)
CAPACITY COST RECOVERY	(251,167,028)	(153,198,619)	(30,436,381)	2,236,746	(332,995)	(20,550,828)	(7,062,194)	0	114,158	(102,246,344)	(76,317,166)
ENVIRONMENTAL COST RECOVERY	(178,568,509)	0	(31,276,397)	(43,100,894)	(273,189)	(309,197)	0	0	0	910,755	(910,755)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	(41,465,900)	1,219,952	0	(1,516,142)	0	0	0	(162,987,536)	(4,127,775)
STORM DEFICIENCY RECOVERY	(167,095,311)	0	(41,465,900)	(119,995,494)	0	(89,570)	0	0	0	251,502	(251,502)
INTEREST TAX DEFICIENCIES	0	0	341,072	0	0	10,955,992	(6,120,041)	0	0	4,835,950	(4,835,950)
INTEREST SYNCHRONIZATION	0	0	0	0	0	(1,256,530)	(39,646,893)	0	114,158	(4,265,973,693)	(123,652,935)
TOTAL FPSC ADJUSTMENTS	\$ (4,389,626,628)	(3,123,817,379)	(187,129,258)	(168,969,499)	(745,268,292)	(1,256,530)	(6,120,041)	0	114,158	(4,265,973,693)	\$ (123,652,935)
FPSC ADJUSTED	\$ 6,783,995,220	19,362,995	2,466,729,370	907,451,100	533,383,470	528,231,419	(247,165,476)	199,031,419	(6,082,854)	4,400,951,384	\$ 2,383,043,836
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ 1,694,117	0	0	0	1,220	(761,595)	0	0	0	(760,315)	\$ 2,454,492
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,785,689,337	19,362,995	2,466,729,370	907,451,100	533,384,690	527,469,865	(247,165,476)	199,031,419	(6,082,854)	4,400,191,069	\$ 2,385,498,288

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 113,833,666 AND THE JURISDICTIONAL NOI BY \$ 109,428,724

NOTES:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DEPLETION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-060-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
NOVEMBER, 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)	\$ 1,694,117	0	0	0	1,220	(761,535)	0	0	0	(760,315)	\$ 2,454,432
TOTAL PROFORMA ADJUSTMENTS	\$ 1,694,117	0	0	0	1,220	(761,535)	0	0	0	(760,315)	\$ 2,454,432

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
NOVEMBER, 2018

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,596,847,905	\$ 1,519,745,279
FUEL AND CAPACITY	156,689,851	149,647,164
CAPITALIZED EXECUTIVE COMPENSATION	29,932,373	28,988,595
LOAD CONTROL	49,766,883	49,766,883
ASSET RETIREMENT OBLIGATION	418,061,963	404,880,319
CAPITAL LEASES	59,410,224	57,536,999
TOTAL	\$ 2,309,709,199	\$ 2,210,565,239
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (342,655,890)	\$ (326,315,352)
ACCUM PROV DECOMMISSIONING COSTS	(4,723,208,659)	(4,517,316,653)
ASSET RETIREMENT OBLIGATION	(4,808,921)	(4,657,294)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,382,273,489	4,244,098,838
FUEL AND CAPACITY	(42,317,840)	(40,322,989)
OTHER RATE CASE ADJUSTMENTS (1)	1,219,952	1,219,952
LOAD CONTROL	(27,053,628)	(27,053,628)
CAPITAL LEASES	(10,242,500)	(9,919,550)
TOTAL	\$ (766,793,996)	\$ (680,266,675)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,416,712,827	\$ 2,260,683,561
CWIP - CLAUSE PROJECTS	103,398,059	98,694,397
TOTAL	\$ 2,520,110,886	\$ 2,359,377,959
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)	\$ (3,623,835,864)	\$ (3,526,043,084)
TOTAL ADJUSTMENTS	\$ 439,190,226	\$ 363,633,438

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
NOVEMBER, 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	\$ 11,622,549,217	3,305,546,489	2,705,391,010	1,138,941,034	1,299,156,015	557,287,546	(214,164,050)	206,851,876	(6,202,729)	8,992,807,173	\$ 2,629,736,044
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	(485,552,803)	0	0	0	(12,483,274)	(124,645,253)	0	0	0	(137,128,527)	\$ (348,224,275)
FRANCHISE EXPENSE	0	0	0	0	(473,246,432)	124,740,778	0	0	0	(348,505,654)	348,505,654
GROSS RECEIPTS TAX	(256,040,544)	0	0	0	(255,703,187)	(87,354)	0	0	0	(255,790,542)	(250,002)
FINANCIAL PLANNING SERVICES	0	0	0	0	0	94,839	0	0	0	(267,143)	267,143
INDUSTRY ASSOCIATION DUES	0	0	0	0	0	680,919	0	0	0	(1,709,128)	1,709,128
ECONOMIC DEVELOPMENT 5%	0	0	0	0	0	39,755	0	0	0	(111,293)	111,293
AVIATION - EXPENSES	0	0	0	0	0	44,439	0	0	0	(127,202)	127,202
EXECUTIVE COMPENSATION	0	0	(38,329,474)	0	0	10,656,208	0	0	0	(27,663,266)	27,663,266
FUEL COST REC RETAIL	(3,148,530,559)	(3,124,944,285)	(185,802)	774,846	(2,105,596)	18,602,649	(28,933,316)	0	0	(3,134,791,504)	(13,739,052)
CONSERVATION COST RECOVERY	(57,131,141)	0	(44,045,428)	(10,067,490)	(1,124,890)	(505,655)	(853)	0	0	(55,744,316)	(1,386,824)
CAPACITY COST RECOVERY	(281,572,523)	(160,331,171)	(31,841,723)	1,990,361	(340,313)	(16,548,170)	343,845	0	0	(206,727,170)	(44,845,353)
ENVIRONMENTAL COST RECOVERY	(178,566,509)	0	(32,842,591)	(45,259,210)	(280,431)	(19,661,679)	(7,082,194)	0	119,874	(104,986,231)	(73,580,279)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	1,219,952	0	(309,197)	0	0	0	910,755	(910,755)
STORM DEFICIENCY RECOVERY	(167,095,311)	0	(41,455,900)	(119,995,494)	0	(1,516,142)	0	0	0	(182,967,536)	(4,127,775)
INTEREST TAX DEFICIENCIES	0	0	352,176	0	0	(92,466)	0	0	0	259,690	(259,690)
INTEREST SYNCHRONIZATION	0	0	0	0	0	10,681,934	(6,319,291)	0	0	4,362,643	(4,362,643)
TOTAL FPSC ADJUSTMENTS	\$ (4,544,289,387)	(3,285,275,457)	(191,403,460)	(171,337,034)	(745,294,124)	2,165,584	(39,971,808)	0	119,874	(4,430,986,424)	\$ (113,302,963)
FPSC ADJUSTED	\$ 7,078,259,830	20,271,013	2,513,987,550	967,604,001	553,871,891	559,453,130	(254,135,859)	206,851,876	(6,082,854)	4,561,820,749	\$ 2,516,433,081
PRO FORMA ADJUSTMENTS											
(SEE SCHEDULE 3, PAGE 3B OF 3)	\$ 1,694,117	0	0	0	1,220	(761,535)	0	0	0	(760,315)	\$ 2,454,432
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,079,947,947	20,271,013	2,513,987,550	967,604,001	553,873,111	558,691,596	(254,135,859)	206,851,876	(6,082,854)	4,561,060,434	\$ 2,518,887,513

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 113,833,866

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
 NOVEMBER, 2018

SCHEDULE 3: PAGE 39 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)	\$ 1,694,117	0	0	0	1,220	(761,535)	0	0	0	(760,315)	\$ 2,454,432
TOTAL PROFORMA ADJUSTMENTS	\$ 1,694,117	0	0	0	1,220	(761,535)	0	0	0	(760,315)	\$ 2,454,432

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
NOVEMBER, 2018

SCHEDULE 4: PAGE 1 OF 2

AVERAGE	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 2	ADJUSTMENTS		ADJUSTED RETAIL 5	RATIO (%) 6	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA 3	SPECIFIC 4			COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 11	WEIGHTED COST (%) 12
LONG TERM DEBT	\$ 10,574,942,202	\$ 10,160,511,978	\$ 91,230,568	\$ (136,806,451)	\$ 10,114,936,095	28.32%	4.40%	1.25%	4.40%	1.25%	4.40%	1.25%
SHORT TERM DEBT	1,009,511,933	969,608,631	8,824,875	0	978,433,506	2.74%	2.80%	0.08%	2.80%	0.08%	2.80%	0.08%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	16,712,291,687	16,051,699,571	146,094,242	(0)	16,197,793,814	45.35%	9.60%	4.35%	10.55%	4.78%	11.60%	5.26%
CUSTOMER DEPOSITS	397,714,884	397,179,651	3,614,923	(0)	400,794,575	1.12%	2.09%	0.02%	2.09%	0.02%	2.09%	0.02%
DEFERRED INCOME TAX (1)	8,278,763,717	7,951,314,304	70,167,085	(241,900,534)	7,779,580,855	21.78%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	388,112,209	371,647,191	2,188,743	(131,165,102)	242,670,832	0.68%	7.57%	0.05%	8.19%	0.06%	8.80%	0.06%
TOTAL	\$ 37,361,336,632	\$ 35,901,981,326	\$ 322,120,436	\$ (509,872,087)	\$ 35,714,209,675	100.00%		5.75%		6.19%		6.67%
LONG TERM DEBT	\$ 10,650,593,007	\$ 10,174,520,529	\$ 39,437,190	\$ (136,095,029)	\$ 10,077,862,689	27.66%	4.67%	1.29%	4.67%	1.29%	4.67%	1.29%
SHORT TERM DEBT	246,339,983	235,228,725	924,125	0	236,152,850	0.65%	5.17%	0.03%	5.17%	0.03%	5.17%	0.03%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,425,192,493	17,594,117,222	69,120,654	(0)	17,663,237,876	48.48%	9.60%	4.65%	10.55%	5.11%	11.60%	5.62%
CUSTOMER DEPOSITS	400,899,099	400,229,382	1,572,350	(0)	401,801,732	1.10%	2.17%	0.02%	2.17%	0.02%	2.17%	0.02%
DEFERRED INCOME TAX	8,353,492,303	7,977,887,610	30,391,777	(241,900,534)	7,766,378,853	21.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	434,991,786	415,017,596	1,126,756	(128,210,727)	287,933,625	0.79%	7.78%	0.06%	8.41%	0.07%	9.05%	0.07%
TOTAL	\$ 38,511,508,672	\$ 36,797,001,053	\$ 142,572,852	\$ (506,206,291)	\$ 36,433,367,625	100.00%		6.06%		6.53%		7.04%

NOTE:
(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$2,937 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
NOVEMBER, 2018

SCHEDULE 5: PAGE 1 OF 2

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,690,599,007
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	23,709,699
INCOME TAXES	537,572,066
TOTAL	\$ 3,251,880,772
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 560,379,338
TIMES INTEREST EARNED WITH AFUDC	5.80

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,690,599,007
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(90,124,167)
INCOME TAXES	537,572,066
TOTAL	\$ 3,138,046,906
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 560,379,338
TIMES INTEREST EARNED WITHOUT AFUDC	5.60

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 23,709,699
X (1 - INCOME TAX RATE)	0.7355
SUBTOTAL	\$ 17,438,956
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	90,124,167
TOTAL	\$ 107,563,125
NET INCOME AVAILABLE FOR COMMON	\$ 2,153,929,368
AFUDC AS PERCENT OF NET INCOME	4.99%

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 29,793,149
GAINS ON DISPOSITION OF PROPERTY	(6,202,728)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	0
	\$ 23,590,421

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF:

	0
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NOTE:

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

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 2,153,929,368
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(650,000,000)
AFUDC (DEBT & OTHER)	(113,833,866)
DEPRECIATION AND AMORTIZATION EXPENSE	1,138,941,034
DEFERRED INCOME TAXES	(221,001,633)
INVESTMENT TAX CREDITS	206,851,876
OTHER SOURCE/USES OF FUNDS	23,590,421
INTERNALLY GENERATED FUNDS	\$ 2,538,477,200

CONSTRUCTION EXPENDITURES	\$ 4,773,354,628
PERCENT INTERNALLY GENERATED FUNDS	53.18%

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

AVERAGE RETAIL AMOUNTS	
JURIS ADJUSTED LONG TERM DEBT	\$ 10,114,936,095
JURIS ADJUSTED SHORT TERM DEBT	978,433,506
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	16,197,793,814
TOTAL	\$ 27,291,163,414
LTD TO TOTAL INVESTOR FUNDS	37.06%
STD TO TOTAL INVESTOR FUNDS	3.59%

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.66%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	1.25%
SHORT TERM DEBT	0.08%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	0.06%
SUBTOTAL	1.40%
TOTAL	5.26%
DIVIDED BY COMMON EQUITY RATIO	45.35%
JURISDICTIONAL RETURN ON COMMON EQUITY	11.80%

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

SCHEDULE 5: PAGE 2 OF 2

H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 6.67%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.25%
SHORT TERM DEBT	0.08%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	0.06%
SUBTOTAL	<u>1.40%</u>

PRO FORMA ROR LESS NON EQUITY COST 5.27%

PRO FORMA COMMON EQUITY RATIO 45.35%

PRO FORMA RETURN ON COMMON EQUITY 11.62%