Dorothy Menasco

From: Hayes, Annisha [AnnishaHayes@andrewskurth.com]
Sent: Wednesday, August 01, 2012 3:34 PM
To: Filings@psc.state.fl.us
Subject: 120015-EI SFHHA's Supplement to its Motion to Compel FPL
Attachments: Supplement to SFHHA Motion to Compel.pdf

Electronic Filing

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b. Docket No. 120015-EI.

c. Document being filed on behalf of South Florida Hospital and Healthcare Association (SFHHA).

d. There is a total of 18 pages.

e. The document attached for electronic filing is SFHHA's Supplement to its Motion to Compel FPL to Respond to Certain
Requests for Production of Documents.
(See attached Supplement to SFHHA Motion to Compel.pdf)

Thank you for your attention and cooperation to this request.

Regards.
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company	§ § § § § §	**Docket No.: 120015-EI** **Dated: August 1, 2012**

SOUTH FLORIDA HOSPITAL AND HEALTHCARE ASSOCIATION'S SUPPLEMENT TO ITS MOTION TO COMPEL FLORIDA POWER AND LIGHT COMPANY TO RESPOND TO CERTAIN REQUESTS FOR PRODUCTION OF DOCUMENTS

Pursuant to Florida Rules of Civil Procedure ("Fla. R. Civ. P.") 1.350(a), Fla. R. Civ. P. 1.380(a)(2) and Rule 28-106.204 of the Florida Administrative Code, the South Florida Hospital and Healthcare Association ("SFHHA") hereby supplements its Motion to Compel Florida Power and Light Company ("FPL") to Respond to Certain Requests to Produce Documents. In support hereof, SFHHA states as follows:

1. On July 24, 2012, SFHHA filed a Motion to Compel FPL to Respond to Certain Requests to Produce Documents ("Motion to Compel").

2. FPL filed a response to that motion on July 31, 2012 ("FPL Response").

3. Good cause exists for granting leave for SFHHA to briefly supplement its Motion to Compel. FPL's Response distorts the record and misstates a number of facts. This response will help clarify the factual record.

4. FPL's objections to Request No. 8 should be disregarded. There is no question that FPL and its witnesses that testified concerning its return on equity ("ROE") and capital structure repeatedly relied upon Standard & Poor's ("S&P") assessment of FPL's corporate credit rating. *See*, *e.g.*, Avera Direct Testimony at pp. 18:8, 74:22-75:7 n.61; p. 81:14-15 n.63; pp. 84:23-85:1 n. 67 (note that the S&P report cited to in Dr. Avera's testimony is included as

Attachment A to this supplement); Exh. WEA-3 at p. 1 (column labeled "S&P Credit Rating"). In addition, FPL Witness Avera relied *solely* on the corporate credit ratings from S&P (not those from Moody's and Fitch, as suggested by FPL (FPL Response at Paragraph 5(b)) when constructing his Utility Proxy Group. *See* Avera Direct Testimony at p. 33:17-20; Exh. WEA-3 at p. 1. He used ratings that were one notch below and above FPL's consolidated corporate credit of "A-" from **S&P** (*i.e.* ratings of "BBB+" and "A") "[i]n order to reflect the risks and prospects associated with FPL's jurisdictional utility operations." *Id.* at p. 33:17-20.

5. Contrary to the statements in FPL's Response (*see* FPL Response at Paragraph 5(a)), there is an issue in this case whether FPL's corporate credit rating from S&P ("A-") accurately reflects FPL's risks, as opposed to the risks of its unregulated affiliate NextEra Energy Resources. As previously described by SFHHA in its Motion to Compel (*see* Paragraphs 10-11) and admitted to by FPL in its Response (*see* Paragraph 5(c)), S&P's corporate credit rating of FPL is based upon the consolidated credit profile of NextEra Energy, Inc. and NextEra Energy Resources.

6. FPL claims in its Response that NextEra Energy Resources' contribution to NextEra Energy, Inc.'s consolidated credit profile "is not substantial." FPL Response at Paragraph 5(c). However, the statements contained in S&P's report suggest that S&P disagrees. S&P specifically states in the April 18, 2011 analysis relied upon by FPL Witness Avera that FPL only "represents *about half* of the consolidated credit profile . . ." Attachment A at p. 2 of the S&P report, 3rd paragraph under "Rationale" (Bates No. Staff 000801) (emphasis added). After discussing factors affecting FPL's risks in the first paragraph of its analysis, S&P states "*[m]ore importantly,* the proportion of NextEra's unregulated businesses--the riskier merchant generation, marketing, and trading activities--could increase, which could *further erode its*

consolidated business risk profile." *Id.* at p. 2, 1st full paragraph (emphases added). S&P also states that NextEra Energy Resources' "risks *permanently hinder* credit quality, especially in light of the influence that marketing and high-risk proprietary trading results have on [NextEra Energy Resources'] earnings and cash flow." *Id.* at p. 3, 2nd full paragraph (Bates No. Staff 000802) (emphasis added). FPL cannot seriously claim that the risks associated with NextEra Energy Resources are not affecting FPL's consolidated corporate credit rating from S&P.

7. FPL chose to solely rely on S&P's corporate credit ratings for FPL and other companies when selecting its Utility Proxy Group. That group is used to provide support for FPL's recommended ROE. In addition, FPL chose to rely on S&P's report for supporting its assessment of FPL's risks when selecting its recommended ROE. As described above, S&P's report relies upon an assessment of FPL and its affiliates' risks. Hence, it is appropriate to understand the risk of the other affiliated companies included in S&P's analysis and their affect on FPL's risk. For the reasons stated in SFHHA's Motion to Compel and this supplement, Request No. 8 is relevant to the subject matter of this proceeding and reasonably calculated to lead to the discovery of admissible evidence. FPL should be compelled to fully respond to the request and provide all responsive documents thereto.

8. FPL's objections to Request No. 87 should also be disregarded. FPL claims in its response that it conducts resource planning based on total system load forecasts for energy and peak. *See* FPL Response at Paragraph 19. However, any total system load forecasts would necessarily be the sum of the forecasts for individual customer classes. In other words, in order to be meaningful, total system load forecasting must consider the forecasts of the individual classes of FPL's total load. Otherwise, the load forecasts would not be rationally related to FPL's specific circumstances. For the reasons stated in SFHHA's Motion to Compel and this

supplement, Request No. 87 is relevant to the subject matter of this proceeding and the Request is reasonably calculated to lead to the discovery of admissible evidence. FPL should be compelled to fully respond to the request and provide all responsive documents thereto.

WHEREFORE, SFHHA moves for an order compelling FPL to respond fully within five (5) days to SFHHA's First Request for Production of Documents Nos. 8 and 87.

Respectfully submitted,

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Attorneys for the South Florida Hospital and Healthcare Association

August 1, 2012

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing Supplement to SFHHA's Motion to Compel FPL to Respond to Certain Requests for Production of Documents has been furnished by electronic mail and/or U.S. mail to the following parties on this 1st day of August, 2012 to the following:

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/s/ William M. Rappolt
William M. Rappolt

Attachment A

Q.

Please provide copies of the ROE witness Avera workpapers. For purposes of this response, provide copies of all reports, analyses, data bases, inputs, or other forms of information that the ROE witness Avera relied on in performing the Discounted Cash Flow, Capital Asset Pricing Model and any additional analyses.

A.

A complete copy of the workpapers supporting Dr. Avera's testimony is provided. These workpapers include source documents and information relied on by Dr. Avera in performing the Discounted Cash Flow, Capital Asset Pricing Model and other analyses presented in his testimony, as well as articles and publications cited in his testimony that are not readily available from public sources, such as regulatory agencies and courts.

STANDARD & POOR'S

Global Data Solutions

RatingsXpress℠ Credit Research

April 18, 2011

Florida Power & Light Co.

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Florida Power & Light Co.

Major Rating Factors

Corporate Credit Rating
A-/Stable/A-2

Strengths:

- High-quality electric utility that generates steady earnings and cash flows;
- Active efforts by the parent to sustainably reduce commodity price risk exposure in unregulated activities;
- Low regulatory risk in Florida; and
- Relatively strong service territory with good customer growth prospects and a predominantly residential and commercial base.

Weaknesses:

- Aggressive capital spending plans that stress financial metrics;
- Dependence on natural gas to generate electricity in Florida; and
- Higher-risk operations and less dependable cash flows from affiliate's merchant generation, energy trading, and other unregulated activities.

Rationale

The ratings on Florida Power & Light Co. (FP&L) are based on the consolidated credit profile of its parent, diversified energy holding company NextEra Energy Inc. The credit fundamentals on its regulated utility side have been among the strongest in the U.S., due primarily to low regulatory risk and an attractive service territory with healthy economic growth and a sound business environment. Both of those pillars have been shaken in recent years as Florida, and FP&L's service territory in particular, suffered during the recession, and regulators have responded in ways that reflect greater political influence over regulatory decisions. Maintaining financial strength despite regulatory setbacks and a moribund economy in Florida has been challenging, although the utility's actions to rebuild its regulatory risk profile have been effective. More importantly, the proportion of NextEra's unregulated businesses--the riskier merchant generation, marketing, and trading activities--could increase, which could further erode its consolidated business risk profile.

FP&L is a large, regulated public utility with integrated assets (generation, transmission, and distribution) in south Florida and along the populous eastern coastline and the growing lower western coastline of the state. FP&L owns almost 24,000 megawatts (MW) of efficient, well-operated, mostly natural gas and nuclear-fueled electric generating plants that are used primarily to serve its own customers.

The ratings on all NextEra entities reflect the strength of the regulated cash flows from integrated electric utility FP&L, and the diverse and substantial cash generation capabilities of its unregulated operations at subsidiary NextEra Energy Resources (NER). FP&L represents about half of the consolidated credit profile and has better business fundamentals than most of its integrated electric peers, with a better-than-average service territory, sound operations, and a credit-supportive regulatory environment in which the company has been able to manage its regulatory risk very well. A willingness to expand through acquisitions, fluctuating cash flows from NER's rapidly expanding portfolio of merchant generation assets and growing marketing and trading activities, and significant exposure at the utility to natural gas detract from credit quality. Standard & Poor's characterizes NextEra's business risk profile as strong and its financial risk profile as intermediate. (Our methodology applies the terms excellent, strong, satisfactory, fair, weak, and vulnerable to characterize business risk and minimal, modest, intermediate, significant, aggressive, and highly leveraged to characterize financial risk. See "Criteria Methodology: Business Risk/Financial Risk Matrix Expanded," published May 27, 2009.)

NextEra's business risk is anchored by the company's core electric utility operations in Florida, which exhibit proficiency in almost every area of analysis: the service territory has historically fared better than most of the rest of the country despite its lagging performance in the Great Recession, the customer mix is mostly residential and commercial, costs and rates are low, and reliability and customer satisfaction are high. While the state is not immune to overall economic trends, we expect Florida to attract new residents and jobs over the long term. NextEra's large and growing reliance on natural gas to fuel utility generation could, over time, turn from an advantage (because of its favorable environmental status and currently low prices) to a weakness if gas prices are erratic over time. Regulatory risk, the most important risk a utility faces, has been well managed at FP&L but rose as regulators reacted to weak economic conditions and keener attention in the political arena with a series of decisions for FP&L that fell short of the very sound record of past support for credit quality. In December 2010 the Florida Public Service Commission (PSC) approved the company's settlement with the state attorney general and other crucial parties that will freeze base rates through 2012 and begin the cost recovery for a large new gas-fired plant coming into service in 2011. The settlement provides a stable base for NextEra to maintain financial performance and credit metrics consistent with ratings. The settlement and PSC approval also suggest that regulatory risk has stabilized.

NER, the main subsidiary under unregulated NextEra Energy Capital Holdings Inc. (Holdings), engages in electric generation, marketing, and trading throughout the U.S. NER's focus is on geographic and fuel diversity and on developing environmentally advantageous facilities that benefit from public policy trends. The merchant generator's capacity of almost 19,000 MW consists of more than 40% wind turbines, a little more than one-third natural-gas–fired stations, and the rest mainly nuclear facilities. Three-quarters of the wind projects, one-third of the natural gas capacity, and three of the four nuclear units operate under largely fixed-price, long-term contracts. The rest of the portfolio, including one nuclear plant, is merchant capacity that is exposed to market prices for its output. While a policy of actively hedging the commodity price risk of plant inputs and outputs helps to dampen the risks associated with energy merchant activities, there is an inherent level of commodity price risk that NER cannot avoid. In addition, NER's extensive use (approximately 40% of installed capacity) of project financing of its assets diminishes its cash flow quality, which is offset by lower financial risk. NER's risks permanently hinder credit quality, especially in light of the influence that marketing and high-risk proprietary trading results have on NER's earnings and cash flows.

We believe the governance and financial policies for managing risk are adequate. NextEra's financial profile is characterized by very healthy credit metrics, adequate liquidity, and a management attitude toward credit quality that supports ratings. Importantly, sophisticated but complex financial structures employed at the project level substantiate significant off-credit treatment of largely non-recourse debt at NextEra. Any indication that management is using or is willing to use its own financial resources to aid a troubled project in support of strategic objectives could lead Standard & Poor's to reevaluate the adjustments made to NextEra's reported debt. Large adjustments are also factored into the credit analysis regarding hybrid debt instruments and power-purchase agreements at FP&L. Adjusted credit metrics in current economic and market conditions support the intermediate financial profile. We expect the metrics to remain steady, including funds from operations (FFO) to debt of around

25% and debt to capitalization below 50%.

Liquidity

The short-term rating on FP&L is 'A-2'. The parent manages liquidity (although FP&L has its own sources of liquidity), and we measure it on a consolidated basis. Liquidity is adequate under Standard & Poor's corporate liquidity methodology, which categorizes liquidity in five standard descriptors. (See "Standard & Poor's Standardizes Liquidity Descriptors for Global Corporate Issuers," published July 2, 2010, on RatingsDirect.) Our liquidity assessment largely reflects FP&L's long-term issuer credit rating (ICR) and the stable regulated utility operations that substantially contribute to cash flows. Adequate liquidity supports our 'A-' ICR on FP&L. The company's projected sources of liquidity, mostly operating cash flow and available bank lines, exceed its projected uses, mainly necessary capital expenditures, debt maturities, and common dividends, by more than 1.2x. NextEra's ability to absorb high-impact, low-probability events with limited need for refinancing, its flexibility to lower capital spending or sell assets, its sound bank relationships, its solid standing in credit markets, and its generally prudent risk management further support our assessment of its liquidity as adequate.

Outlook

The outlook on the ratings for NextEra and its subsidiaries is stable and reflects a business profile that is increasingly dominated by higher-risk merchant energy activities and a utility that still presents a better credit profile than its peers. We would consider a lower rating if regulatory risk worsens, operational efficiency at NER deteriorates, investment decisions at NER demonstrate a bigger risk appetite, or financial performance declines due to permanent changes in the Florida economy or merchant energy markets. We would consider a higher rating if a dramatic, sustainable shift in Florida's economic, political, and regulatory environment is accompanied by affirmative steps to reduce risk at NER.

We also base the stable outlook in part on Standard & Poor's baseline forecast that NextEra will attain adjusted funds from operations (FFO) to debt metrics above 20% and adjusted debt to capital metrics below 50% over the near to intermediate term. Year-to-year fluctuations in weather (including hurricanes), fuel cost recovery, and burdensome spending on large solar projects may temporarily affect metrics, but Standard & Poor's expects the company to adapt its financial risk management and the pace of capital spending to account for these and other factors and preserve its ability to achieve the stated metrics. We could lower the ratings if the company falls short of these expectations.

Accounting

NextEra's and FP&L's financial statements are prepared under U.S. generally accepted accounting principles and audited by independent auditors Deloitte & Touche LLP, which issued an unqualified opinion. NextEra employs regulatory accounting under Statement of Financial Accounting Standards No. 71 for regulated utility FP&L, which permits the company to defer recognition of certain revenues and expenses in accordance with future probable regulatory decisions. As of Dec. 31, 2010, NextEra had about $1.6 billion of regulatory assets and $4.3 billion of regulatory liabilities on a balance sheet that contained $53 billion of total assets. It is uncommon for a utility to have greater regulatory liabilities than assets.

NextEra relies on tax incentives, including direct tax credits, in NER's project development efforts. Tax credits underpin the economics of the projects, and NextEra guarantees the payment of production tax credits to projects that have been funded by third parties in project financings. Deferred tax assets, in the form of carryforwards of tax credits and net operating losses, have been growing at an accelerated rate on NextEra's balance sheet, totaling about $2.5 billion in 2010. To realize these tax benefits, the company must, among other things, continue to produce growing taxable income to use the carryforwards. If the deferred tax asset grows unabated, we could make an analytical adjustment to reported financial results if we eventually conclude that the company is unlikely to fully realize the tax benefit.

In analyzing the company's financial profile, Standard & Poor's makes several off-balance-sheet adjustments that are shown in the reconciliation table below. We treat NER's fossil-fuel-based projects as nonessential to the company's strategy. We consolidate the nonrecourse debt associated with the projects in the financial statements, but we remove the debt and related interest in our adjusted numbers. However, we consider the renewables portfolio to be an integral part of its growth strategy, so we deconsolidate only 75% of related nonrecourse project debt and interest in our adjustments. In addition, we remove associated effects on the reported income and cash flow statements and replace them with the pro rata share of actual distributions received from the projects. Credit metrics fully reflect debt related to projects under construction and subject to completion guarantees. As of year-end 2010, we removed approximately $4.3 billion of nonrecourse debt from the balance sheet.

Other adjustments include a reduction in debt and interest expense for storm recovery bonds issued to securitize hurricane damage costs (which the company services through a separate, non-bypassable, legislatively mandated rate mechanism) and adjustments to reflect the equity treatment on hybrid debt securities in accordance with our criteria on hybrid capital. Also, we regard purchased-power agreements as fixed obligations and assign a portion of the value of the payments based on the risk factor as debt and impute an associated interest charge in calculating the adjusted coverage ratios. We use a 25% risk factor, reflecting the recovery of these costs through an adjustment clause, and apply a discount rate equal to the utility's average cost of debt to the fixed capacity payments. We impute a debt-like obligation of approximately $950 million on to the balance sheet.

Rating Methodology

We base our ICRs on NextEra, FP&L, and Holdings on the consolidated credit profile of the entire NextEra family of companies, which is equally influenced by the utility and the unregulated merchant energy operations. We rate the unsecured debt at Holdings, which is unconditionally guaranteed by the parent and is effectively holding company debt, one notch below the ICR because of structural subordination. Although Holdings' debtholders would have access to assets apart from the utility in liquidation, we apply strict notching guidelines because of the extensive use of project-level debt and the complexity of the financing arrangements throughout Holdings. We rate the first mortgage bonds at FP&L one notch above the ICR in accordance with the recovery analysis below.

Recovery Rating

We assign recovery ratings to FMBs issued by investment-grade U.S. utilities, which can result in issue ratings being notched above a utility's ICR depending on the rating category and the extent of the collateral coverage. We base our investment-grade FMB recovery methodology on the ample historical record of 100% recovery for secured bondholders in utility bankruptcies and on our view that the factors that supported those recoveries (the limited size of the creditor class, and the durable value of utility rate-based assets during and after a reorganization, given the essential service provided and the high replacement cost) will persist in the future. Under our recovery criteria, when assigning issue ratings to utility FMBs, we consider our calculation of the maximum amount of FMB issuance under the utility's indenture or other legally binding limitations relative to our estimate of the value of the collateral pledged to bondholders, management's stated intentions on future FMB issuance, as well as any regulatory limitations on bond issuance. FMB ratings can exceed a utility's ICR by up to one notch in the 'A' category, two notches in the 'BBB' category, and three notches in speculative-grade categories. (See "Criteria: Changes To Collateral Requirements For '1+' Recovery Ratings On U.S. Utility First Mortgage Bonds," published Sept. 6, 2007.)

FP&L's FMBs benefit from a first-priority lien on substantially all of the utility's real property owned or subsequently acquired. Collateral coverage of more than 1.5x supports a recovery rating of '1+', which indicates our expectation for 100% recovery in a default scenario, and an issue rating one notch above the ICR.

Related Criteria And Research

- Standard & Poor's Updates Its U.S. Utility Regulatory Assessments, March 12, 2010
- Criteria Methodology: Business Risk/Financial Risk Matrix Expanded, May 27, 2009
- Assessing U.S. Utility Regulatory Environments, Nov. 7, 2008

Table 1

NextEra Energy Inc. -- Peer Comparison*

Industry Sector: Energy

	NextEra Energy Inc.	Entergy Corp.	Dominion Resources Inc.	Public Service Enterprise Group Inc.	Exelon Corp.
Rating as of April 18, 2011	A-/Stable/--	BBB/Stable/--	A-/Stable/A-2	BBB/Positive/A-2	BBB/Stable/A-2
	--Average of the past three fiscal years--				
(Mil. $)					
Revenues	15,471.9	11,727.7	15,539.3	11,995.5	17,690.3
Net income from continuing operations	1,669.4	1,247.3	2,028.7	1,466.6	2,662.0
Funds from operations (FFO)	3,697.3	3,411.6	3,160.3	2,494.4	5,422.6
Capital expenditures	2,653.7	2,486.0	3,568.4	1,874.5	3,208.1
Cash and short-term investments	358.3	1,641.5	58.7	290.2	1,641.0
Debt	14,505.6	13,703.7	18,353.2	8,875.7	19,052.0
Preferred stock	1,119.3	155.5	887.5	53.3	247.7
Equity	14,523.3	8,514.3	12,034.3	8,533.8	12,664.3
Debt and equity	29,028.9	22,218.0	30,387.5	17,409.5	31,716.3
Adjusted ratios					
EBIT interest coverage (x)	3.8	3.2	3.4	6.2	5.7
FFO interest coverage (X)	6.4	4.6	3.9	6.0	6.5
FFO/debt (%)	25.5	24.9	17.2	28.1	28.5
Discretionary cash flow/debt (%)	2.0	1.7	(8.9)	1.0	5.4
Net cash flow/capital expenditures (%)	107.8	113.3	58.6	97.1	126.0
Total debt/debt plus equity (%)	50.0	61.7	60.4	51.0	60.1
Return on common equity (%)	12.5	13.8	18.0	17.5	22.0
Common dividend payout ratio (unadjusted) (%)	46.2	47.6	50.2	46.0	51.5

*Fully adjusted (including postretirement obligations).

Table 2

NextEra Energy Inc. -- Financial Summary*					
Industry Sector: Energy					
	--Fiscal year ended Dec. 31--				
	2010	**2009**	**2008**	**2007**	**2006**
Rating history	A-/Stable/--	A/Stable/--	A/Stable/--	A/Stable/--	A/Stable/--
(Mil. $)					
Revenues	15,009.0	15,423.4	15,983.2	14,861.5	15,225.5
Net income from continuing operations	1,957.0	1,615.0	1,436.2	1,263.3	1,181.6
Funds from operations (FFO)	3,626.8	4,279.6	3,185.5	3,558.6	3,728.7
Capital expenditures	2,897.0	2,864.0	2,200.0	1,802.7	1,794.0
Cash and short-term investments	302.0	238.0	535.0	290.0	620.0
Debt	15,214.5	14,503.5	13,798.8	10,770.2	11,636.9
Preferred stock	1,176.5	1,176.5	1,005.0	1,004.5	504.5
Equity	16,390.5	14,493.5	12,686.0	11,739.5	10,434.5
Debt and equity	31,605.0	28,997.0	26,484.8	22,509.7	22,071.4
Adjusted ratios					
EBIT interest coverage (x)	4.4	3.5	3.5	3.2	3.0
FFO interest coverage (x)	6.3	7.3	5.8	6.3	6.0
FFO/debt (%)	23.8	29.5	23.1	33.0	32.0
Discretionary cash flow/debt (%)	0.5	3.5	1.9	9.9	0.4
Net cash flow/capital expenditures (%)	94.0	120.3	109.7	158.6	174.6
Debt/debt and equity (%)	48.1	50.0	52.1	47.8	52.7
Return on common equity (%)	13.6	12.1	11.7	11.5	11.9
Common dividend payout ratio (unadjusted) (%)	42.1	47.4	50.3	51.8	50.2

*Fully adjusted (including postretirement obligations).

Table 3

Reconciliation Of NextEra Energy Inc. Reported Amounts With Standard & Poor's Adjusted Amounts (Mil. $)*											
	--Fiscal year ended Dec. 31, 2010--										
NextEra Energy Inc. reported amounts											
	Debt	**Shareholders' equity**	**Revenues**	**Operating income (before D&A)**	**Operating income (before D&A)**	**Operating income (after D&A)**	**Interest expense**	**Cash flow from operations**	**Cash flow from operations**	**Dividends paid**	**Capital expenditures**
Reported	20,822.0	14,461.0	15,317.0	5,050.0	5,050.0	3,243.0	979.0	3,834.0	3,834.0	823.0	2,947.0
Standard & Poor's adjustments											
Intermediate hybrids reported as debt	(1,176.5)	1,176.5	--	--	--	--	(82.0)	82.0	82.0	82.0	--
Postretirement benefit obligations	--	--	--	(117.0)	(117.0)	(117.0)	--	54.6	54.6	--	--
Accrued interest not included in reported debt	210.0	--	--	--	--	--	--	--	--	--	--

Table 3

Reconciliation Of NextEra Energy Inc. Reported Amounts With Standard & Poor's Adjusted Amounts (Mil. $)* (cont.)

Capitalized interest	--	--	--	--	--	--	50.0	(50.0)	(50.0)	--	(50.0)
Share-based compensation expense	--	--	--	--	57.0	--	--	--	--	--	--
Nonrecourse debt	(4,306.0)	--	(280.0)	(280.0)	(280.0)	(280.0)	(280.0)	--	--	--	--
Securitized utility cost recovery	(531.0)	--	(28.0)	(28.0)	(28.0)	(28.0)	(28.0)	--	--	--	--
Power purchase agreements	949.0	--	--	122.3	122.3	49.2	49.2	73.2	73.2	--	--
Reclassification of nonoperating income (expenses)	--	--	--	--	--	158.0	--	--	--	--	--
Reclassification of working-capital cash flow changes	--	--	--	--	--	--	--	--	(258.0)	--	--
US decommissioning fund contributions	--	--	--	--	--	--	--	(109.0)	(109.0)	--	--
Other	(753.0)	753.0	--	--	--	--	--	--	--	--	--
Total adjustments	(5,607.5)	1,929.5	(308.0)	(302.7)	(245.7)	(217.8)	(290.8)	50.8	(207.2)	82.0	(50.0)

Standard & Poor's adjusted amounts

	Debt	Equity	Revenues	Operating income (before D&A)	EBITDA	EBIT	Interest expense	Cash flow from operations	Funds from operations	Dividends paid	Capital expenditures
Adjusted	15,214.5	16,390.5	15,009.0	4,747.3	4,804.3	3,025.2	688.2	3,884.8	3,626.8	905.0	2,897.0

*NextEra Energy Inc. reported amounts shown are taken from the company's financial statements but might include adjustments made by data providers or reclassifications made by Standard & Poor's analysts. Please note that two reported amounts (operating income before D&A and cash flow from operations) are used to derive more than one Standard & Poor's adjusted amount (operating income before D&A and EBITDA, and cash flow from operations and funds from operations, respectively). Consequently, the first section in some tables may feature duplicate descriptions and amounts. D&A--Depreciation and amortization.

Ratings Detail (As Of April 18, 2011)*

Florida Power & Light Co.	
Corporate Credit Rating	A-/Stable/A-2
Commercial Paper	
Local Currency	A-2
Preferred Stock (2 Issues)	BBB
Senior Secured (28 Issues)	A
Senior Secured (9 Issues)	A/A-2
Corporate Credit Ratings History	
11-Mar-2010	A-/Stable/A-2
14-Jan-2010	A/Watch Neg/A-1
26-Oct-2006	A/Stable/A-1
Business Risk Profile	Excellent

Ratings Detail (As Of April 18, 2011)*(cont.)	
Financial Risk Profile	Intermediate
Debt Maturities	
(Total for parent) 2011: $1.9 bil. 2012: $816 mil. 2013: $1.8 bil. 2014: $940 mil. 2015: $1.8 bil.	
Related Entities	
FPL Energy American Wind LLC	
Senior Secured (1 Issue)	BBB-/Negative
FPL Energy National Wind LLC	
Senior Secured (1 Issue)	BBB-/Negative
FPL Energy National Wind Portfolio LLC	
Senior Secured (1 Issue)	B+/Negative
FPL Energy Wind Funding LLC	
Senior Secured (1 Issue)	B+/Negative
NextEra Energy Capital Holdings, Inc.	
Issuer Credit Rating	A-/Stable/A-2
Commercial Paper	
Local Currency	A-2
Junior Subordinated (1 Issue)	BBB
Senior Unsecured (1 Issue)	BBB+
FPL Group Capital Trust I	
Preferred Stock (1 Issue)	BBB
NextEra Energy Inc.	
Issuer Credit Rating	A-/Stable/--
Junior Subordinated (5 Issues)	BBB
Senior Unsecured (9 Issues)	BBB+

*Unless otherwise noted, all ratings in this report are global scale ratings. Standard & Poor's credit ratings on the global scale are comparable across countries. Standard & Poor's credit ratings on a national scale are relative to obligors or obligations within that specific country.