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DIVISION OF FINANCE
ACCOUNTING & FINANCE

January 15, 2015

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 2014. This report was prepared using a thirteen month average and year-end rate base and adjustments consistent with Docket No. 120015-EI, Order No. PSC-13-0023-S-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 11.48%.

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 'SLS', written over a horizontal line.

Sol L. Stamm
Director of Regulatory Accounting

Enclosures

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
EARNINGS SURVEILLANCE REPORT SUMMARY
NOVEMBER, 2014

SCHEDULE 1: PAGE 1 OF 1

| | ACTUAL PER BOOKS | FPSC ADJUSTMENTS | FPSC ADJUSTED | PRO FORMA ADJUSTMENTS | PRO FORMA ADJUSTED |
|---------------------------------------------------------------------|----------------------|---------------------|------------------|--------------------------|-----------------------|
| <u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u> | | | | | |
| NET OPERATING INCOME | \$ 1,894,059,386 (A) | (160,309,689) (B) | 1,733,749,697 | 5,286,256 | \$ 1,739,035,953 |
| RATE BASE | \$ 25,012,029,714 | 358,810,711 | 25,370,840,425 | 0 | \$ 25,370,840,425 |
| AVERAGE RATE OF RETURN | 7.57% | | 6.83% | | 6.85% |
| <u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u> | | | | | |
| NET OPERATING INCOME | \$ 1,894,059,386 (A) | (152,726,300) (B) | 1,741,333,086 | 5,286,256 | \$ 1,746,619,342 |
| RATE BASE | \$ 25,700,354,543 | 556,601,256 | 26,256,955,799 | 0 | \$ 26,256,955,799 |
| YEAR END RATE OF RETURN | 7.37% | | 6.63% | | 6.65% |
| (A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS | | | | | |

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

| | |
|----------|-------|
| LOW | 5.91% |
| MIDPOINT | 6.37% |
| HIGH | 6.84% |

IV. FINANCIAL INTEGRITY INDICATORS

| | | |
|-------------------------------------------------|--------|--------------------------|
| A. TIMES INTEREST EARNED WITH AFUDC | 6.32 | (SYSTEM PER BOOKS BASIS) |
| B. TIMES INTEREST EARNED WITHOUT AFUDC | 6.21 | (SYSTEM PER BOOKS BASIS) |
| C. AFUDC AS PERCENT OF NET INCOME | 3.10% | (SYSTEM PER BOOKS BASIS) |
| D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY | 66.47% | (SYSTEM PER BOOKS BASIS) |
| E. LTD TO TOTAL INVESTOR FUNDS | 38.57% | (FPSC ADJUSTED BASIS) |
| F. STD TO TOTAL INVESTOR FUNDS | 1.07% | (FPSC ADJUSTED BASIS) |
| G. RETURN ON COMMON EQUITY (AVERAGE) | 11.48% | (FPSC ADJUSTED) |
| H. RETURN ON COMMON EQUITY | 11.53% | (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. 120015-EI, ORDER NO. PSC-13-0023-S-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.

KIMBERLY OUSDAHL
(VICE PRESIDENT AND CHIEF ACCOUNTING OFFICER)

(SIGNATURE)

K. OUSDAHL

(DATE)

11/15/15

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
NOVEMBER, 2014

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 | \$ 38,093,194,605 | 13,330,136,727 | 24,763,057,878 | 244,582,378 | 1,793,350,283 | 738,684,010 | 27,539,674,549 | (1,566,988,289) | \$ 25,972,686,260 |
| JURISDICTIONAL PER BOOKS | \$ 36,451,930,353 | 11,894,124,861 | 24,557,805,492 | 232,362,035 | 1,705,482,070 | 707,183,546 | 27,202,833,143 | (2,190,803,430) | \$ 25,012,029,714 |
| FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3) | \$ (1,715,509,566) | (318,997,673) | (1,396,511,893) | 0 | (1,092,522,369) | 0 | (2,489,034,262) | 2,847,844,973 | \$ 358,810,711 |
| FPSC ADJUSTED: | \$ 34,736,420,787 | 11,575,127,188 | 23,161,293,599 | 232,362,035 | 612,959,701 | 707,183,546 | 24,713,798,881 | 657,041,544 | \$ 25,370,840,425 |
| PRO FORMA ADJUSTMENTS | | | | | | | | | |
| TOTAL PRO FORMA ADJUSTMENTS: | \$ 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 0 |
| PRO FORMA ADJUSTED | \$ 34,736,420,787 | 11,575,127,188 | 23,161,293,599 | 232,362,035 | 612,959,701 | 707,183,546 | 24,713,798,881 | 657,041,544 | \$ 25,370,840,425 |

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, 2014

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 | \$ 11,208,708,928 | 4,179,363,563 | 1,624,625,173 | 1,432,693,251 | 1,167,621,827 | 525,947,988 | 362,356,108 | 1,033,164 | (1,444,630) | 9,292,196,445 | \$ 1,916,512,483 |
| JURISDICTIONAL PER BOOKS | \$ 10,794,698,466 | 3,984,563,596 | 1,575,104,400 | 1,385,501,009 | 1,152,636,511 | 505,454,397 | 348,203,683 | 997,879 | (1,427,095) | 8,951,034,380 | \$ 1,843,664,086 |
| FPSC ADJUSTMENTS | | | | | | | | | | | |
| FRANCHISE REVENUE | \$ (466,343,190) | 0 | 0 | 0 | (11,994,347) | (175,265,066) | 0 | 0 | 0 | (187,259,413) | \$ (279,083,777) |
| FRANCHISE EXPENSE | 0 | 0 | 0 | 0 | (454,348,794) | 175,265,047 | 0 | 0 | 0 | (279,083,747) | 279,083,747 |
| GROSS RECEIPTS TAX | (250,710,677) | 0 | 0 | 0 | (250,328,063) | (147,593) | 0 | 0 | 0 | (250,475,657) | (235,021) |
| FINANCIAL PLANNING SERVICES | 0 | 0 | (339,605) | 0 | 0 | 131,003 | 0 | 0 | 0 | (208,602) | 208,602 |
| INDUSTRY ASSOCIATION DUES | 0 | 0 | (1,927,416) | 0 | 0 | 743,501 | 0 | 0 | 0 | (1,183,915) | 1,183,915 |
| ECONOMIC DEVELOPMENT 5% | 0 | 0 | (108,185) | 0 | 0 | 41,732 | 0 | 0 | 0 | (66,453) | 66,453 |
| AVIATION - EXPENSES | 0 | 0 | (188,589) | 0 | 0 | 72,748 | 0 | 0 | 0 | (115,841) | 115,841 |
| EXECUTIVE COMPENSATION | 0 | 0 | (26,864,036) | 0 | 0 | 10,362,802 | 0 | 0 | 0 | (16,501,234) | 16,501,234 |
| FUEL COST REC RETAIL | (3,529,332,809) | (3,496,897,093) | (10,229,705) | 0 | (2,471,333) | 42,347,224 | (49,959,876) | 0 | 0 | (3,517,210,783) | (12,122,025) |
| CONSERVATION COST RECOVERY | (165,378,530) | 0 | (150,882,009) | (8,432,508) | (1,605,435) | (5,123,153) | 3,403,257 | 0 | 0 | (162,639,849) | (2,738,681) |
| CAPACITY COST RECOVERY | (570,672,824) | (465,107,709) | (57,638,907) | (50,237,774) | (536,730) | (15,366,386) | 16,465,116 | 0 | 0 | (572,422,390) | 1,749,566 |
| ENVIRONMENTAL COST RECOVERY | (208,135,400) | 0 | (23,465,925) | (50,141,039) | (292,885) | (53,801,631) | 1,871,590 | 0 | 385,423 | (125,444,467) | (82,690,933) |
| OTHER RATE CASE ADJUSTMENTS (1) | 0 | 0 | 0 | 3,835,545 | 0 | (1,479,562) | 0 | 0 | 0 | 2,355,984 | (2,355,984) |
| STORM DEFICIENCY RECOVERY | (108,510,025) | 0 | (742,971) | (88,988,989) | 0 | (7,243,639) | 0 | 0 | 0 | (96,975,598) | (11,534,427) |
| GAIN ON SALE LAND (PROPERTY) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| INTEREST TAX DEFICIENCIES | 0 | 0 | 1,480,757 | 0 | 0 | (571,202) | 0 | 0 | 0 | 909,555 | (909,555) |
| INTEREST SYNCHRONIZATION | 0 | 0 | 0 | 0 | 0 | 21,743,613 | (4,590,269) | 0 | 0 | 17,153,344 | (17,153,344) |
| TOTAL FPSC ADJUSTMENTS | \$ (5,299,083,455) | (3,962,004,802) | (270,906,591) | (193,964,764) | (721,577,588) | (8,290,560) | (32,810,182) | 0 | 385,423 | (5,189,169,066) | \$ (109,914,389) |
| FPSC ADJUSTED | \$ 5,495,615,011 | 22,558,793 | 1,304,197,809 | 1,191,536,246 | 431,058,922 | 497,163,837 | 315,393,501 | 997,879 | (1,041,673) | 3,761,865,314 | \$ 1,733,749,697 |
| PRO FORMA ADJUSTMENTS | | | | | | | | | | | |
| PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3) | \$ 8,612,235 | 0 | 0 | 0 | 6,201 | 3,319,778 | 0 | 0 | 0 | 3,325,978 | \$ 5,286,256 |
| PRO FORMA SYSTEM PER BOOKS ADJUSTED | \$ 5,504,227,246 | 22,558,793 | 1,304,197,809 | 1,191,536,246 | 431,065,123 | 500,483,614 | 315,393,501 | 997,879 | (1,041,673) | 3,765,191,292 | \$ 1,739,035,953 |
| (A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY | | | | | | | | | | | |
| | \$ 52,371,850 | | | | | | | | | | |
| | \$ 50,395,300 | | | | | | | | | | |
| (B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE: | | | | | | | | | | | |
| ON A TOTAL COMPANY BASIS | \$ 2,234,244 | | | | | | | | | | |
| ON A JURISDICTIONAL BASIS | \$ 2,163,698 | | | | | | | | | | |
| CURRENT MONTH AMOUNT | | | | | | | | | | | |
| SYSTEM PER BOOKS | \$ 834,282,586 | 318,413,997 | 128,311,731 | 87,021,193 | 89,398,595 | 43,680,143 | 21,595,218 | (42,020) | (155,608) | 688,223,250 | \$ 146,059,337 |
| JURISDICTIONAL PER BOOKS | \$ 799,836,282 | 305,159,264 | 124,357,016 | 83,876,798 | 88,192,360 | 40,768,694 | 20,109,149 | (40,585) | (154,193) | 662,268,503 | \$ 137,567,779 |

NOTE:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
NOVEMBER, 2014

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) | \$ 8,612,235 | 0 | 0 | 0 | 6,201 | 3,319,778 | 0 | 0 | 0 | 3,325,978 | \$ 5,286,256 |
| TOTAL PROFORMA ADJUSTMENTS | \$ 8,612,235 | 0 | 0 | 0 | 6,201 | 3,319,778 | 0 | 0 | 0 | 3,325,978 | \$ 5,286,256 |

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, 2014

SCHEDULE 2: PAGE 3 OF 3

| RATE BASE ADJUSTMENTS | SYSTEM | JURISDICTIONAL |
|-----------------------------------------------------------|-------------------------|-------------------------|
| PLANT IN SERVICE: | | |
| ENVIRONMENTAL | \$ 1,499,281,167 | \$ 1,434,041,342 |
| FUEL AND CAPACITY | 166,975,305 | 159,373,705 |
| CAPITALIZED EXECUTIVE COMPENSATION | 4,847,773 | 4,694,705 |
| LOAD CONTROL | 42,058,690 | 42,058,690 |
| ASSET RETIREMENT OBLIGATION | 19,392,836 | 18,780,509 |
| CAPITAL LEASES | 58,404,741 | 56,560,616 |
| TOTAL | \$ 1,790,960,512 | \$ 1,715,509,566 |
| ACCUMULATED PROVISION FOR DEPRECIATION: | | |
| ENVIRONMENTAL | \$ (117,618,109) | \$ (112,500,066) |
| ACCUM PROV DECOMMISSIONING COSTS | (3,650,353,119) | (3,470,721,944) |
| ASSET RETIREMENT OBLIGATION | 47,772,593 | 46,264,177 |
| ASSET RETIREMENT OBLIGATION DECOMMISSIONING | 3,383,169,645 | 3,276,346,334 |
| FUEL AND CAPACITY | (35,714,877) | (34,089,707) |
| OTHER RATE CASE ADJUSTMENTS (1) | 306,614 | 295,042 |
| LOAD CONTROL | (20,584,340) | (20,584,340) |
| CAPITAL LEASES | (4,137,820) | (4,007,169) |
| TOTAL | \$ (397,159,414) | \$ (318,997,673) |
| CONSTRUCTION WORK IN PROGRESS: | | |
| CONSTRUCTION WORK IN PROGRESS | \$ 1,087,873,476 | \$ 1,033,589,888 |
| CWIP - CAPACITY & ECRC PROJECTS | 61,637,297 | 58,932,481 |
| TOTAL | \$ 1,149,510,773 | \$ 1,092,522,369 |
| 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) | \$ (2,956,578,227) | \$ (2,847,844,973) |
| TOTAL ADJUSTMENTS | \$ (413,266,355) | \$ (358,810,711) |

NOTE :

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
NOVEMBER, 2014

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 | \$ 11,208,708,928 | 4,179,363,563 | 1,624,625,173 | 1,432,693,251 | 1,167,621,827 | 525,947,988 | 362,356,108 | 1,033,164 | (1,444,630) | 9,292,196,445 | \$ 1,916,512,483 |
| FPSC ADJUSTMENTS | | | | | | | | | | | |
| FRANCHISE REVENUE | \$ (466,343,190) | 0 | 0 | 0 | (11,994,347) | (175,265,066) | 0 | 0 | 0 | (187,259,413) | \$ (279,083,777) |
| FRANCHISE EXPENSE | 0 | 0 | 0 | 0 | (454,348,794) | 175,265,047 | 0 | 0 | 0 | (279,083,747) | 279,083,747 |
| GROSS RECEIPTS TAX | (250,710,677) | 0 | 0 | 0 | (250,328,063) | (147,593) | 0 | 0 | 0 | (250,475,657) | (235,020) |
| FINANCIAL PLANNING SERVICES | 0 | 0 | (350,677) | 0 | 0 | 135,274 | 0 | 0 | 0 | (215,404) | 215,404 |
| INDUSTRY ASSOCIATION DUES | 0 | 0 | (1,990,258) | 0 | 0 | 767,742 | 0 | 0 | 0 | (1,222,516) | 1,222,516 |
| ECONOMIC DEVELOPMENT 5% | 0 | 0 | (111,712) | 0 | 0 | 43,093 | 0 | 0 | 0 | (68,619) | 68,619 |
| AVIATION - EXPENSES | 0 | 0 | (194,738) | 0 | 0 | 75,120 | 0 | 0 | 0 | (119,618) | 119,618 |
| EXECUTIVE COMPENSATION | 0 | 0 | (27,739,921) | 0 | 0 | 10,700,675 | 0 | 0 | 0 | (17,039,247) | 17,039,247 |
| ADVERTISING EXPENSES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| FUEL COST REC RETAIL | (3,702,311,219) | (3,669,459,626) | (10,717,371) | 0 | (2,472,059) | 42,496,277 | (50,080,957) | 0 | 0 | (3,690,233,735) | (12,077,484) |
| CONSERVATION COST RECOVERY | (165,378,530) | 0 | (150,882,009) | (8,432,508) | (1,605,435) | (5,123,153) | 3,403,257 | 0 | 0 | (162,639,849) | (2,738,681) |
| CAPACITY COST RECOVERY | (570,881,518) | (486,340,295) | (60,428,968) | (50,237,774) | (542,884) | (6,177,780) | 16,465,116 | 0 | 0 | (587,262,584) | 16,381,066 |
| ENVIRONMENTAL COST RECOVERY | (208,135,400) | 0 | (24,533,477) | (52,422,139) | (299,392) | (52,514,142) | 1,871,590 | 0 | 402,957 | (127,494,603) | (80,640,797) |
| OTHER RATE CASE ADJUSTMENTS (1) | 0 | 0 | 0 | 3,985,979 | 0 | (1,537,591) | 0 | 0 | 0 | 2,448,388 | (2,448,388) |
| STORM DEFICIENCY RECOVERY | (108,510,025) | 0 | (765,165) | (88,988,989) | 0 | (7,235,077) | 0 | 0 | 0 | (96,989,231) | (11,520,794) |
| GAIN ON SALE LAND (PROPERTY) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| INTEREST TAX DEFICIENCIES | 0 | 0 | 1,529,036 | 0 | 0 | (589,826) | 0 | 0 | 0 | 939,211 | (939,211) |
| INTEREST SYNCHRONIZATION | 0 | 0 | 0 | 0 | 0 | 22,008,503 | (4,739,932) | 0 | 0 | 17,268,571 | (17,268,571) |
| TOTAL FPSC ADJUSTMENTS | \$ (5,472,270,559) | (4,155,799,921) | (276,185,260) | (196,095,431) | (721,590,975) | 2,901,502 | (33,080,926) | 0 | 402,957 | (5,379,448,053) | \$ (92,822,506) |
| FPSC ADJUSTED | \$ 5,736,438,369 | 23,563,642 | 1,348,439,913 | 1,236,597,820 | 446,030,852 | 528,849,490 | 329,275,182 | 1,033,164 | (1,041,673) | 3,912,748,391 | \$ 1,823,689,977 |
| PRO FORMA ADJUSTMENTS | \$ 8,612,235 | 0 | 0 | 0 | 6,201 | 3,319,778 | 0 | 0 | 0 | 3,325,978 | \$ 5,286,256 |
| (SEE SCHEDULE 2, PAGE 3C OF 3) | | | | | | | | | | | |
| PRO FORMA SYSTEM PER BOOKS ADJUSTED | \$ 5,745,050,604 | 23,563,642 | 1,348,439,913 | 1,236,597,820 | 446,037,053 | 532,169,268 | 329,275,182 | 1,033,164 | (1,041,673) | 3,916,074,370 | \$ 1,828,976,234 |

(A) THE ADDITION OF EARNINGS FROM AFUDC
WOULD INCREASE THE SYSTEM NOI BY \$ 52,371,850

NOTE:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
NOVEMBER, 2014

SCHEDULE 2: PAGE 3B OF 3

| WORKING CAPITAL ADJUSTMENTS | SYSTEM | JURISDICTIONAL |
|-----------------------------------------------------|---------------------------|---------------------------|
| ADJUSTMENTS TO ASSETS PER BOOKS: | | |
| ACCOUNTS RECEIVABLE - ASSOC COS | 21,745,645 | 21,038,942 |
| INTEREST & DIVIDENDS RECEIVABLE | 74,641 | 72,215 |
| ACCTS RECEIVABLE - TAX REFUND | 0 | 0 |
| NET UNDERRECOVERED FUEL, CAPACITY, ECCR, ECRC | 231,312,081 | 230,333,422 |
| CASH CAPITAL SUB ACCOUNT | 0 | 0 |
| POLE ATTACHMENTS RENTS RECEIVABLE | 14,983,764 | 14,496,813 |
| PREPAYMENTS - ECCR | 47,929,489 | 47,929,489 |
| PREPAYMENTS - INTEREST ON COMMERCIAL PAPER | 3,423,803 | 3,294,586 |
| RATE CASE EXPENSE | 30,852 | 30,852 |
| TEMPORARY CASH INVESTMENTS | 1,394,307 | 1,348,994 |
| ASSET RETIREMENT OBLIGATION | 0 | 0 |
| STORM DEFICIENCY RECOVERY | 542,462,509 | 542,462,509 |
| NUCLEAR COST RECOVERY | 8,279,221 | 8,279,221 |
| JOBGING ACCOUNTS | 16,431,427 | 15,897,429 |
| TOTAL ADJUSTMENTS TO ASSETS PER BOOKS | \$ 888,067,740 | \$ 885,184,472 |
| ADJUSTMENTS TO LIABILITIES PER BOOKS: | | |
| ACCOUNTS PAYABLE - ASSOC COS | 0 | 0 |
| ACCUM DEFERRED RETIREMENT BENEFITS | (208,564) | (201,978) |
| ACCUM. PROV. - PROPERTY & STORM INSURANCE | (121,452,985) | (121,452,985) |
| ACCUM. PROV. - RATE REFUNDS | (438,026) | (436,741) |
| GAIN ON SALE OF EMISSION ALLOWANCE | (487,646) | (466,426) |
| JOBGING ACCOUNTS | (14,437,067) | (13,967,883) |
| PAYABLE TO NUCLEAR DECOMMISSIONING FUND | 0 | 0 |
| LEHMAN HEDGE | 0 | 0 |
| POLE ATTACHMENT RENTS PAYABLE | (7,556,148) | (7,310,583) |
| PREFERRED STOCK DIVIDENDS ACCRUED | 0 | 0 |
| SJRPP ACCELERATED RECOVERY | (42,358,472) | (40,429,845) |
| STORM DEFICIENCY RECOVERY | 0 | 0 |
| ASSET RETIREMENT OBLIGATION | (3,450,335,091) | (3,341,391,036) |
| MARGIN CALL CASH COLLATERAL | 0 | 0 |
| NUCLEAR COST RECOVERY | (207,371,969) | (207,371,969) |
| TRANSMISSION RELIABILITY ENHANCEMENT | 0 | 0 |
| TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS | \$ (3,844,645,966) | \$ (3,733,029,446) |
| NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS | \$ (2,956,578,227) | \$ (2,847,844,973) |

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
NOVEMBER, 2014

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) | \$ 8,612,235 | 0 | 0 | 0 | 6,201 | 3,319,778 | 0 | 0 | 0 | 3,325,978 | \$ 5,286,256 |
| TOTAL PROFORMA ADJUSTMENTS | \$ 8,612,235 | 0 | 0 | 0 | 6,201 | 3,319,778 | 0 | 0 | 0 | 3,325,978 | \$ 5,286,256 |

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, 2014

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 | \$ 39,080,296,708 | 13,623,556,571 | 25,456,740,137 | 242,377,647 | 1,942,881,510 | 716,979,431 | 28,358,978,725 | (1,566,988,289) | \$ 26,791,990,437 |
| JURISDICTIONAL PER BOOKS | \$ 37,396,638,273 | 12,271,369,856 | 25,125,268,417 | 230,258,204 | 1,849,226,813 | 686,404,538 | 27,891,157,973 | (2,190,803,430) | \$ 25,700,354,543 |
| FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3) | \$ (1,616,652,276) | (345,170,073) | (1,271,482,205) | 0 | (1,019,761,513) | 0 | (2,291,243,718) | 2,847,844,973 | \$ 556,601,256 |
| FPSC ADJUSTED: | \$ 35,779,985,995 | 11,926,199,783 | 23,853,786,212 | 230,258,204 | 829,465,300 | 686,404,538 | 25,599,914,255 | 657,041,544 | \$ 26,256,955,799 |
| PRO FORMA ADJUSTMENTS | | | | | | | | | |
| TOTAL PRO FORMA ADJUSTMENTS: | \$ 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 0 |
| PRO FORMA ADJUSTED | \$ 35,779,985,995 | 11,926,199,783 | 23,853,786,212 | 230,258,204 | 829,465,300 | 686,404,538 | 25,599,914,255 | 657,041,544 | \$ 26,256,955,799 |

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
NOVEMBER, 2014

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 | \$ 11,208,708,928 | 4,179,363,563 | 1,624,625,173 | 1,432,693,251 | 1,167,621,827 | 525,947,988 | 362,356,108 | 1,033,164 | (1,444,630) | 9,292,196,445 | \$ 1,916,512,483 |
| JURISDICTIONAL PER BOOKS | \$ 10,794,698,466 | 3,984,563,596 | 1,575,104,400 | 1,385,501,009 | 1,152,636,511 | 505,454,397 | 348,203,683 | 997,879 | (1,427,095) | 8,951,034,380 | \$ 1,843,664,086 |
| FPSC ADJUSTMENTS | | | | | | | | | | | |
| FRANCHISE REVENUE | \$ (466,343,190) | 0 | 0 | 0 | (11,994,347) | (175,265,066) | 0 | 0 | 0 | (187,259,413) | \$ (279,083,777) |
| FRANCHISE EXPENSE | 0 | 0 | 0 | 0 | (454,348,794) | 175,265,047 | 0 | 0 | 0 | (279,083,747) | 279,083,747 |
| GROSS RECEIPTS TAX | (250,710,677) | 0 | 0 | 0 | (250,328,063) | (147,593) | 0 | 0 | 0 | (250,475,657) | (235,021) |
| FINANCIAL PLANNING SERVICES | 0 | 0 | (339,605) | 0 | 0 | 131,003 | 0 | 0 | 0 | (208,602) | 208,602 |
| INDUSTRY ASSOCIATION DUES | 0 | 0 | (1,927,416) | 0 | 0 | 743,501 | 0 | 0 | 0 | (1,183,915) | 1,183,915 |
| ECONOMIC DEVELOPMENT 5% | 0 | 0 | (108,185) | 0 | 0 | 41,732 | 0 | 0 | 0 | (66,453) | 66,453 |
| AVIATION - EXPENSES | 0 | 0 | (188,589) | 0 | 0 | 72,748 | 0 | 0 | 0 | (115,841) | 115,841 |
| EXECUTIVE COMPENSATION | 0 | 0 | (26,864,036) | 0 | 0 | 10,362,802 | 0 | 0 | 0 | (16,501,234) | 16,501,234 |
| FUEL COST REC RETAIL | (3,529,332,809) | (3,496,897,093) | (10,229,705) | 0 | (2,471,333) | 42,347,224 | (49,959,876) | 0 | 0 | (3,517,210,783) | (12,122,025) |
| CONSERVATION COST RECOVERY | (165,378,530) | 0 | (150,882,009) | (8,432,508) | (1,605,435) | (5,123,153) | 3,403,257 | 0 | 0 | (162,639,849) | (2,738,681) |
| CAPACITY COST RECOVERY | (570,672,824) | (465,107,709) | (57,638,907) | (50,237,774) | (536,730) | (15,366,386) | 16,465,116 | 0 | 0 | (572,422,390) | 1,749,566 |
| ENVIRONMENTAL COST RECOVERY | (208,135,400) | 0 | (23,465,925) | (50,141,039) | (292,885) | (53,801,631) | 1,871,590 | 0 | 385,423 | (125,444,467) | (82,690,933) |
| OTHER RATE CASE ADJUSTMENTS (1) | 0 | 0 | 0 | 3,835,545 | 0 | (1,479,562) | 0 | 0 | 0 | 2,355,984 | (2,355,984) |
| STORM DEFICIENCY RECOVERY | (108,510,025) | 0 | (742,971) | (88,988,989) | 0 | (7,243,639) | 0 | 0 | 0 | (96,975,598) | (11,534,427) |
| GAIN ON SALE LAND (PROPERTY) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| INTEREST TAX DEFICIENCIES | 0 | 0 | 1,480,757 | 0 | 0 | (571,202) | 0 | 0 | 0 | 909,555 | (909,555) |
| INTEREST SYNCHRONIZATION | 0 | 0 | 0 | 0 | 0 | 14,160,225 | (4,590,269) | 0 | 0 | 9,569,956 | (9,569,956) |
| TOTAL FPSC ADJUSTMENTS | \$ (5,299,083,455) | (3,962,004,802) | (270,906,591) | (193,964,764) | (721,577,588) | (15,873,949) | (32,810,182) | 0 | 385,423 | (5,196,752,455) | \$ (102,331,000) |
| FPSC ADJUSTED | \$ 5,495,615,011 | 22,558,793 | 1,304,197,809 | 1,191,536,246 | 431,058,922 | 489,580,448 | 315,393,501 | 997,879 | (1,041,673) | 3,754,281,925 | \$ 1,741,333,086 |
| PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3) | \$ 8,612,235 | 0 | 0 | 0 | 6,201 | 3,319,778 | 0 | 0 | 0 | 3,325,978 | \$ 5,286,256 |
| PRO FORMA SYSTEM PER BOOKS ADJUSTED | \$ 5,504,227,246 | 22,558,793 | 1,304,197,809 | 1,191,536,246 | 431,065,123 | 492,900,225 | 315,393,501 | 997,879 | (1,041,673) | 3,757,607,903 | \$ 1,746,619,342 |

(A) THE ADDITION OF EARNINGS FROM AFUDC
WOULD INCREASE THE SYSTEM NOI BY \$ 52,371,850
AND THE JURISDICTIONAL NOI BY \$ 50,395,300

NOTE:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
NOVEMBER, 2014

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) | \$ 8,612,235 | 0 | 0 | 0 | 6,201 | 3,319,778 | 0 | 0 | 0 | 3,325,978 | \$ 5,286,256 |
| TOTAL PROFORMA ADJUSTMENTS | \$ 8,612,235 | 0 | 0 | 0 | 6,201 | 3,319,778 | 0 | 0 | 0 | 3,325,978 | \$ 5,286,256 |

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, 2014

SCHEDULE 3: PAGE 3 OF 3

| RATE BASE ADJUSTMENTS | SYSTEM | JURISDICTIONAL |
|-----------------------------------------------------------|-------------------------|-------------------------|
| PLANT IN SERVICE: | | |
| ENVIRONMENTAL | \$ 1,529,945,412 | \$ 1,463,371,260 |
| FUEL AND CAPACITY | 28,198,285 | 26,915,354 |
| CAPITALIZED EXECUTIVE COMPENSATION | 6,689,284 | 6,478,070 |
| LOAD CONTROL | 43,478,879 | 43,478,879 |
| ASSET RETIREMENT OBLIGATION | 20,495,234 | 19,848,099 |
| CAPITAL LEASES | 58,404,741 | 56,560,616 |
| TOTAL | \$ 1,687,211,835 | \$ 1,616,652,278 |
| ACCUMULATED PROVISION FOR DEPRECIATION: | | |
| ENVIRONMENTAL | \$ (146,768,780) | \$ (140,382,273) |
| ACCUM PROV DECOMMISSIONING COSTS | (3,750,297,684) | (3,565,748,310) |
| ASSET RETIREMENT OBLIGATION | 48,207,198 | 46,685,059 |
| ASSET RETIREMENT OBLIGATION DECOMMISSIONING | 3,475,931,734 | 3,366,179,468 |
| AVIATION - RESERVE | 0 | 0 |
| FUEL AND CAPACITY | (33,512,353) | (31,987,466) |
| OTHER RATE CASE ADJUSTMENTS (1) | 3,985,979 | 3,835,545 |
| LOAD CONTROL | (19,150,464) | (19,150,464) |
| CAPITAL LEASES | (4,751,667) | (4,601,633) |
| TOTAL | \$ (426,356,035) | \$ (345,170,073) |
| CONSTRUCTION WORK IN PROGRESS: | | |
| CONSTRUCTION WORK IN PROGRESS | \$ 992,371,160 | \$ 942,057,504 |
| CWIP - CAPACITY & ECRC PROJECTS | 81,300,427 | 77,704,009 |
| TOTAL | \$ 1,073,671,587 | \$ 1,019,761,513 |
| 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) | \$ (2,956,578,227) | \$ (2,847,844,973) |
| TOTAL ADJUSTMENTS | \$ (622,050,840) | \$ (556,601,256) |

NOTE:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
NOVEMBER, 2014

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 | \$ 11,208,708,928 | 4,179,363,563 | 1,624,625,173 | 1,432,693,251 | 1,167,621,827 | 525,947,988 | 362,356,108 | 1,033,164 | (1,444,630) | 9,292,196,445 | \$ 1,916,512,483 |
| FPSC ADJUSTMENTS | | | | | | | | | | | |
| FRANCHISE REVENUE | \$ (466,343,190) | 0 | 0 | 0 | (11,994,347) | (175,265,066) | 0 | 0 | 0 | (187,259,413) | \$ (279,083,777) |
| FRANCHISE EXPENSE | 0 | 0 | 0 | 0 | (454,348,794) | 175,265,047 | 0 | 0 | 0 | (279,083,747) | 279,083,747 |
| GROSS RECEIPTS TAX | (250,710,677) | 0 | 0 | 0 | (250,328,063) | (147,593) | 0 | 0 | 0 | (250,475,657) | (235,020) |
| FINANCIAL PLANNING SERVICES | 0 | 0 | (350,677) | 0 | 0 | 135,274 | 0 | 0 | 0 | (215,404) | 215,404 |
| INDUSTRY ASSOCIATION DUES | 0 | 0 | (1,990,258) | 0 | 0 | 767,742 | 0 | 0 | 0 | (1,222,516) | 1,222,516 |
| ECONOMIC DEVELOPMENT 5% | 0 | 0 | (111,712) | 0 | 0 | 43,093 | 0 | 0 | 0 | (68,619) | 68,619 |
| AVIATION - EXPENSES | 0 | 0 | (194,738) | 0 | 0 | 75,120 | 0 | 0 | 0 | (119,618) | 119,618 |
| EXECUTIVE COMPENSATION | 0 | 0 | (27,739,921) | 0 | 0 | 10,700,675 | 0 | 0 | 0 | (17,039,247) | 17,039,247 |
| FUEL COST REC RETAIL | (3,702,311,219) | (3,669,459,626) | (10,717,371) | 0 | (2,472,059) | 42,496,277 | (50,080,957) | 0 | 0 | (3,690,233,735) | (12,077,484) |
| CONSERVATION COST RECOVERY | (165,378,530) | 0 | (150,882,009) | (8,432,508) | (1,605,435) | (5,123,153) | 3,403,257 | 0 | 0 | (162,639,849) | (2,738,681) |
| CAPACITY COST RECOVERY | (570,881,518) | (486,340,295) | (60,428,968) | (50,237,774) | (542,884) | (6,177,780) | 16,465,116 | 0 | 0 | (587,262,584) | 16,381,066 |
| ENVIRONMENTAL COST RECOVERY | (208,135,400) | 0 | (24,533,477) | (52,422,139) | (299,392) | (52,514,142) | 1,871,590 | 0 | 402,957 | (127,494,603) | (80,640,797) |
| OTHER RATE CASE ADJUSTMENTS (1) | 0 | 0 | 0 | 3,985,979 | 0 | (1,537,591) | 0 | 0 | 0 | 2,448,388 | (2,448,388) |
| STORM DEFICIENCY RECOVERY | (108,510,025) | 0 | (765,165) | (88,988,989) | 0 | (7,235,077) | 0 | 0 | 0 | (96,989,231) | (11,520,794) |
| GAIN ON SALE LAND (PROPERTY) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| INTEREST TAX DEFICIENCIES | 0 | 0 | 1,529,036 | 0 | 0 | (589,826) | 0 | 0 | 0 | 939,211 | (939,211) |
| INTEREST SYNCHRONIZATION | 0 | 0 | 0 | 0 | 0 | 13,513,164 | (4,739,932) | 0 | 0 | 8,773,232 | (8,773,232) |
| TOTAL FPSC ADJUSTMENTS | \$ (5,472,270,559) | (4,155,799,921) | (276,185,260) | (196,095,431) | (721,590,975) | (5,593,836) | (33,080,926) | 0 | 402,957 | (5,387,943,392) | \$ (84,327,167) |
| FPSC ADJUSTED | \$ 5,736,438,369 | 23,563,642 | 1,348,439,913 | 1,236,597,820 | 446,030,852 | 520,354,152 | 329,275,182 | 1,033,164 | (1,041,673) | 3,904,253,053 | \$ 1,832,185,316 |
| PRO FORMA ADJUSTMENTS | \$ 8,612,235 | 0 | 0 | 0 | 6,201 | 3,319,778 | 0 | 0 | 0 | 3,325,978 | \$ 5,286,256 |
| (SEE SCHEDULE 3, PAGE 3B OF 3) | | | | | | | | | | | |
| PRO FORMA SYSTEM PER BOOKS ADJUSTED | \$ 5,745,050,604 | 23,563,642 | 1,348,439,913 | 1,236,597,820 | 446,037,053 | 523,673,929 | 329,275,182 | 1,033,164 | (1,041,673) | 3,907,579,031 | \$ 1,837,471,572 |

(A) THE ADDITION OF EARNINGS FROM AFUDC
WOULD INCREASE THE SYSTEM NOI BY \$ 52,371,850

NOTE:
(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-13-0023-S-EI.

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
NOVEMBER, 2014

SCHEDULE 3: PAGE 3B 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) | \$ 8,612,235 | 0 | 0 | 0 | 6,201 | 3,319,778 | 0 | 0 | 0 | 3,325,978 | \$ 5,286,256 |
| TOTAL PROFORMA ADJUSTMENTS | \$ 8,612,235 | 0 | 0 | 0 | 6,201 | 3,319,778 | 0 | 0 | 0 | 3,325,978 | \$ 5,286,256 |

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, 2014

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 | SPECIFIC | | | COST RATE (%) 7 | WEIGHTED COST (%) 8 | COST RATE (%) 9 | WEIGHTED COST (%) 10 | COST RATE (%) 11 | WEIGHTED COST (%) 12 |
| | | | 3 | 4 | | | | | | | | |
| LONG TERM DEBT | \$ 7,914,989,923 | \$ 7,624,994,552 | \$ 317,377,221 | \$ (388,767,760) | \$ 7,553,604,013 | 29.77% | 4.78% | 1.42% | 4.78% | 1.42% | 4.78% | 1.42% |
| SHORT TERM DEBT | 208,268,498 | 200,292,674 | 8,784,735 | - | 209,077,409 | 0.82% | 3.03% | 0.03% | 3.03% | 0.03% | 3.03% | 0.03% |
| PREFERRED STOCK | - | - | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| COMMON EQUITY | 11,776,033,466 | 11,325,059,983 | 496,711,362 | (0) | 11,821,771,345 | 46.60% | 9.50% | 4.43% | 10.50% | 4.89% | 11.50% | 5.36% |
| CUSTOMER DEPOSITS | 395,803,026 | 396,127,735 | 17,373,961 | - | 413,501,695 | 1.63% | 2.04% | 0.03% | 2.04% | 0.03% | 2.04% | 0.03% |
| DEFERRED INCOME TAX | 5,513,300,419 | 5,308,403,733 | 225,677,376 | (162,940,971) | 5,371,140,137 | 21.17% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| INVESTMENT TAX CREDITS (1) | 164,290,929 | 157,151,036 | 73,354 | (155,478,565) | 1,745,825 | 0.01% | 7.66% | 0.00% | 8.27% | 0.00% | 8.88% | 0.00% |
| TOTAL | \$ 25,972,686,260 | \$ 25,012,029,714 | \$ 1,065,998,008 | \$ (707,187,296) | \$ 25,370,840,425 | 100.00% | | 5.91% | | 6.37% | | 6.84% |

| YEAR END | SYSTEM PER BOOKS 1 | RETAIL PER BOOKS 2 | ADJUSTMENTS | | ADJUSTED RETAIL 5 | RATIO (%) 6 | LOW POINT | | MIDPOINT | | HIGH POINT | |
|----------------------------|--------------------------|--------------------------|------------------|------------------|-------------------------|-------------------|--------------------------|------------------------------|--------------------------|-------------------------------|---------------------------|-------------------------------|
| | | | PRO RATA | SPECIFIC | | | COST RATE (%) 7 | WEIGHTED COST (%) 8 | COST RATE (%) 9 | WEIGHTED COST (%) 10 | COST RATE (%) 11 | WEIGHTED COST (%) 12 |
| | | | 3 | 4 | | | | | | | | |
| LONG TERM DEBT | \$ 8,416,969,728 | \$ 8,076,331,153 | \$ 387,603,606 | \$ (388,173,296) | \$ 8,075,761,463 | 30.76% | 4.77% | 1.47% | 4.77% | 1.47% | 4.77% | 1.47% |
| SHORT TERM DEBT | 440,152,511 | 421,590,547 | 21,254,769 | 0 | 442,845,315 | 1.69% | 0.20% | 0.00% | 0.20% | 0.00% | 0.20% | 0.00% |
| PREFERRED STOCK | - | - | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| COMMON EQUITY | 11,723,897,396 | 11,229,481,127 | 566,141,780 | - | 11,795,622,907 | 44.92% | 9.50% | 4.27% | 10.50% | 4.72% | 11.50% | 5.17% |
| CUSTOMER DEPOSITS | 407,879,208 | 408,180,381 | 20,578,686 | - | 428,759,067 | 1.63% | 2.14% | 0.03% | 2.14% | 0.03% | 2.14% | 0.03% |
| DEFERRED INCOME TAX | 5,638,707,305 | 5,407,657,925 | 264,415,903 | (162,940,971) | 5,509,132,857 | 20.98% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| INVESTMENT TAX CREDITS (1) | 164,384,289 | 157,113,411 | 232,021 | (152,511,242) | 4,834,190 | 0.02% | 7.58% | 0.00% | 8.17% | 0.00% | 8.77% | 0.00% |
| TOTAL | \$ 26,791,990,437 | \$ 25,700,354,543 | \$ 1,260,226,765 | \$ (703,625,509) | \$ 26,256,955,799 | 100.00% | | 5.78% | | 6.22% | | 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.

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| AVERAGE | FPSC ADJUSTED 1 | PRO-FORMA ADJUSTMENTS 2 | TOTAL PRO-FORMA ADJUSTED 3 | TOTAL RATIO (%) 4 | LOW POINT | | MIDPOINT | | HIGH POINT | |
|----------------------------|-----------------------|-------------------------------|-------------------------------------|----------------------------|--------------------------|------------------------------|--------------------------|------------------------------|--------------------------|-------------------------------|
| | | | | | COST RATE (%) 5 | WEIGHTED COST (%) 6 | COST RATE (%) 7 | WEIGHTED COST (%) 8 | COST RATE (%) 9 | WEIGHTED COST (%) 10 |
| LONG TERM DEBT | \$ 7,553,604,013 | \$ - | \$ 7,553,604,013 | 29.77% | 4.78% | 1.42% | 4.78% | 1.42% | 4.78% | 1.42% |
| SHORT TERM DEBT | 209,077,409 | - | 209,077,409 | 0.82% | 3.03% | 0.03% | 3.03% | 0.03% | 3.03% | 0.03% |
| PREFERRED STOCK | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| COMMON EQUITY | 11,821,771,345 | - | 11,821,771,345 | 46.60% | 9.50% | 4.43% | 10.50% | 4.89% | 11.50% | 5.36% |
| CUSTOMER DEPOSITS | 413,501,695 | - | 413,501,695 | 1.63% | 2.04% | 0.03% | 2.04% | 0.03% | 2.04% | 0.03% |
| DEFERRED INCOME TAX | 5,371,140,137 | - | 5,371,140,137 | 21.17% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| INVESTMENT TAX CREDITS (1) | 1,745,825 | - | 1,745,825 | 0.01% | 7.66% | 0.00% | 8.27% | 0.00% | 8.88% | 0.00% |
| TOTAL | \$ 25,370,840,425 | \$ - | \$ 25,370,840,425 | 100.00% | | 5.91% | | 6.37% | | 6.84% |

| YEAR END | FPSC ADJUSTED 1 | PRO-FORMA ADJUSTMENTS 2 | TOTAL PRO-FORMA ADJUSTED 3 | TOTAL RATIO (%) 4 | LOW POINT | | MIDPOINT | | HIGH POINT | |
|----------------------------|-----------------------|-------------------------------|-------------------------------------|----------------------------|--------------------------|------------------------------|--------------------------|------------------------------|--------------------------|-------------------------------|
| | | | | | COST RATE (%) 5 | WEIGHTED COST (%) 6 | COST RATE (%) 7 | WEIGHTED COST (%) 8 | COST RATE (%) 9 | WEIGHTED COST (%) 10 |
| LONG TERM DEBT | \$ 8,075,761,463 | \$ - | \$ 8,075,761,463 | 30.76% | 4.77% | 1.47% | 4.77% | 1.47% | 4.77% | 1.47% |
| SHORT TERM DEBT | 442,845,315 | - | 442,845,315 | 1.69% | 0.20% | 0.00% | 0.20% | 0.00% | 0.20% | 0.00% |
| PREFERRED STOCK | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| COMMON EQUITY | 11,795,622,907 | - | 11,795,622,907 | 44.92% | 9.50% | 4.27% | 10.50% | 4.72% | 11.50% | 5.17% |
| CUSTOMER DEPOSITS | 428,759,067 | - | 428,759,067 | 1.63% | 2.14% | 0.03% | 2.14% | 0.03% | 2.14% | 0.03% |
| DEFERRED INCOME TAX | 5,509,132,857 | - | 5,509,132,857 | 20.98% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| INVESTMENT TAX CREDITS (1) | 4,834,190 | - | 4,834,190 | 0.02% | 7.58% | 0.00% | 8.17% | 0.00% | 8.77% | 0.00% |
| TOTAL | \$ 26,256,955,799 | \$ - | \$ 26,256,955,799 | 100.00% | | 5.78% | | 6.22% | | 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.

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A. TIMES INTEREST EARNED WITH AFUDC

| | |
|--------------------------------------------------|------------------|
| EARNINGS BEFORE INTEREST CHARGES | \$ 1,932,897,369 |
| ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION | 15,211,041 |
| INCOME TAXES | 884,663,817 |
| TOTAL | \$ 2,832,772,227 |
| | |
| INTEREST CHARGES EXCLUDING DEBT AFUDC | \$ 447,968,408 |
| | |
| TIMES INTEREST EARNED WITH AFUDC | 6.32 |

B. TIMES INTEREST EARNED WITHOUT AFUDC

| | |
|-----------------------------------------------------|------------------|
| EARNINGS BEFORE INTEREST CHARGES | \$ 1,932,897,369 |
| ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION | (37,160,809) |
| INCOME TAXES | 884,663,817 |
| TOTAL | \$ 2,780,400,377 |
| | |
| INTEREST CHARGES EXCLUDING DEBT AFUDC | \$ 447,968,408 |
| | |
| TIMES INTEREST EARNED WITHOUT AFUDC | 6.21 |

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

| | |
|-----------------------------------------------------|------------------|
| ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION | \$ 15,211,041 |
| X (1 - INCOME_TAX_RATE) | 0.6143 |
| SUBTOTAL | \$ 9,343,382 |
| | |
| ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION | 37,160,809 |
| TOTAL | \$ 46,504,191 |
| | |
| NET INCOME AVAILABLE FOR COMMON | \$ 1,500,140,002 |
| | |
| AFUDC AS PERCENT OF NET INCOME | 3.10% |

FOOTNOTES

| | |
|--------------------------------------------|-----------------|
| CLAUSE OVER/UNDER RECOVERY | \$ (72,287,510) |
| GAINS ON DISPOSITION OF PROPERTY | (1,450,861) |
| LONG TERM DEBT RETIREMENTS & REDEMPTIONS | 0 |
| INCREASE/DECREASE IN DECOMMISSIONING FUNDS | 0 |
| TOTAL | \$ (73,738,372) |

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF: 0

D. PERCENT INTERNALLY GENERATED FUNDS

| | |
|---------------------------------------|------------------|
| NET INCOME | \$ 1,500,140,002 |
| PREFERRED DIVIDENDS DECLARED | 0 |
| COMMON DIVIDENDS | (1,300,000,000) |
| AFUDC (DEBT & OTHER) | (52,371,850) |
| DEPRECIATION AND AMORTIZATION EXPENSE | 1,435,980,831 |
| DEFERRED INCOME TAXES | 350,852,458 |
| INVESTMENT TAX CREDITS | 1,033,164 |
| OTHER SOURCE/USES OF FUNDS | (73,738,372) |
| INTERNALLY GENERATED FUNDS | \$ 1,861,896,233 |

CONSTRUCTION EXPENDITURES \$ 2,801,289,019

PERCENT INTERNALLY GENERATED FUNDS 66.47%

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

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

| | |
|--------------------------------|-------------------|
| AVERAGE RETAIL AMOUNTS | |
| JURIS ADJUSTED LONG TERM DEBT | \$ 7,553,604,013 |
| JURIS ADJUSTED SHORT TERM DEBT | 209,077,409 |
| JURIS ADJUSTED PREFERRED STOCK | 0 |
| JURIS ADJUSTED COMMON STOCK | 11,821,771,345 |
| TOTAL | \$ 19,584,452,768 |

LTD TO TOTAL INVESTOR FUNDS 38.57%

STD TO TOTAL INVESTOR FUNDS 1.07%

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

| | |
|--------------------------------------------------------|-------|
| FPSC RATE OF RETURN | 6.83% |
| LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR : | |
| LONG TERM DEBT | 1.42% |
| SHORT TERM DEBT | 0.03% |
| PREFERRED STOCK | 0.00% |
| CUSTOMER DEPOSITS | 0.03% |
| TAX CREDITS - WTD COST | 0.00% |
| SUBTOTAL | 1.48% |

TOTAL 5.35%

DIVIDED BY COMMON EQUITY RATIO 46.60%

JURISDICTIONAL RETURN ON COMMON EQUITY 11.48%

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H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

| | |
|-----------------------------------------------|--------------|
| PRO FORMA RATE OF RETURN | 6.85% |
| LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR: | |
| LONG TERM DEBT | 1.42% |
| SHORT TERM DEBT | 0.03% |
| PREFERRED STOCK | 0.00% |
| CUSTOMER DEPOSITS | 0.03% |
| TAX CREDITS - WTD COST | 0.00% |
| SUBTOTAL | <u>1.48%</u> |
| PRO FORMA ROR LESS NON EQUITY COST | <u>5.37%</u> |
| PRO FORMA COMMON EQUITY RATIO | 46.60% |
| PRO FORMA RETURN ON COMMON EQUITY | 11.53% |