



July 15, 2016

Mr. Bart Fletcher  
Public Utilities Supervisor  
Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

Dear Mr. Fletcher:

Enclosed is Florida Power & Light Company's Rate of Return Surveillance Report to the Florida Public Service Commission for May 2016. 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 11.50%.

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

Sincerely,

A handwritten signature in black ink that reads "Elizabeth Fuentes".

Elizabeth Fuentes  
Sr. Director of Regulatory Accounting

Enclosures

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

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FLORIDA PUBLIC SERVICE  
COMMISSION  
2016 JUL 15 AM 11:47  
DIVISION OF  
ACCOUNTING & FINANCE

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
EARNINGS SURVEILLANCE REPORT SUMMARY  
MAY, 2016

SCHEDULE 1: PAGE 1 OF 1

	ACTUAL PER BOOKS	FPSC ADJUSTMENTS	FPSC ADJUSTED	PRO FORMA ADJUSTMENTS	PRO FORMA ADJUSTED
<u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,118,421,224 (A)	(233,224,753) (B)	1,885,196,471	(69,294,328)	\$ 1,815,902,143
RATE BASE	\$ 28,344,473,449	(491,143,250)	27,853,330,199	0	\$ 27,853,330,199
AVERAGE RATE OF RETURN	7.47%		6.77%		6.52%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,118,421,224 (A)	(230,431,052) (B)	1,887,990,172	(69,294,328)	\$ 1,818,695,844
RATE BASE	\$ 29,778,156,649	(225,020,029)	29,553,136,620	0	\$ 29,553,136,620
YEAR END RATE OF RETURN	7.11%		6.39%		6.15%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	5.83%
MIDPOINT	6.30%
HIGH	6.77%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.79	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.56	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	5.69%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	61.10%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	37.29%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	2.05%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.50%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.97%	(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)

*Kimberly Ousdahl*  
(SIGNATURE)  
for K. Ousdahl

7/15/16  
(DATE)

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
RATE BASE  
MAY, 2016

SCHEDULE 2: PAGE 1 OF 3

	<u>PLANT IN SERVICE</u>	<u>ACCUMULATED DEPRECIATION &amp; AMORTIZATION</u>	<u>NET PLANT IN SERVICE</u>	<u>PROPERTY HELD FOR FUTURE USE</u>	<u>CONSTRUCTION WORK IN PROGRESS</u>	<u>NUCLEAR FUEL</u>	<u>NET UTILITY PLANT</u>	<u>WORKING CAPITAL</u>	<u>TOTAL RATE BASE</u>
SYSTEM PER BOOKS	\$ 41,074,726,144	13,893,276,714	27,181,449,431	239,243,764	2,881,948,047	718,049,856	31,020,691,098	(1,475,824,453)	\$ 29,544,866,645
JURISDICTIONAL PER BOOKS	\$ 39,234,953,733	12,449,336,162	26,785,617,571	226,917,638	2,731,933,443	678,059,501	30,422,528,153	(2,078,054,705)	\$ 28,344,473,449
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,030,802,181)	(411,561,182)	(1,619,241,000)	(1,525,484)	(1,837,330,089)	0	(3,458,096,572)	2,966,953,323	\$ (491,143,250)
FPSC ADJUSTED:	\$ 37,204,151,552	12,037,774,981	25,166,376,571	225,392,154	894,603,354	678,059,501	26,964,431,581	888,898,618	\$ 27,853,330,199
<b>PRO FORMA ADJUSTMENTS</b>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 37,204,151,552	12,037,774,981	25,166,376,571	225,392,154	894,603,354	678,059,501	26,964,431,581	888,898,618	\$ 27,853,330,199

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  
MAY, 2016

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	\$ 11,156,199,686	3,753,225,553	1,656,418,970	1,420,379,819	1,209,560,809	140,773,454	875,933,558	4,402,948	(5,911,380)	9,054,783,532	\$ 2,101,416,154
JURISDICTIONAL PER BOOKS	\$ 10,702,652,399	3,552,173,703	1,595,287,181	1,374,772,632	1,191,203,455	134,951,928	839,689,621	4,237,199	(5,904,013)	8,686,411,707	\$ 2,016,240,692
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (461,781,480)	0	0	0	(11,877,020)	(173,550,646)	0	0	0	(185,427,665)	\$ (276,353,815)
FRANCHISE EXPENSE	0	0	0	0	(449,904,586)	173,550,694	0	0	0	(276,353,892)	276,353,892
GROSS RECEIPTS TAX	(248,581,377)	0	0	0	(248,350,154)	(89,194)	0	0	0	(248,439,348)	(142,029)
FINANCIAL PLANNING SERVICES	0	0	(408,485)	0	0	157,573	0	0	0	(250,912)	250,912
INDUSTRY ASSOCIATION DUES	0	0	(2,123,639)	0	0	819,194	0	0	0	(1,304,446)	1,304,446
ECONOMIC DEVELOPMENT 5%	0	0	(113,051)	0	0	43,610	0	0	0	(69,442)	69,442
AVIATION - EXPENSES	0	0	(133,633)	0	0	51,549	0	0	0	(82,084)	82,084
EXECUTIVE COMPENSATION	0	0	(34,165,292)	0	0	13,179,261	0	0	0	(20,986,031)	20,986,031
FUEL COST REC RETAIL, INCL GAS RESERVES	(3,263,698,980)	(3,183,775,796)	(9,683,831)	(16,460,275)	(2,729,249)	(94,247,500)	74,655,688	0	0	(3,232,240,963)	(31,458,017)
CONSERVATION COST RECOVERY	(89,451,664)	0	(75,565,709)	(10,143,196)	(1,363,061)	(4,813,143)	3,895,175	0	0	(87,989,934)	(1,461,730)
CAPACITY COST RECOVERY	(445,298,573)	(334,258,241)	(55,406,383)	(25,075,560)	(489,201)	(14,310,039)	2,710,850	0	0	(426,828,575)	(18,469,998)
ENVIRONMENTAL COST RECOVERY	(230,926,494)	0	(49,900,470)	(51,913,572)	(342,310)	(51,240,323)	1,513,535	0	139,225	(151,743,915)	(79,182,579)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(816,936)	0	315,133	0	0	0	(501,803)	501,803
STORM DEFICIENCY RECOVERY	(115,038,427)	0	(591,497)	(100,182,209)	0	(5,502,616)	0	0	0	(106,276,322)	(8,762,105)
GAIN ON SALE LAND (PROPERTY)	0	0	0	0	0	0	0	0	0	0	0
INTEREST TAX DEFICIENCIES	0	0	(283,035)	0	0	109,181	0	0	0	(173,854)	173,854
INTEREST SYNCHRONIZATION	0	0	0	0	0	24,275,964	(9,339,552)	0	0	14,936,411	(14,936,411)
TOTAL FPSC ADJUSTMENTS	\$ (4,854,776,995)	(3,518,034,038)	(228,375,025)	(204,591,748)	(715,055,580)	(131,251,305)	73,435,696	0	139,225	(4,723,732,774)	\$ (131,044,221)
FPSC ADJUSTED	\$ 5,847,875,404	34,139,665	1,366,912,156	1,170,180,884	476,147,875	3,700,623	913,125,317	4,237,199	(5,764,788)	3,962,678,933	\$ 1,885,196,471
<b>PRO FORMA ADJUSTMENTS</b>											
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (112,892,562)	0	0	0	(81,283)	(43,516,951)	0	0	0	(43,598,234)	\$ (69,294,328)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 5,734,982,842	34,139,665	1,366,912,156	1,170,180,884	476,066,593	(39,816,327)	913,125,317	4,237,199	(5,764,788)	3,919,080,700	\$ 1,815,902,143
<b>(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY</b>											
	\$ 106,450,913										
	\$ 102,180,532										
<b>(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:</b>											
ON A TOTAL COMPANY BASIS	\$ 2,342,353										
ON A JURISDICTIONAL BASIS	\$ 2,261,028										
<b>CURRENT MONTH AMOUNT</b>											
SYSTEM PER BOOKS	\$ 916,492,994	267,660,737	137,376,660	85,077,929	98,805,485	32,444,283	75,463,676	4,194,056	(481,762)	700,541,064	\$ 215,951,930
JURISDICTIONAL PER BOOKS	\$ 880,772,869	252,731,460	132,348,565	82,863,524	97,209,375	31,267,837	72,743,230	4,036,171	(481,706)	672,718,456	\$ 208,054,413

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  
MAY, 2016

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)	\$ (112,892,562)	0	0	0	(81,283)	(43,516,951)	0	0	0	(43,598,234)	\$ (69,294,328)
TOTAL PROFORMA ADJUSTMENTS	\$ (112,892,562)	0	0	0	(81,283)	(43,516,951)	0	0	0	(43,598,234)	\$ (69,294,328)

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
SYSTEM ADJUSTMENTS  
MAY, 2016

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 1,627,620,989	\$ 1,545,828,152
FUEL AND CAPACITY	62,975,012	59,523,957
FUEL CLAUSE – GAS RESERVES	115,469,788	109,005,692
CAPITALIZED EXECUTIVE COMPENSATION	11,641,344	11,237,168
LOAD CONTROL	50,974,150	50,974,150
ASSET RETIREMENT OBLIGATION	205,795,991	198,650,962
CAPITAL LEASES	59,161,615	57,107,583
TOTAL	\$ 2,133,638,889	\$ 2,032,327,665
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (200,722,629)	\$ (190,635,715)
ACCUM PROV DECOMMISSIONING COSTS	(3,821,860,508)	(3,614,096,157)
ASSET RETIREMENT OBLIGATION	44,741,673	43,188,287
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,544,489,651	3,421,428,548
FUEL AND CAPACITY	(33,990,658)	(32,088,889)
FUEL CLAUSE – GAS RESERVES	(7,531,518)	(7,109,898)
OTHER RATE CASE ADJUSTMENTS (1)	(65,468)	(62,841)
LOAD CONTROL	(26,356,324)	(26,356,324)
CAPITAL LEASES	(6,037,820)	(5,828,193)
TOTAL	\$ (507,333,601)	\$ (411,561,182)
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 1,904,075,384	\$ 1,793,639,991
CWIP - CLAUSE PROJECTS	46,188,598	43,690,098
TOTAL	\$ 1,950,263,982	\$ 1,837,330,089
<b>NUCLEAR FUEL:</b>		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
<b>WORKING CAPITAL:</b>	\$ (3,070,323,290)	\$ (2,966,953,323)
(SEE SCHEDULE 2, PAGE 3B OF 3)		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 506,245,980</b>	<b>\$ 491,143,250</b>

**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  
MAY, 2016

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	\$ 11,156,199,686	3,753,225,553	1,656,418,970	1,420,379,819	1,209,560,809	140,773,454	875,933,558	4,402,948	(5,911,380)	9,054,783,532	\$ 2,101,416,154
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (461,781,480)	0	0	0	(11,877,020)	(173,550,846)	0	0	0	(185,427,665)	\$ (278,353,815)
FRANCHISE EXPENSE	0	0	0	0	(449,904,586)	173,550,694	0	0	0	(276,353,892)	278,353,892
GROSS RECEIPTS TAX	(248,581,377)	0	0	0	(248,350,154)	(89,194)	0	0	0	(248,439,348)	(142,029)
FINANCIAL PLANNING SERVICES	0	0	(423,177)	0	0	163,240	0	0	0	(259,936)	259,936
INDUSTRY ASSOCIATION DUES	0	0	(2,200,022)	0	0	848,658	0	0	0	(1,351,364)	1,351,364
ECONOMIC DEVELOPMENT 5%	0	0	(117,118)	0	0	45,178	0	0	0	(71,940)	71,940
AVIATION - EXPENSES	0	0	(138,439)	0	0	53,403	0	0	0	(85,036)	85,036
EXECUTIVE COMPENSATION	0	0	(35,394,141)	0	0	13,653,290	0	0	0	(21,740,851)	21,740,851
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY, INCL GAS RESERVES	(3,441,930,373)	(3,364,172,644)	(10,258,087)	(17,436,379)	(2,754,580)	(92,924,266)	74,758,623	0	0	(3,412,787,332)	(29,143,041)
CONSERVATION COST RECOVERY	(89,451,664)	0	(75,565,709)	(10,143,196)	(1,363,061)	(4,813,143)	3,895,175	0	0	(87,989,934)	(1,461,730)
CAPACITY COST RECOVERY	(445,603,420)	(352,915,440)	(58,535,239)	(25,118,960)	(498,941)	(6,003,165)	2,710,850	0	0	(440,380,894)	(5,242,526)
ENVIRONMENTAL COST RECOVERY	(230,928,494)	0	(52,333,197)	(54,660,422)	(351,625)	(49,241,550)	1,513,535	0	146,592	(154,926,667)	(75,999,827)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(851,078)	0	328,303	0	0	0	(522,775)	522,775
STORM DEFICIENCY RECOVERY	(115,038,427)	0	(609,600)	(100,182,209)	0	(5,495,633)	0	0	0	(106,287,442)	(8,750,985)
GAIN ON SALE LAND (PROPERTY)	0	0	0	0	0	0	0	0	0	0	0
INTEREST TAX DEFICIENCIES	0	0	(293,215)	0	0	113,108	0	0	0	(180,107)	180,107
INTEREST SYNCHRONIZATION	0	0	0	0	0	24,752,625	(9,675,475)	0	0	15,077,150	(15,077,150)
<b>TOTAL FPSC ADJUSTMENTS</b>	<b>\$ (5,033,313,235)</b>	<b>(3,717,088,083)</b>	<b>(235,867,942)</b>	<b>(208,392,243)</b>	<b>(715,099,966)</b>	<b>(118,609,098)</b>	<b>73,202,708</b>	<b>0</b>	<b>146,592</b>	<b>(4,921,708,032)</b>	<b>\$ (111,605,203)</b>
<b>FPSC ADJUSTED</b>	<b>\$ 6,122,886,450</b>	<b>36,137,470</b>	<b>1,420,551,028</b>	<b>1,211,987,576</b>	<b>494,460,843</b>	<b>22,164,356</b>	<b>949,136,266</b>	<b>4,402,948</b>	<b>(5,764,788)</b>	<b>4,133,075,499</b>	<b>\$ 1,989,810,951</b>
<b>PRO FORMA ADJUSTMENTS</b>	<b>\$ (112,892,562)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(81,283)</b>	<b>(43,516,951)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(43,598,234)</b>	<b>\$ (69,294,328)</b>
(SEE SCHEDULE 2, PAGE 3C OF 3)											
<b>PRO FORMA SYSTEM PER BOOKS ADJUSTED</b>	<b>\$ 6,009,993,888</b>	<b>36,137,470</b>	<b>1,420,551,028</b>	<b>1,211,987,576</b>	<b>494,379,361</b>	<b>(21,352,595)</b>	<b>949,136,266</b>	<b>4,402,948</b>	<b>(5,764,788)</b>	<b>4,089,477,266</b>	<b>\$ 1,920,516,623</b>

(A) THE ADDITION OF EARNINGS FROM AFUDC  
WOULD INCREASE THE SYSTEM NOI BY \$ 106,450,913

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  
MAY, 2016

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>ADJUSTMENTS TO ASSETS PER BOOKS:</b>		
ACCOUNTS RECEIVABLE - ASSOC COS	14,230,457	13,707,297
INTEREST & DIVIDENDS RECEIVABLE	423	407
ACCTS RECEIVABLE - TAX REFUND	0	0
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECR	61,486,037	62,350,165
FUEL CLAUSE - GAS RESERVES	17,117,868	16,159,595
CASH CAPITAL SUB ACCOUNT	2,596,087	2,450,756
POLE ATTACHMENTS RENTS RECEIVABLE	15,147,689	15,147,689
PREPAYMENTS - ECCR	55,377,083	55,377,083
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	3,794,545	3,642,323
RATE CASE EXPENSE	0	0
TEMPORARY CASH INVESTMENTS	2,608,228	2,512,341
ASSET RETIREMENT OBLIGATION	0	0
STORM DEFICIENCY RECOVERY	398,897,612	398,897,612
NUCLEAR COST RECOVERY	38,914	38,914
JOBGING ACCOUNTS	17,230,648	16,597,192
OTH REG ASSETS - CLAUSES	4,741,275	4,475,854
MISC. DEFFERED DEBIT - CLAUSES	10,633,700	10,038,416
CEDAR BAY TRANSACTION	504,235,563	477,250,796
<b>TOTAL ADJUSTMENTS TO ASSETS PER BOOKS</b>	<b>\$ 1,108,136,128</b>	<b>\$ 1,078,646,440</b>
<b>ADJUSTMENTS TO LIABILITIES PER BOOKS:</b>		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(165,522)	(159,775)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(119,515,716)	(119,515,716)
ACCUM. PROV. - RATE REFUNDS	(101,835)	(100,550)
GAIN ON SALE OF EMISSION ALLOWANCE	(60,494)	(57,454)
JOBGING ACCOUNTS	(12,859,280)	(12,386,529)
PAYABLE TO NUCLEAR DECOMMISSIONING FUND	0	0
LEHMAN HEDGE	0	0
FUEL CLAUSE - GAS RESERVES	21,137,781	19,954,470
POLE ATTACHMENT RENTS PAYABLE	(7,436,794)	(7,436,794)
PREFERRED STOCK DIVIDENDS ACCRUED	0	0
SJRPP ACCELERATED RECOVERY	(28,829,235)	(27,288,240)
STORM DEFICIENCY RECOVERY	0	0
ASSET RETIREMENT OBLIGATION	(3,795,352,540)	(3,663,581,731)
MARGIN CALL CASH COLLATERAL	50,000	48,162
NUCLEAR COST RECOVERY	(230,645,402)	(230,645,402)
TRANSMISSION RELIABILITY ENHANCEMENT	0	0
CEDAR BAY TRANSACTION	(4,680,381)	(4,430,203)
<b>TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS</b>	<b>\$ (4,178,459,418)</b>	<b>\$ (4,045,599,762)</b>
<b>NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS</b>	<b>\$ (3,070,323,290)</b>	<b>\$ (2,966,953,323)</b>

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
DETAIL OF PRO FORMA ADJUSTMENTS  
MAY, 2016

SCHEDULE 2: PAGE 3C OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE		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)
		FUEL & NET INTERCHANGE	OTHER								
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (112,892,562)	0	0	0	(81,283)	(43,516,951)	0	0	0	(43,598,234)	\$ (69,294,328)
TOTAL PROFORMA ADJUSTMENTS	\$ (112,892,562)	0	0	0	(81,283)	(43,516,951)	0	0	0	(43,598,234)	\$ (69,294,328)

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  
MAY, 2016

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	\$ 43,126,403,902	14,190,032,023	28,936,371,879	241,698,933	2,502,364,629	703,909,938	32,384,345,379	(1,475,824,453)	\$ 30,908,520,926
JURISDICTIONAL PER BOOKS	\$ 41,175,679,751	12,588,172,423	28,587,507,327	229,266,685	2,374,730,265	664,707,077	31,856,211,354	(2,078,054,705)	\$ 29,778,156,649
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,334,926,577)	(464,652,141)	(1,870,274,436)	0	(1,321,698,916)	0	(3,191,973,352)	2,966,953,323	\$ (225,020,029)
FPSC ADJUSTED:	\$ 38,840,753,173	12,123,520,282	26,717,232,891	229,266,685	1,053,031,349	664,707,077	28,664,238,002	888,898,618	\$ 29,553,136,620
 <b>PRO FORMA ADJUSTMENTS</b>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 38,840,753,173	12,123,520,282	26,717,232,891	229,266,685	1,053,031,349	664,707,077	28,664,238,002	888,898,618	\$ 29,553,136,620

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
INCOME STATEMENT  
MAY, 2016

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	\$ 11,156,199,686	3,753,225,553	1,656,418,970	1,420,379,819	1,209,560,609	140,773,454	875,933,558	4,402,948	(5,911,380)	9,054,783,532	\$ 2,101,416,154
JURISDICTIONAL PER BOOKS	\$ 10,702,652,399	3,552,173,703	1,595,287,181	1,374,772,632	1,191,203,455	134,951,928	839,689,621	4,237,199	(5,904,013)	8,686,411,707	\$ 2,016,240,692
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (461,781,480)	0	0	0	(11,877,020)	(173,550,646)	0	0	0	(185,427,665)	\$ (276,353,815)
FRANCHISE EXPENSE	0	0	0	0	(449,904,586)	173,550,694	0	0	0	(276,353,892)	276,353,892
GROSS RECEIPTS TAX	(248,581,377)	0	0	0	(248,350,154)	(89,194)	0	0	0	(248,439,348)	(142,029)
FINANCIAL PLANNING SERVICES	0	0	(408,485)	0	0	157,573	0	0	0	(250,912)	250,912
INDUSTRY ASSOCIATION DUES	0	0	(2,123,639)	0	0	819,194	0	0	0	(1,304,446)	1,304,446
ECONOMIC DEVELOPMENT 5%	0	0	(113,051)	0	0	43,610	0	0	0	(69,442)	69,442
AVIATION - EXPENSES	0	0	(133,633)	0	0	51,549	0	0	0	(82,084)	82,084
EXECUTIVE COMPENSATION	0	0	(34,165,292)	0	0	13,179,261	0	0	0	(20,986,031)	20,986,031
FUEL COST REC RETAIL, INCL GAS RESERVES	(3,263,698,980)	(3,183,775,796)	(9,683,831)	(16,460,275)	(2,729,249)	(94,247,500)	74,655,688	0	0	(3,232,240,963)	(31,458,017)
CONSERVATION COST RECOVERY	(89,451,664)	0	(75,565,709)	(10,143,196)	(1,363,061)	(4,813,143)	3,895,175	0	0	(87,989,934)	(1,461,730)
CAPACITY COST RECOVERY	(445,298,573)	(334,258,241)	(55,406,383)	(25,075,560)	(489,201)	(14,310,039)	2,710,850	0	0	(426,828,575)	(18,469,998)
ENVIRONMENTAL COST RECOVERY	(230,926,494)	0	(49,900,470)	(51,913,572)	(342,310)	(51,240,323)	1,513,535	0	139,225	(151,743,915)	(79,182,579)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(816,936)	0	315,133	0	0	0	(501,803)	501,803
STORM DEFICIENCY RECOVERY	(115,038,427)	0	(591,497)	(100,182,209)	0	(5,502,616)	0	0	0	(106,276,322)	(8,762,105)
GAIN ON SALE LAND (PROPERTY)	0	0	0	0	0	0	0	0	0	0	0
INTEREST TAX DEFICIENCIES	0	0	(283,035)	0	0	109,181	0	0	0	(173,854)	173,854
INTEREST SYNCHRONIZATION	0	0	0	0	0	21,482,262	(9,339,552)	0	0	12,142,710	(12,142,710)
TOTAL FPSC ADJUSTMENTS	\$ (4,854,776,995)	(3,518,034,038)	(228,375,025)	(204,591,748)	(715,055,580)	(134,045,006)	73,435,696	0	139,225	(4,726,526,475)	\$ (128,250,520)
FPSC ADJUSTED	\$ 5,847,875,404	34,139,665	1,366,912,156	1,170,180,884	476,147,875	906,922	913,125,317	4,237,199	(5,764,788)	3,959,885,232	\$ 1,887,990,172
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (112,892,562)	0	0	0	(81,283)	(43,516,951)	0	0	0	(43,598,234)	\$ (69,294,328)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 5,734,982,842	34,139,665	1,366,912,156	1,170,180,884	476,066,593	(42,610,029)	913,125,317	4,237,199	(5,764,788)	3,916,286,998	\$ 1,818,695,844

(A) THE ADDITION OF EARNINGS FROM AFUDC  
WOULD INCREASE THE SYSTEM NOI BY \$ 106,450,913  
AND THE JURISDICTIONAL NOI BY \$ 102,180,532

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  
MAY, 2016

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)	\$ (112,892,562)	0	0	0	(81,283)	(43,516,951)	0	0	0	(43,598,234)	\$ (69,294,328)
TOTAL PROFORMA ADJUSTMENTS	\$ (112,892,562)	0	0	0	(81,283)	(43,516,951)	0	0	0	(43,598,234)	\$ (69,294,328)

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
SYSTEM ADJUSTMENTS  
MAY, 2016

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 1,625,363,280	\$ 1,543,683,900
FUEL AND CAPACITY	111,593,513	105,543,678
FUEL CLAUSE – GAS RESERVES	167,508,537	158,131,269
CAPITALIZED EXECUTIVE COMPENSATION	14,226,660	13,732,724
LOAD CONTROL	51,974,976	51,974,976
ASSET RETIREMENT OBLIGATION	419,247,411	404,691,564
CAPITAL LEASES	59,224,688	57,168,466
TOTAL	<u>\$ 2,449,139,066</u>	<u>\$ 2,334,926,577</u>
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (229,677,132)	\$ (218,135,167)
ACCUM PROV DECOMMISSIONING COSTS	(3,855,985,285)	(3,646,365,839)
ASSET RETIREMENT OBLIGATION	34,007,280	32,826,581
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,574,082,024	3,449,993,503
FUEL AND CAPACITY	(34,858,047)	(32,909,915)
FUEL CLAUSE – GAS RESERVES	(17,823,584)	(16,825,805)
OTHER RATE CASE ADJUSTMENTS (1)	(851,078)	(816,936)
LOAD CONTROL	(25,947,964)	(25,947,964)
CAPITAL LEASES	(6,703,333)	(6,470,600)
TOTAL	<u>\$ (563,757,120)</u>	<u>\$ (464,652,141)</u>
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 1,378,458,244	\$ 1,298,659,999
CWIP - CLAUSE PROJECTS	24,341,326	23,038,917
TOTAL	<u>\$ 1,402,799,570</u>	<u>\$ 1,321,698,916</u>
<b>NUCLEAR FUEL:</b>		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
<b>WORKING CAPITAL:</b>		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,070,323,290)	\$ (2,966,953,323)
<b>TOTAL ADJUSTMENTS</b>	<u><b>\$ 217,858,226</b></u>	<u><b>\$ 225,020,029</b></u>

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  
MAY, 2016

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	\$ 11,156,199,686	3,753,225,553	1,656,418,970	1,420,379,819	1,209,560,609	140,773,454	875,933,558	4,402,948	(5,911,380)	9,054,783,532	\$ 2,101,416,154
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (461,781,480)	0	0	0	(11,877,020)	(173,550,646)	0	0	0	(185,427,665)	\$ (276,353,815)
FRANCHISE EXPENSE	0	0	0	0	(449,904,586)	173,550,694	0	0	0	(276,353,892)	276,353,892
GROSS RECEIPTS TAX	(248,581,377)	0	0	0	(248,350,154)	(89,194)	0	0	0	(248,439,348)	(142,029)
FINANCIAL PLANNING SERVICES	0	0	(423,177)	0	0	163,240	0	0	0	(259,936)	259,936
INDUSTRY ASSOCIATION DUES	0	0	(2,200,022)	0	0	848,658	0	0	0	(1,351,364)	1,351,364
ECONOMIC DEVELOPMENT 5%	0	0	(117,118)	0	0	45,178	0	0	0	(71,940)	71,940
AVIATION - EXPENSES	0	0	(138,439)	0	0	53,403	0	0	0	(85,036)	85,036
EXECUTIVE COMPENSATION	0	0	(35,394,141)	0	0	13,653,290	0	0	0	(21,740,851)	21,740,851
FUEL COST REC RETAIL, INCL GAS RESERVES	(3,441,930,373)	(3,364,172,644)	(10,258,087)	(17,436,379)	(2,754,580)	(92,924,266)	74,758,623	0	0	(3,412,787,332)	(29,143,041)
CONSERVATION COST RECOVERY	(89,451,664)	0	(75,565,709)	(10,143,196)	(1,363,061)	(4,813,143)	3,895,175	0	0	(87,989,934)	(1,461,730)
CAPACITY COST RECOVERY	(445,603,420)	(352,915,440)	(58,535,239)	(25,118,960)	(498,941)	(6,003,165)	2,710,850	0	0	(440,360,894)	(5,242,526)
ENVIRONMENTAL COST RECOVERY	(230,926,494)	0	(52,333,197)	(54,660,422)	(351,625)	(49,241,550)	1,513,535	0	146,592	(154,926,667)	(75,999,827)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(851,078)	0	328,303	0	0	0	(522,775)	522,775
STORM DEFICIENCY RECOVERY	(115,038,427)	0	(609,600)	(100,182,209)	0	(5,495,633)	0	0	0	(106,287,442)	(8,750,985)
GAIN ON SALE LAND (PROPERTY)	0	0	0	0	0	0	0	0	0	0	0
INTEREST TAX DEFICIENCIES	0	0	(293,215)	0	0	113,108	0	0	0	(180,107)	180,107
INTEREST SYNCHRONIZATION	0	0	0	0	0	22,463,705	(9,675,475)	0	0	12,788,230	(12,788,230)
TOTAL FPSC ADJUSTMENTS	\$ (5,033,313,235)	(3,717,088,083)	(235,867,942)	(208,392,243)	(715,099,966)	(120,898,018)	73,202,708	0	146,592	(4,923,996,953)	\$ (109,316,283)
FPSC ADJUSTED	\$ 6,122,886,450	36,137,470	1,420,551,028	1,211,987,576	494,460,643	19,875,436	949,136,266	4,402,948	(5,764,788)	4,130,786,579	\$ 1,992,099,871
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3)	\$ (112,892,562)	0	0	0	(81,283)	(43,516,951)	0	0	0	(43,598,234)	\$ (69,294,328)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,009,993,889	36,137,470	1,420,551,028	1,211,987,576	494,379,361	(23,641,515)	949,136,266	4,402,948	(5,764,788)	4,087,188,346	\$ 1,922,805,543

(A) THE ADDITION OF EARNINGS FROM AFUDC  
WOULD INCREASE THE SYSTEM NOI BY \$ 106,450,913

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  
MAY, 2016

SCHEDULE 3: PAGE 3B OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE		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)
		FUEL & NET INTERCHANGE	OTHER								
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (112,892,562)	0	0	0	(81,283)	(43,516,951)	0	0	0	(43,598,234)	\$ (69,294,328)
TOTAL PROFORMA ADJUSTMENTS	\$ (112,892,562)	0	0	0	(81,283)	(43,516,951)	0	0	0	(43,598,234)	\$ (69,294,328)

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS  
MAY, 2016

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	\$ 8,570,469,154	\$ 8,224,591,207	\$ 76,684,465	\$ (299,666,599)	\$ 8,001,609,073	28.73%	4.64%	1.33%	4.64%	1.33%	4.64%	1.33%
SHORT TERM DEBT	454,021,371	435,139,628	4,210,570	0	439,350,198	1.58%	1.86%	0.03%	1.86%	0.03%	1.86%	0.03%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,452,008,078	12,892,568,863	124,753,205	0	13,017,322,068	46.74%	9.50%	4.44%	10.50%	4.91%	11.50%	5.37%
CUSTOMER DEPOSITS	415,047,557	414,972,871	4,015,429	(0)	418,988,300	1.50%	2.07%	0.03%	2.07%	0.03%	2.07%	0.03%
DEFERRED INCOME TAX	6,497,456,339	6,229,146,677	57,248,066	(312,868,788)	5,973,525,955	21.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	155,864,147	148,054,202	24,291	(145,543,888)	2,534,605	0.01%	7.65%	0.00%	8.27%	0.00%	8.89%	0.00%
TOTAL	\$ 29,544,866,645	\$ 28,344,473,448	\$ 266,936,026	\$ (758,079,275)	\$ 27,853,330,199	100.00%		5.83%		6.30%		6.77%

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	\$ 8,805,071,097	\$ 8,485,659,912	\$ 149,362,824	\$ (299,085,075)	\$ 8,335,937,660	28.21%	4.47%	1.26%	4.47%	1.26%	4.47%	1.26%
SHORT TERM DEBT	906,609,406	872,762,798	15,923,426	(0)	888,686,224	3.01%	1.50%	0.05%	1.50%	0.05%	1.50%	0.05%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,585,599,316	13,078,405,745	238,613,542	0	13,317,019,287	45.06%	9.50%	4.28%	10.50%	4.73%	11.50%	5.18%
CUSTOMER DEPOSITS	414,491,625	414,598,437	7,564,286	-	422,162,723	1.43%	2.15%	0.03%	2.15%	0.03%	2.15%	0.03%
DEFERRED INCOME TAX	7,041,774,360	6,779,457,105	117,981,929	(312,868,788)	6,584,570,246	22.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	154,975,122	147,272,652	85,298	(142,597,471)	4,760,480	0.02%	7.56%	0.00%	8.18%	0.00%	8.79%	0.00%
TOTAL	\$ 30,908,520,926	\$ 29,778,156,649	\$ 529,531,305	\$ (754,551,334)	\$ 29,553,136,620	100.00%		5.62%		6.07%		6.52%

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	\$ 8,001,609,073	\$ -	\$ 8,001,609,073	28.73%	4.64%	1.33%	4.64%	1.33%	4.64%	1.33%
SHORT TERM DEBT	439,350,198	-	439,350,198	1.58%	1.86%	0.03%	1.86%	0.03%	1.86%	0.03%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,017,322,068	-	13,017,322,068	46.74%	9.50%	4.44%	10.50%	4.91%	11.50%	5.37%
CUSTOMER DEPOSITS	418,988,300	-	418,988,300	1.50%	2.07%	0.03%	2.07%	0.03%	2.07%	0.03%
DEFERRED INCOME TAX	5,973,525,955	-	5,973,525,955	21.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	2,534,605	-	2,534,605	0.01%	7.65%	0.00%	8.27%	0.00%	8.89%	0.00%
TOTAL	\$ 27,853,330,199	\$ -	\$ 27,853,330,199	100.00%		5.83%		6.30%		6.77%

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	\$ 8,335,937,660	\$ -	\$ 8,335,937,660	28.21%	4.47%	1.26%	4.47%	1.26%	4.47%	1.26%
SHORT TERM DEBT	888,686,224	-	888,686,224	3.01%	1.50%	0.05%	1.50%	0.05%	1.50%	0.05%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,317,019,287	-	13,317,019,287	45.06%	9.50%	4.28%	10.50%	4.73%	11.50%	5.18%
CUSTOMER DEPOSITS	422,162,723	-	422,162,723	1.43%	2.15%	0.03%	2.15%	0.03%	2.15%	0.03%
DEFERRED INCOME TAX	6,584,570,246	-	6,584,570,246	22.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	4,760,480	-	4,760,480	0.02%	7.56%	0.00%	8.18%	0.00%	8.79%	0.00%
TOTAL	\$ 29,553,136,620	\$ -	\$ 29,553,136,620	100.00%		5.62%		6.07%		6.52%

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	\$ 2,144,178,327
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	25,082,228
INCOME TAXES	1,010,651,821
TOTAL	\$ 3,179,912,376
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 468,589,345
TIMES INTEREST EARNED WITH AFUDC	6.79

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,144,178,327
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(81,368,686)
INCOME TAXES	1,010,651,821
TOTAL	\$ 3,073,461,462
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 468,589,345
TIMES INTEREST EARNED WITHOUT AFUDC	6.56

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 25,082,228
X (1 - INCOME_TAX_RATE)	0.6143
SUBTOTAL	\$ 15,406,758
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	81,368,686
TOTAL	\$ 96,775,444
NET INCOME AVAILABLE FOR COMMON	\$ 1,700,671,209
AFUDC AS PERCENT OF NET INCOME	5.69%

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 266,022,882
GAINS ON DISPOSITION OF PROPERTY	(6,604,731)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	0
TOTAL	\$ 259,418,151
** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF:	0

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 1,700,671,209
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(1,600,000,000)
AFUDC (DEBT & OTHER)	(106,450,913)
DEPRECIATION AND AMORTIZATION EXPENSE	1,420,379,819
DEFERRED INCOME TAXES	865,105,706
INVESTMENT TAX CREDITS	4,402,948
OTHER SOURCE/USES OF FUNDS	259,418,151
INTERNALLY GENERATED FUNDS	\$ 2,543,526,920
CONSTRUCTION EXPENDITURES	\$ 4,163,209,286
PERCENT INTERNALLY GENERATED FUNDS	61.10%

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	\$ 8,001,609,073
JURIS ADJUSTED SHORT TERM DEBT	439,350,198
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	13,017,322,068
TOTAL	\$ 21,458,281,339
LTD TO TOTAL INVESTOR FUNDS	37.29%
STD TO TOTAL INVESTOR FUNDS	2.05%

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.77%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :	
LONG TERM DEBT	1.33%
SHORT TERM DEBT	0.03%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.00%
SUBTOTAL	1.39%
TOTAL	5.37%
DIVIDED BY COMMON EQUITY RATIO	46.74%
JURISDICTIONAL RETURN ON COMMON EQUITY	11.50%

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H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 6.52%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT 1.33%

SHORT TERM DEBT 0.03%

PREFERRED STOCK 0.00%

CUSTOMER DEPOSITS 0.03%

TAX CREDITS - WTD COST 0.00%

SUBTOTAL 1.39%

PRO FORMA ROR LESS NON EQUITY COST 5.13%

PRO FORMA COMMON EQUITY RATIO 46.74%

PRO FORMA RETURN ON COMMON EQUITY 10.97%