



August 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 June 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
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2016 AUG 15 AM 10:43
DIVISION OF
ACCOUNTING & FINANCE

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
EARNINGS SURVEILLANCE REPORT SUMMARY
JUNE, 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	\$ 2,127,517,804 (A)	(232,122,885) (B)	1,895,394,919	(70,259,776)	\$ 1,825,135,143
RATE BASE	\$ 28,613,537,751	(530,244,302)	28,083,293,448	0	\$ 28,083,293,448
AVERAGE RATE OF RETURN	7.44%		6.75%		6.50%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,127,517,804 (A)	(229,223,678) (B)	1,898,294,127	(70,259,776)	\$ 1,828,034,351
RATE BASE	\$ 30,241,564,519	(556,790,963)	29,684,773,556	0	\$ 29,684,773,556
YEAR END RATE OF RETURN	7.04%		6.39%		6.16%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	5.82%
MIDPOINT	6.28%
HIGH	6.75%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.77	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.55	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	5.56%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	60.21%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	37.19%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	2.25%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.50%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.96%	(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

8/15/16
(DATE)

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

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	\$ 41,339,550,606	13,938,523,354	27,401,027,252	239,538,216	2,918,333,160	716,545,248	31,275,443,875	(1,447,906,200)	\$ 29,827,537,676
JURISDICTIONAL PER BOOKS	\$ 39,489,133,435	12,462,407,303	27,006,726,132	227,193,275	2,766,638,722	676,638,689	30,677,196,817	(2,063,659,067)	\$ 28,613,537,751
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,075,045,394)	(418,752,654)	(1,656,292,740)	(1,098,579)	(1,847,611,077)	0	(3,505,002,396)	2,974,758,094	\$ (530,244,302)
FPSC ADJUSTED:	\$ 37,414,088,041	12,063,654,648	25,350,433,392	226,094,696	919,027,645	676,638,689	27,172,194,421	911,099,027	\$ 28,083,293,448
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 37,414,088,041	12,063,654,648	25,350,433,392	226,094,696	919,027,645	676,638,689	27,172,194,421	911,099,027	\$ 28,083,293,448

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
JUNE, 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	\$ 11,090,437,450	3,648,130,859	1,655,830,036	1,433,615,686	1,210,975,347	109,232,951	921,303,676	4,423,745	(5,885,995)	8,977,626,305	\$ 2,112,811,145
JURISDICTIONAL PER BOOKS	\$ 10,642,676,664	3,452,763,239	1,595,267,471	1,387,258,451	1,192,527,814	104,773,407	883,682,118	4,257,213	(5,879,568)	8,614,650,146	\$ 2,028,026,518
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (461,972,440)	0	0	0	(11,881,931)	(173,622,414)	0	0	0	(185,504,345)	\$ (276,468,095)
FRANCHISE EXPENSE	0	0	0	0	(450,090,526)	173,622,420	0	0	0	(276,468,105)	276,468,105
GROSS RECEIPTS TAX	(247,471,256)	0	0	0	(247,244,048)	(87,645)	0	0	0	(247,331,693)	(139,562)
FINANCIAL PLANNING SERVICES	0	0	(417,193)	0	0	160,932	0	0	0	(256,261)	256,261
INDUSTRY ASSOCIATION DUES	0	0	(2,119,924)	0	0	817,761	0	0	0	(1,302,163)	1,302,163
ECONOMIC DEVELOPMENT 5%	0	0	(111,332)	0	0	42,946	0	0	0	(68,385)	68,385
AVIATION - EXPENSES	0	0	(150,856)	0	0	58,193	0	0	0	(92,663)	92,663
EXECUTIVE COMPENSATION	0	0	(32,883,866)	0	0	12,684,951	0	0	0	(20,198,915)	20,198,915
FUEL COST REC RETAIL, INCL GAS RESERVES	(3,180,786,609)	(3,104,058,831)	(7,914,723)	(18,006,555)	(2,723,966)	(103,685,744)	85,241,621	0	0	(3,151,148,199)	(29,638,410)
CONSERVATION COST RECOVERY	(87,090,691)	0	(73,198,866)	(10,155,304)	(1,338,254)	(5,595,567)	4,670,435	0	0	(85,617,555)	(1,473,136)
CAPACITY COST RECOVERY	(429,554,611)	(313,370,756)	(55,244,032)	(27,223,950)	(479,187)	(11,332,554)	(1,488,498)	0	0	(409,138,976)	(20,415,635)
ENVIRONMENTAL COST RECOVERY	(236,887,767)	0	(56,295,668)	(51,891,880)	(338,421)	(54,995,670)	5,433,374	0	121,147	(157,967,118)	(78,920,649)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	291,404	0	(112,409)	0	0	0	178,995	(178,995)
STORM DEFICIENCY RECOVERY	(114,631,376)	0	(587,112)	(100,059,846)	0	(5,394,489)	0	0	0	(106,041,447)	(8,589,929)
GAIN ON SALE LAND (PROPERTY)	0	0	0	0	0	0	0	0	0	0	0
INTEREST TAX DEFICIENCIES	0	0	35,501	0	0	(13,695)	0	0	0	21,807	(21,807)
INTEREST SYNCHRONIZATION	0	0	0	0	0	24,235,584	(9,063,709)	0	0	15,171,876	(15,171,876)
TOTAL FPSC ADJUSTMENTS	\$ (4,758,394,749)	(3,417,429,587)	(228,888,070)	(207,046,130)	(7,14,096,332)	(143,217,399)	84,793,223	0	121,147	(4,625,763,149)	\$ (132,631,599)
FPSC ADJUSTED	\$ 5,884,281,915	35,333,652	1,366,379,401	1,180,212,321	478,431,481	(38,443,992)	968,475,341	4,257,213	(5,758,421)	3,988,886,996	\$ 1,895,394,919
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (114,465,444)	0	0	0	(82,415)	(44,123,253)	0	0	0	(44,205,669)	\$ (70,259,776)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 5,769,816,471	35,333,652	1,366,379,401	1,180,212,321	478,349,066	(82,567,246)	968,475,341	4,257,213	(5,758,421)	3,944,681,328	\$ 1,825,135,143
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY											
	\$ 103,649,277										
	\$ 99,491,286										
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:											
ON A TOTAL COMPANY BASIS	\$ 2,306,721										
ON A JURISDICTIONAL BASIS	\$ 2,226,634										
CURRENT MONTH AMOUNT											
SYSTEM PER BOOKS	\$ 983,070,378	268,601,380	131,737,134	142,551,675	107,731,277	61,485,287	52,651,143	(28,085)	(477,414)	764,252,398	\$ 218,817,981
JURISDICTIONAL PER BOOKS	\$ 947,298,834	253,564,098	127,557,753	137,477,033	106,128,397	59,728,271	51,137,222	(27,028)	(477,357)	735,088,389	\$ 212,210,445

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
JUNE, 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)	\$ (114,465,444)	0	0	0	(82,415)	(44,123,253)	0	0	0	(44,205,669)	\$ (70,259,776)
TOTAL PROFORMA ADJUSTMENTS	\$ (114,465,444)	0	0	0	(82,415)	(44,123,253)	0	0	0	(44,205,669)	\$ (70,259,776)

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
JUNE, 2016

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,628,119,025	\$ 1,546,097,215
FUEL AND CAPACITY	69,005,175	65,230,298
FUEL CLAUSE – GAS RESERVES	123,830,860	116,890,549
CAPITALIZED EXECUTIVE COMPENSATION	12,105,036	11,684,761
LOAD CONTROL	50,853,695	50,853,695
ASSET RETIREMENT OBLIGATION	236,427,513	228,218,988
CAPITAL LEASES	59,224,688	57,168,466
TOTAL	\$ 2,179,565,991	\$ 2,076,143,974
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (205,713,349)	\$ (195,349,868)
ACCUM PROV DECOMMISSIONING COSTS	(3,823,088,678)	(3,615,257,561)
ASSET RETIREMENT OBLIGATION	43,418,846	41,911,388
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,545,671,263	3,422,569,136
FUEL AND CAPACITY	(34,102,804)	(32,192,841)
FUEL CLAUSE – GAS RESERVES	(9,018,982)	(8,513,498)
OTHER RATE CASE ADJUSTMENTS (1)	23,353	22,416
LOAD CONTROL	(26,007,576)	(26,007,576)
CAPITAL LEASES	(6,147,692)	(5,934,251)
TOTAL	\$ (514,965,619)	\$ (418,752,654)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,915,998,855	\$ 1,804,883,596
CWIP - CLAUSE PROJECTS	45,172,483	42,727,481
TOTAL	\$ 1,961,171,337	\$ 1,847,611,077
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
WORKING CAPITAL: (SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,076,442,049)	\$ (2,974,758,094)
TOTAL ADJUSTMENTS	\$ 549,329,661	\$ 530,244,302

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
JUNE, 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	\$ 11,090,437,450	3,648,130,859	1,655,830,036	1,433,615,688	1,210,975,347	109,232,951	921,303,676	4,423,745	(5,885,995)	8,977,828,305	\$ 2,112,811,145
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (461,972,440)	0	0	0	(11,881,931)	(173,622,414)	0	0	0	(185,504,345)	\$ (276,468,095)
FRANCHISE EXPENSE	0	0	0	0	(450,090,526)	173,622,420	0	0	0	(276,468,105)	276,468,105
GROSS RECEIPTS TAX	(247,471,256)	0	0	0	(247,244,048)	(87,645)	0	0	0	(247,331,693)	(139,562)
FINANCIAL PLANNING SERVICES	0	0	(432,199)	0	0	166,721	0	0	0	(265,478)	265,478
INDUSTRY ASSOCIATION DUES	0	0	(2,196,173)	0	0	847,174	0	0	0	(1,348,999)	1,348,999
ECONOMIC DEVELOPMENT 5%	0	0	(115,336)	0	0	44,491	0	0	0	(70,845)	70,845
AVIATION - EXPENSES	0	0	(156,262)	0	0	60,286	0	0	0	(95,996)	95,996
EXECUTIVE COMPENSATION	0	0	(34,066,625)	0	0	13,141,201	0	0	0	(20,925,425)	20,925,425
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY, INCL GAS RESERVES	(3,355,633,232)	(3,279,631,274)	(8,384,655)	(19,075,684)	(2,752,523)	(103,142,425)	85,569,428	0	0	(3,327,417,135)	(28,218,097)
CONSERVATION COST RECOVERY	(87,090,691)	0	(73,198,866)	(10,155,304)	(1,338,254)	(5,595,567)	4,670,435	0	0	(85,617,555)	(1,473,136)
CAPACITY COST RECOVERY	(429,867,915)	(331,099,451)	(58,362,472)	(27,276,701)	(469,003)	(3,387,493)	(1,488,498)	0	0	(422,103,618)	(7,764,297)
ENVIRONMENTAL COST RECOVERY	(236,887,767)	0	(58,534,969)	(54,644,789)	(347,326)	(53,068,968)	5,433,374	0	127,574	(161,035,105)	(75,852,661)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	303,583	0	(117,107)	0	0	0	186,478	(186,478)
STORM DEFICIENCY RECOVERY	(114,831,376)	0	(605,215)	(100,059,846)	0	(5,387,506)	0	0	0	(106,052,567)	(8,578,809)
GAIN ON SALE LAND (PROPERTY)	0	0	0	0	0	0	0	0	0	0	0
INTEREST TAX DEFICIENCIES	0	0	36,778	0	0	(14,187)	0	0	0	22,591	(22,591)
INTEREST SYNCHRONIZATION	0	0	0	0	0	24,715,805	(9,389,710)	0	0	15,326,095	(15,326,095)
TOTAL FPSC ADJUSTMENTS	\$ (4,933,554,678)	(3,610,730,725)	(236,016,014)	(210,908,741)	(714,143,611)	(131,825,215)	84,795,026	0	127,574	(4,818,701,705)	\$ (114,852,971)
FPSC ADJUSTED	\$ 6,156,882,774	37,400,134	1,419,814,022	1,222,706,945	496,831,736	(22,592,264)	1,006,098,702	4,423,745	(5,758,421)	4,158,924,600	\$ 1,997,958,174
PRO FORMA ADJUSTMENTS	\$ (114,465,444)	0	0	0	(82,415)	(44,123,253)	0	0	0	(44,205,669)	\$ (70,259,776)
(SEE SCHEDULE 2, PAGE 3C OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,042,417,330	37,400,134	1,419,814,022	1,222,706,945	496,749,321	(66,715,518)	1,006,098,702	4,423,745	(5,758,421)	4,114,718,931	\$ 1,927,698,399

(A) THE ADDITION OF EARNINGS FROM AFUDC
WOULD INCREASE THE SYSTEM NOI BY \$ 103,649,277

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
JUNE, 2016

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	12,531,436	12,070,739
INTEREST & DIVIDENDS RECEIVABLE	604	582
ACCTS RECEIVABLE - TAX REFUND	0	0
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECCR	42,945,774	43,888,686
FUEL CLAUSE – GAS RESERVES	16,132,202	15,228,045
CASH CAPITAL SUB ACCOUNT	2,544,872	2,402,241
POLE ATTACHMENTS RENTS RECEIVABLE	15,360,278	15,360,278
PREPAYMENTS - ECCR	55,146,745	55,146,745
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	4,638,808	4,452,718
RATE CASE EXPENSE	0	0
TEMPORARY CASH INVESTMENTS	2,607,077	2,511,232
ASSET RETIREMENT OBLIGATION	0	0
STORM DEFICIENCY RECOVERY	390,317,558	390,317,558
NUCLEAR COST RECOVERY	46,619	46,619
JOBGING ACCOUNTS	14,777,005	14,233,753
OTH REG ASSETS - CLAUSES	5,240,356	4,946,652
MISC. DEFERRED DEBIT - CLAUSES	11,000,198	10,383,673
CEDAR BAY TRANSACTION	557,643,692	527,811,208
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	<u>\$ 1,130,933,226</u>	<u>\$ 1,098,800,729</u>
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(149,076)	(143,900)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(118,688,234)	(118,688,234)
ACCUM. PROV. - RATE REFUNDS	(145,310)	(144,025)
GAIN ON SALE OF EMISSION ALLOWANCE	(49,145)	(46,669)
JOBGING ACCOUNTS	(12,809,887)	(12,338,953)
PAYABLE TO NUCLEAR DECOMMISSIONING FUND	0	0
LEHMAN HEDGE	0	0
FUEL CLAUSE – GAS RESERVES	22,620,465	21,352,663
POLE ATTACHMENT RENTS PAYABLE	(7,518,987)	(7,518,987)
PREFERRED STOCK DIVIDENDS ACCRUED	0	0
SJRPP ACCELERATED RECOVERY	(28,072,245)	(26,572,281)
STORM DEFICIENCY RECOVERY	0	0
ASSET RETIREMENT OBLIGATION	(3,825,842,846)	(3,693,013,444)
MARGIN CALL CASH COLLATERAL	42,308	40,752
NUCLEAR COST RECOVERY	(231,586,196)	(231,586,196)
TRANSMISSION RELIABILITY ENHANCEMENT	0	0
CEDAR BAY TRANSACTION	(5,176,122)	(4,899,550)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	<u>\$ (4,207,375,275)</u>	<u>\$ (4,073,558,823)</u>
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	<u>\$ (3,076,442,049)</u>	<u>\$ (2,974,758,094)</u>

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

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)	\$ (114,465,444)	0	0	0	(82,415)	(44,123,253)	0	0	0	(44,205,669)	\$ (70,259,776)
TOTAL PROFORMA ADJUSTMENTS	\$ (114,465,444)	0	0	0	(82,415)	(44,123,253)	0	0	0	(44,205,669)	\$ (70,259,776)

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
JUNE, 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	\$ 43,278,910,102	14,240,887,786	29,038,022,316	245,959,898	2,867,695,755	686,531,990	32,838,209,959	(1,447,906,200)	\$ 31,390,303,760
JURISDICTIONAL PER BOOKS	\$ 41,353,962,051	12,651,093,551	28,702,868,499	233,234,869	2,720,823,258	648,296,959	32,305,223,585	(2,063,659,067)	\$ 30,241,564,519
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,331,600,152)	(468,893,129)	(1,862,707,023)	0	(1,668,842,034)	0	(3,531,549,057)	2,974,758,094	\$ (556,790,963)
FPSC ADJUSTED:	\$ 39,022,361,899	12,182,200,423	26,840,161,476	233,234,869	1,051,981,224	648,296,959	28,773,674,529	911,099,027	\$ 29,684,773,556
 PRO FORMA ADJUSTMENTS									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 39,022,361,899	12,182,200,423	26,840,161,476	233,234,869	1,051,981,224	648,296,959	28,773,674,529	911,099,027	\$ 29,684,773,556

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
JUNE, 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	\$ 11,090,437,450	3,648,130,859	1,655,830,036	1,433,615,686	1,210,975,347	109,232,951	921,303,676	4,423,745	(5,885,995)	8,977,626,305	\$ 2,112,811,145
JURISDICTIONAL PER BOOKS	\$ 10,642,676,664	3,452,763,239	1,595,267,471	1,387,258,451	1,192,527,814	104,773,407	883,682,118	4,257,213	(5,879,568)	8,614,650,146	\$ 2,028,026,518
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (461,972,440)	0	0	0	(11,881,931)	(173,622,414)	0	0	0	(185,504,345)	\$ (276,468,095)
FRANCHISE EXPENSE	0	0	0	0	(450,090,526)	173,622,420	0	0	0	(276,468,105)	276,468,105
GROSS RECEIPTS TAX	(247,471,256)	0	0	0	(247,244,048)	(87,645)	0	0	0	(247,331,693)	(139,562)
FINANCIAL PLANNING SERVICES	0	0	(417,193)	0	0	160,932	0	0	0	(256,261)	256,261
INDUSTRY ASSOCIATION DUES	0	0	(2,119,924)	0	0	817,761	0	0	0	(1,302,163)	1,302,163
ECONOMIC DEVELOPMENT 5%	0	0	(111,332)	0	0	42,946	0	0	0	(68,385)	68,385
AVIATION - EXPENSES	0	0	(150,856)	0	0	58,193	0	0	0	(92,663)	92,663
EXECUTIVE COMPENSATION	0	0	(32,883,866)	0	0	12,684,951	0	0	0	(20,198,915)	20,198,915
FUEL COST REC RETAIL, INCL GAS RESERVES	(3,180,786,609)	(3,104,058,831)	(7,914,723)	(18,006,555)	(2,723,966)	(103,685,744)	85,241,621	0	0	(3,151,148,199)	(29,638,410)
CONSERVATION COST RECOVERY	(87,090,691)	0	(73,198,866)	(10,155,304)	(1,338,254)	(5,595,567)	4,670,435	0	0	(85,617,555)	(1,473,136)
CAPACITY COST RECOVERY	(429,554,611)	(313,370,756)	(55,244,032)	(27,223,950)	(479,187)	(11,332,554)	(1,488,498)	0	0	(409,138,976)	(20,415,635)
ENVIRONMENTAL COST RECOVERY	(236,887,767)	0	(56,295,668)	(51,891,880)	(338,421)	(54,995,670)	5,433,374	0	121,147	(157,967,118)	(78,920,649)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	291,404	0	(112,409)	0	0	0	178,995	(178,995)
STORM DEFICIENCY RECOVERY	(114,631,376)	0	(587,112)	(100,059,846)	0	(5,394,489)	0	0	0	(106,041,447)	(8,589,929)
GAIN ON SALE LAND (PROPERTY)	0	0	0	0	0	0	0	0	0	0	0
INTEREST TAX DEFICIENCIES	0	0	35,501	0	0	(13,695)	0	0	0	21,807	(21,807)
INTEREST SYNCHRONIZATION	0	0	0	0	0	21,336,377	(9,063,709)	0	0	12,272,668	(12,272,668)
TOTAL FPSC ADJUSTMENTS	\$ (4,758,394,749)	(3,417,429,587)	(228,888,070)	(207,046,130)	(714,096,332)	(146,116,607)	84,793,223	0	121,147	(4,628,662,357)	\$ (129,732,392)
FPSC ADJUSTED	\$ 5,884,281,915	35,333,652	1,366,379,401	1,180,212,321	478,431,481	(41,343,200)	968,475,341	4,257,213	(5,758,421)	3,985,987,789	\$ 1,898,294,127
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (114,465,444)	0	0	0	(82,415)	(44,123,253)	0	0	0	(44,205,669)	\$ (70,259,776)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 5,769,816,471	35,333,652	1,366,379,401	1,180,212,321	478,349,066	(85,466,454)	968,475,341	4,257,213	(5,758,421)	3,941,782,120	\$ 1,828,034,351

(A) THE ADDITION OF EARNINGS FROM AFUDC
WOULD INCREASE THE SYSTEM NOI BY
AND THE JURISDICTIONAL NOI BY

\$ 103,649,277
\$ 99,491,286

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
JUNE, 2016

SCHEDULE 3: PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE		DEPRECIATION & AMORTIZATION	TAXES OTHER	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		THAN INCOME						
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (114,465,444)	0	0	0	(82,415)	(44,123,253)	0	0	0	(44,205,669)	\$ (70,259,776)
TOTAL PROFORMA ADJUSTMENTS	\$ (114,465,444)	0	0	0	(82,415)	(44,123,253)	0	0	0	(44,205,669)	\$ (70,259,776)

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
JUNE, 2016

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,627,795,566	\$ 1,545,790,051
FUEL AND CAPACITY	111,964,607	105,894,310
FUEL CLAUSE – GAS RESERVES	168,225,152	158,796,688
CAPITALIZED EXECUTIVE COMPENSATION	15,034,766	14,512,774
LOAD CONTROL	44,746,298	44,746,298
ASSET RETIREMENT OBLIGATION	419,247,411	404,691,564
CAPITAL LEASES	59,224,688	57,168,466
TOTAL	\$ 2,446,238,488	\$ 2,331,600,152
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (234,898,175)	\$ (223,064,413)
ACCUM PROV DECOMMISSIONING COSTS	(3,926,785,787)	(3,713,317,478)
ASSET RETIREMENT OBLIGATION	31,602,044	30,504,853
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,640,059,837	3,513,680,634
FUEL AND CAPACITY	(35,030,389)	(33,070,863)
FUEL CLAUSE – GAS RESERVES	(19,746,412)	(18,639,691)
OTHER RATE CASE ADJUSTMENTS (1)	303,583	291,404
LOAD CONTROL	(18,699,185)	(18,699,185)
CAPITAL LEASES	(6,815,000)	(6,578,390)
TOTAL	\$ (570,009,485)	\$ (468,893,129)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,745,439,545	\$ 1,644,932,967
CWIP - CLAUSE PROJECTS	25,259,844	23,909,067
TOTAL	\$ 1,770,699,390	\$ 1,668,842,034
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
WORKING CAPITAL:		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,076,442,049)	\$ (2,974,758,094)
TOTAL ADJUSTMENTS	\$ 570,486,344	\$ 556,790,963

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
JUNE, 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	\$ 11,090,437,450	3,648,130,859	1,655,830,036	1,433,615,686	1,210,975,347	109,232,951	921,303,676	4,423,745	(5,885,995)	8,977,626,305	\$ 2,112,811,145
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (461,972,440)	0	0	0	(11,881,931)	(173,622,414)	0	0	0	(185,504,345)	\$ (276,468,095)
FRANCHISE EXPENSE	0	0	0	0	(450,090,526)	173,622,420	0	0	0	(276,468,105)	276,468,105
GROSS RECEIPTS TAX	(247,471,256)	0	0	0	(247,244,048)	(87,645)	0	0	0	(247,331,693)	(139,562)
FINANCIAL PLANNING SERVICES	0	0	(432,199)	0	0	166,721	0	0	0	(265,478)	265,478
INDUSTRY ASSOCIATION DUES	0	0	(2,196,173)	0	0	847,174	0	0	0	(1,348,999)	1,348,999
ECONOMIC DEVELOPMENT 5%	0	0	(115,336)	0	0	44,491	0	0	0	(70,845)	70,845
AVIATION - EXPENSES	0	0	(156,282)	0	0	60,286	0	0	0	(95,996)	95,996
EXECUTIVE COMPENSATION	0	0	(34,066,625)	0	0	13,141,201	0	0	0	(20,925,425)	20,925,425
FUEL COST REC RETAIL, INCL GAS RESERVES	(3,355,633,232)	(3,279,631,274)	(8,384,655)	(19,075,664)	(2,752,523)	(103,142,425)	85,569,426	0	0	(3,327,417,135)	(28,216,097)
CONSERVATION COST RECOVERY	(87,090,691)	0	(73,198,866)	(10,155,304)	(1,338,254)	(5,595,567)	4,670,435	0	0	(85,617,555)	(1,473,136)
CAPACITY COST RECOVERY	(429,867,915)	(331,099,451)	(58,362,472)	(27,276,701)	(489,003)	(3,387,493)	(1,488,498)	0	0	(422,103,818)	(7,764,297)
ENVIRONMENTAL COST RECOVERY	(236,887,767)	0	(58,534,969)	(54,644,789)	(347,326)	(53,068,968)	5,433,374	0	127,574	(161,035,105)	(75,852,661)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	303,583	0	(117,107)	0	0	0	186,476	(186,476)
STORM DEFICIENCY RECOVERY	(114,631,376)	0	(605,215)	(100,059,846)	0	(5,387,506)	0	0	0	(106,052,567)	(8,578,809)
GAIN ON SALE LAND (PROPERTY)	0	0	0	0	0	0	0	0	0	0	0
INTEREST TAX DEFICIENCIES	0	0	36,778	0	0	(14,187)	0	0	0	22,591	(22,591)
INTEREST SYNCHRONIZATION	0	0	0	0	0	22,356,741	(9,389,710)	0	0	12,967,031	(12,967,031)
TOTAL FPSC ADJUSTMENTS	\$ (4,933,554,678)	(3,610,730,725)	(236,016,014)	(210,908,741)	(714,143,811)	(134,184,280)	84,795,026	0	127,574	(4,821,060,770)	\$ (112,493,906)
FPSC ADJUSTED	\$ 6,156,882,774	37,400,134	1,419,814,022	1,222,706,945	496,831,736	(24,951,329)	1,006,098,702	4,423,745	(5,758,421)	4,156,565,535	\$ 2,000,317,239
PRO FORMA ADJUSTMENTS	\$ (114,465,444)	0	0	0	(82,415)	(44,123,253)	0	0	0	(44,205,669)	\$ (70,259,776)
(SEE SCHEDULE 3, PAGE 3B OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,042,417,330	37,400,134	1,419,814,022	1,222,706,945	496,749,321	(69,074,582)	1,006,098,702	4,423,745	(5,758,421)	4,112,359,867	\$ 1,930,057,463
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 103,649,277										

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
JUNE, 2016

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)	\$ (114,465,444)	0	0	0	(82,415)	(44,123,253)	0	0	0	(44,205,669)	\$ (70,259,776)
TOTAL PROFORMA ADJUSTMENTS	\$ (114,465,444)	0	0	0	(82,415)	(44,123,253)	0	0	0	(44,205,669)	\$ (70,259,776)

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
JUNE, 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	\$ 8,615,439,429	\$ 8,267,114,644	\$ 69,153,981	\$ (295,169,518)	\$ 8,041,099,108	28.63%	4.62%	1.32%	4.62%	1.32%	4.62%	1.32%
SHORT TERM DEBT	504,379,382	483,381,611	4,193,175	(0)	487,574,786	1.74%	1.79%	0.03%	1.79%	0.03%	1.79%	0.03%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,545,721,141	12,981,800,492	112,612,815	0	13,094,413,307	46.63%	9.50%	4.43%	10.50%	4.90%	11.50%	5.36%
CUSTOMER DEPOSITS	415,861,458	415,763,671	3,606,612	0	419,370,283	1.49%	2.07%	0.03%	2.07%	0.03%	2.07%	0.03%
DEFERRED INCOME TAX	6,590,486,658	6,317,643,523	51,927,296	(331,559,267)	6,038,011,553	21.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	155,649,609	147,833,809	24,290	(145,033,687)	2,824,413	0.01%	7.65%	0.00%	8.26%	0.00%	8.88%	0.00%
TOTAL	\$ 29,827,537,676	\$ 28,613,537,751	\$ 241,518,169	\$ (771,762,472)	\$ 28,083,293,448	100.00%		5.82%		6.28%		6.75%

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	\$ 8,901,439,500	\$ 8,578,283,492	\$ 59,410,599	\$ (294,525,378)	\$ 8,343,168,714	28.11%	4.48%	1.26%	4.48%	1.26%	4.48%	1.26%
SHORT TERM DEBT	863,513,792	831,286,750	5,961,937	0	837,248,887	2.82%	1.63%	0.05%	1.63%	0.05%	1.63%	0.05%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,882,871,880	13,364,751,737	95,851,170	(0)	13,460,602,907	45.35%	9.50%	4.31%	10.50%	4.76%	11.50%	5.21%
CUSTOMER DEPOSITS	419,016,361	419,024,574	3,005,218	0	422,029,792	1.42%	2.15%	0.03%	2.15%	0.03%	2.15%	0.03%
DEFERRED INCOME TAX	7,167,051,441	6,899,602,361	47,105,598	(331,559,267)	6,615,148,692	22.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	156,410,787	148,615,604	46,818	(142,087,658)	6,574,764	0.02%	7.58%	0.00%	8.20%	0.00%	8.81%	0.00%
TOTAL	\$ 31,390,303,760	\$ 30,241,564,519	\$ 211,381,341	\$ (768,172,303)	\$ 29,684,773,556	100.00%		5.65%		6.10%		6.55%

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.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
PROFORMA ADJUSTED BASIS
JUNE, 2016

SCHEDULE 4: PAGE 2 OF 2

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	\$ 8,041,099,108	\$ -	\$ 8,041,099,108	28.63%	4.62%	1.32%	4.62%	1.32%	4.62%	1.32%
SHORT TERM DEBT	487,574,786	-	487,574,786	1.74%	1.79%	0.03%	1.79%	0.03%	1.79%	0.03%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,094,413,307	-	13,094,413,307	46.63%	9.50%	4.43%	10.50%	4.90%	11.50%	5.36%
CUSTOMER DEPOSITS	419,370,283	-	419,370,283	1.49%	2.07%	0.03%	2.07%	0.03%	2.07%	0.03%
DEFERRED INCOME TAX	6,038,011,553	-	6,038,011,553	21.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	2,824,413	-	2,824,413	0.01%	7.65%	0.00%	8.26%	0.00%	8.88%	0.00%
TOTAL	\$ 28,083,293,448	\$ -	\$ 28,083,293,448	100.00%		5.82%		6.28%		6.75%

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	\$ 8,343,168,714	\$ -	\$ 8,343,168,714	28.11%	4.48%	1.26%	4.48%	1.26%	4.48%	1.26%
SHORT TERM DEBT	837,248,687	-	837,248,687	2.82%	1.63%	0.05%	1.63%	0.05%	1.63%	0.05%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,460,602,907	-	13,460,602,907	45.35%	9.50%	4.31%	10.50%	4.76%	11.50%	5.21%
CUSTOMER DEPOSITS	422,029,792	-	422,029,792	1.42%	2.15%	0.03%	2.15%	0.03%	2.15%	0.03%
DEFERRED INCOME TAX	6,615,148,692	-	6,615,148,692	22.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	6,574,764	-	6,574,764	0.02%	7.58%	0.00%	8.20%	0.00%	8.81%	0.00%
TOTAL	\$ 29,684,773,556	\$ -	\$ 29,684,773,556	100.00%		5.65%		6.10%		6.55%

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	\$ 2,139,973,255
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	24,341,426
INCOME TAXES	<u>1,016,442,623</u>
TOTAL	\$ 3,180,757,304
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 469,877,339
TIMES INTEREST EARNED WITH AFUDC	<u>6.77</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,139,973,255
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(79,307,851)
INCOME TAXES	<u>1,016,442,623</u>
TOTAL	\$ 3,077,108,027
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 469,877,339
TIMES INTEREST EARNED WITHOUT AFUDC	<u>6.55</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 24,341,426
X (1 - INCOME_TAX_RATE)	0.6143
SUBTOTAL	\$ 14,951,721
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	79,307,851
TOTAL	\$ 94,259,572
NET INCOME AVAILABLE FOR COMMON	\$ 1,694,437,341
AFUDC AS PERCENT OF NET INCOME	<u>5.56%</u>

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 304,846,129
GAINS ON DISPOSITION OF PROPERTY	(6,579,346)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	<u>0</u>
	\$ 298,266,783

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF: 0

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 1,694,437,341
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(1,600,000,000)
AFUDC (DEBT & OTHER)	(103,649,277)
DEPRECIATION AND AMORTIZATION EXPENSE	1,433,615,686
DEFERRED INCOME TAXES	909,524,694
INVESTMENT TAX CREDITS	4,423,745
OTHER SOURCE/USES OF FUNDS	<u>298,266,783</u>
INTERNALLY GENERATED FUNDS	\$ 2,636,618,972
CONSTRUCTION EXPENDITURES	\$ 4,379,070,200
PERCENT INTERNALLY GENERATED FUNDS	<u>60.21%</u>

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	\$ 8,041,099,108
JURIS ADJUSTED SHORT TERM DEBT	487,574,786
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	13,094,413,307
TOTAL	\$ 21,623,087,200
LTD TO TOTAL INVESTOR FUNDS	<u>37.19%</u>
STD TO TOTAL INVESTOR FUNDS	<u>2.25%</u>

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.75%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :	
LONG TERM DEBT	1.32%
SHORT TERM DEBT	0.03%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.00%
SUBTOTAL	<u>1.39%</u>
TOTAL	<u>5.36%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>46.63%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>11.50%</u>

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H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN	6.50%
LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	1.32%
SHORT TERM DEBT	0.03%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.00%
SUBTOTAL	<u>1.39%</u>
PRO FORMA ROR LESS NON EQUITY COST	<u>5.11%</u>
PRO FORMA COMMON EQUITY RATIO	46.63%
PRO FORMA RETURN ON COMMON EQUITY	10.96%