



November 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 September 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 cursive script that reads "Elizabeth Fuentes".

Elizabeth Fuentes  
Sr. Director of Regulatory Accounting

Enclosures

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

RECEIVED  
FLORIDA PUBLIC SERVICE  
COMMISSION  
2016 NOV 15 AM 11:04  
DIVISION OF  
ACCOUNTING & FINANCE

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
EARNINGS SURVEILLANCE REPORT SUMMARY  
SEPTEMBER, 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	\$ 2,157,287,838 (A)	(232,953,703) (B)	1,924,334,135	(99,984,665)	\$ 1,824,349,469
RATE BASE	\$ 29,293,886,058	(560,649,889)	28,733,236,169	0	\$ 28,733,236,169
AVERAGE RATE OF RETURN	7.36%		6.70%		6.35%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,157,287,838 (A)	(230,099,343) (B)	1,927,188,495	(99,984,665)	\$ 1,827,203,829
RATE BASE	\$ 30,449,151,478	(481,410,192)	29,967,741,286	0	\$ 29,967,741,286
YEAR END RATE OF RETURN	7.08%		6.43%		6.10%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	5.77%
MIDPOINT	6.23%
HIGH	6.70%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	6.88	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	6.66	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	5.28%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	56.43%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	36.86%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	2.80%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.50%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.75%	(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*  
for K. Ousdahl  
(SIGNATURE)

11/15/16  
(DATE)

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
RATE BASE  
SEPTEMBER, 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	\$ 42,094,023,448	14,067,962,606	28,026,060,842	242,805,716	2,979,782,662	713,834,139	31,962,483,358	(1,421,555,872)	\$ 30,540,927,487
JURISDICTIONAL PER BOOKS	\$ 40,213,880,236	12,590,121,699	27,623,758,537	230,271,188	2,825,455,854	674,078,570	31,353,564,149	(2,059,678,091)	\$ 29,293,886,058
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,164,116,519)	(437,694,945)	(1,726,421,574)	(696,590)	(1,835,926,301)	0	(3,563,044,465)	3,002,394,576	\$ (560,649,889)
FPSC ADJUSTED:	\$ 38,049,763,716	12,152,426,753	25,897,336,963	229,574,598	989,529,553	674,078,570	27,790,519,684	942,716,485	\$ 28,733,236,169
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 38,049,763,716	12,152,426,753	25,897,336,963	229,574,598	989,529,553	674,078,570	27,790,519,684	942,716,485	\$ 28,733,236,169

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  
SEPTEMBER, 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	\$ 11,084,495,967	3,525,848,868	1,634,557,675	1,506,914,509	1,208,563,365	88,443,968	974,208,513	4,482,367	(5,809,785)	8,937,209,479	\$ 2,147,286,489
JURISDICTIONAL PER BOOKS	\$ 10,636,977,074	3,336,127,025	1,574,595,359	1,456,524,874	1,190,415,792	84,849,933	934,617,949	4,313,628	(5,806,197)	8,575,638,363	\$ 2,061,338,712
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (468,102,518)	0	0	0	(12,039,597)	(175,926,272)	0	0	0	(187,965,869)	\$ (280,136,649)
FRANCHISE EXPENSE	0	0	0	0	(456,062,879)	175,926,256	0	0	0	(280,136,623)	280,136,623
GROSS RECEIPTS TAX	(246,928,770)	0	0	0	(246,732,349)	(75,769)	0	0	0	(246,808,119)	(120,651)
FINANCIAL PLANNING SERVICES	0	0	(426,691)	0	0	164,596	0	0	0	(262,095)	262,095
INDUSTRY ASSOCIATION DUES	0	0	(2,089,181)	0	0	805,902	0	0	0	(1,283,279)	1,283,279
ECONOMIC DEVELOPMENT 5%	0	0	(108,375)	0	0	41,806	0	0	0	(66,569)	66,569
AVIATION - EXPENSES	0	0	(96,356)	0	0	37,169	0	0	0	(59,187)	59,187
EXECUTIVE COMPENSATION	0	0	(31,251,322)	0	0	12,055,197	0	0	0	(19,196,124)	19,196,124
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(3,101,958,210)	(3,035,643,727)	(3,629,878)	(15,133,536)	(2,619,927)	(52,025,333)	34,778,279	0	0	(3,074,274,124)	(27,684,086)
CONSERVATION COST RECOVERY	(75,251,513)	0	(61,565,410)	(9,983,231)	(1,265,286)	(6,227,433)	5,287,134	0	0	(73,754,227)	(1,497,287)
CAPACITY COST RECOVERY	(387,297,663)	(263,275,253)	(51,067,925)	(31,604,223)	(449,543)	(17,956,242)	2,178,790	0	0	(362,174,396)	(25,123,267)
ENVIRONMENTAL COST RECOVERY	(240,230,465)	0	(60,847,873)	(51,645,458)	(349,047)	(63,585,707)	14,419,928	0	66,946	(161,941,210)	(78,289,255)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	3,411,086	0	(1,315,826)	0	0	0	2,095,260	(2,095,260)
STORM DEFICIENCY RECOVERY	(116,884,375)	0	(579,832)	(103,159,750)	0	(5,070,604)	0	0	0	(108,810,186)	(8,074,189)
INTEREST TAX DEFICIENCIES	0	0	715,639	0	0	(276,058)	0	0	0	439,582	(439,582)
INTEREST SYNCHRONIZATION	0	0	0	0	0	23,313,115	(8,764,885)	0	0	14,548,230	(14,548,230)
TOTAL FPSC ADJUSTMENTS	\$ (4,636,653,514)	(3,298,918,980)	(210,947,204)	(208,115,111)	(719,518,629)	(110,115,204)	47,899,245	0	66,946	(4,499,648,937)	\$ (137,004,577)
FPSC ADJUSTED	\$ 6,000,323,560	37,208,045	1,363,648,155	1,248,409,762	470,897,163	(25,265,272)	982,517,194	4,313,628	(5,739,250)	4,075,989,426	\$ 1,924,334,135
<b>PRO FORMA ADJUSTMENTS</b>											
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (162,892,481)	0	0	0	(117,283)	(62,790,533)	0	0	0	(62,907,815)	\$ (99,984,665)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 5,837,431,080	37,208,045	1,363,648,155	1,248,409,762	470,779,880	(88,055,804)	982,517,194	4,313,628	(5,739,250)	4,013,081,611	\$ 1,824,349,469
<b>(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY</b>											
	\$ 99,959,082										
	\$ 95,949,127										
<b>(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:</b>											
ON A TOTAL COMPANY BASIS	\$ 2,245,456										
ON A JURISDICTIONAL BASIS	\$ 2,167,496										
<b>CURRENT MONTH AMOUNT</b>											
SYSTEM PER BOOKS	\$ 1,006,095,276	319,597,773	121,756,186	252,888,442	96,198,861	98,733,048	(34,033,483)	(72,793)	(477,080)	854,590,953	\$ 151,504,323
JURISDICTIONAL PER BOOKS	\$ 962,394,929	301,321,021	117,246,112	244,106,386	95,224,352	93,363,947	(32,246,219)	(70,053)	(477,022)	818,468,524	\$ 143,926,405

NOTES:

(1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.

(2) 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  
INCOME STATEMENT  
DETAIL OF PRO FORMA ADJUSTMENTS  
SEPTEMBER, 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)	\$ (162,892,481)	0	0	0	(117,283)	(62,790,533)	0	0	0	(62,907,815)	\$ (99,984,665)
TOTAL PROFORMA ADJUSTMENTS	\$ (162,892,481)	0	0	0	(117,283)	(62,790,533)	0	0	0	(62,907,815)	\$ (99,984,665)

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  
SEPTEMBER, 2016

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 1,627,206,187	\$ 1,544,415,810
FUEL AND CAPACITY	87,137,219	82,412,595
FUEL CLAUSE - GAS RESERVES (1)	106,630,500	100,701,869
CAPITALIZED EXECUTIVE COMPENSATION	13,463,106	12,995,681
LOAD CONTROL	50,195,621	50,195,621
ASSET RETIREMENT OBLIGATION	328,322,077	316,923,066
CAPITAL LEASES	59,224,688	57,168,466
TOTAL	\$ 2,272,179,399	\$ 2,164,813,109
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (220,511,900)	\$ (209,292,509)
ACCUM PROV DECOMMISSIONING COSTS	(3,850,524,375)	(3,641,201,796)
ASSET RETIREMENT OBLIGATION	38,307,016	36,977,035
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,571,287,350	3,447,295,858
FUEL AND CAPACITY	(34,520,458)	(32,603,255)
FUEL CLAUSE - GAS RESERVES (1)	(8,628,872)	(8,149,109)
OTHER RATE CASE ADJUSTMENTS (2)	273,357	262,391
LOAD CONTROL	(24,728,540)	(24,728,540)
CAPITAL LEASES	(6,480,000)	(6,255,021)
TOTAL	\$ (535,526,422)	\$ (437,694,945)
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 1,911,518,357	\$ 1,801,505,493
CWIP - CLAUSE PROJECTS (1)	36,379,015	34,420,808
TOTAL	\$ 1,947,897,372	\$ 1,835,926,301
<b>NUCLEAR FUEL:</b>		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
<b>WORKING CAPITAL:</b>	\$ (3,099,897,179)	\$ (3,002,394,576)
(SEE SCHEDULE 2, PAGE 3B OF 3)		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 584,653,170</b>	<b>\$ 560,649,889</b>

**NOTES:**

(1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.

(2) 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  
SEPTEMBER, 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	\$ 11,084,495,967	3,525,848,868	1,634,557,675	1,506,914,509	1,208,563,365	88,443,968	974,208,513	4,482,367	(5,809,785)	8,937,209,479	\$ 2,147,286,489
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (468,102,518)	0	0	0	(12,039,597)	(175,926,272)	0	0	0	(187,965,869)	\$ (280,136,649)
FRANCHISE EXPENSE	0	0	0	0	(456,062,879)	175,926,256	0	0	0	(280,136,623)	280,136,623
GROSS RECEIPTS TAX	(246,928,770)	0	0	0	(246,732,349)	(75,769)	0	0	0	(246,808,119)	(120,651)
FINANCIAL PLANNING SERVICES	0	0	(442,039)	0	0	170,516	0	0	0	(271,522)	271,522
INDUSTRY ASSOCIATION DUES	0	0	(2,164,324)	0	0	834,888	0	0	0	(1,329,436)	1,329,436
ECONOMIC DEVELOPMENT 5%	0	0	(112,273)	0	0	43,309	0	0	0	(68,964)	68,964
AVIATION - EXPENSES	0	0	(99,822)	0	0	38,506	0	0	0	(61,316)	61,316
EXECUTIVE COMPENSATION	0	0	(32,375,361)	0	0	12,488,796	0	0	0	(19,886,566)	19,886,566
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY, INCL GAS RESERVES (1)	(3,272,064,661)	(3,208,352,950)	(3,843,581)	(16,024,494)	(2,645,264)	(50,196,758)	34,394,631	0	0	(3,246,668,416)	(25,396,245)
CONSERVATION COST RECOVERY	(75,251,513)	0	(61,565,410)	(9,983,231)	(1,265,286)	(6,227,433)	5,287,134	0	0	(73,754,227)	(1,497,287)
CAPACITY COST RECOVERY	(387,658,787)	(278,114,327)	(53,946,284)	(31,685,074)	(459,424)	(11,228,046)	2,178,790	0	0	(373,252,365)	(14,406,422)
ENVIRONMENTAL COST RECOVERY	(240,230,465)	0	(63,131,916)	(54,413,978)	(358,486)	(61,634,424)	14,419,928	0	70,535	(165,048,341)	(75,182,124)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	3,553,644	0	(1,370,818)	0	0	0	2,182,826	(2,182,826)
STORM DEFICIENCY RECOVERY	(116,884,375)	0	(597,901)	(103,159,750)	0	(5,063,634)	0	0	0	(108,821,285)	(8,063,090)
INTEREST TAX DEFICIENCIES	0	0	741,379	0	0	(285,987)	0	0	0	455,392	(455,392)
INTEREST SYNCHRONIZATION	0	0	0	0	0	23,782,584	(9,080,138)	0	0	14,702,446	(14,702,446)
<b>TOTAL FPSC ADJUSTMENTS</b>	<b>\$ (4,807,121,089)</b>	<b>(3,486,467,276)</b>	<b>(217,537,531)</b>	<b>(211,712,883)</b>	<b>(719,563,285)</b>	<b>(98,722,286)</b>	<b>47,200,344</b>	<b>0</b>	<b>70,535</b>	<b>(4,686,732,382)</b>	<b>\$ (120,388,707)</b>
<b>FPSC ADJUSTED</b>	<b>\$ 6,277,374,878</b>	<b>39,381,591</b>	<b>1,417,020,143</b>	<b>1,295,201,626</b>	<b>489,000,080</b>	<b>(10,278,318)</b>	<b>1,021,408,857</b>	<b>4,482,367</b>	<b>(5,739,250)</b>	<b>4,250,477,096</b>	<b>\$ 2,026,897,782</b>
PRO FORMA ADJUSTMENTS	\$ (162,892,481)	0	0	0	(117,283)	(62,790,533)	0	0	0	(62,907,815)	\$ (99,984,665)
(SEE SCHEDULE 2, PAGE 3C OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,114,482,398	39,381,591	1,417,020,143	1,295,201,626	488,882,798	(73,068,850)	1,021,408,857	4,482,367	(5,739,250)	4,187,569,281	\$ 1,926,913,116

(A) THE ADDITION OF EARNINGS FROM AFUDC  
WOULD INCREASE THE SYSTEM NOI BY \$ 99,959,082

NOTES:

- (1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.  
(2) 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  
SEPTEMBER, 2016

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>ADJUSTMENTS TO ASSETS PER BOOKS:</b>		
ACCOUNTS RECEIVABLE - ASSOC COS	13,041,896	12,562,432
INTEREST & DIVIDENDS RECEIVABLE	(154,274)	(148,602)
NET UNDERRECOVERED FUEL, CAPACITY, ECCR, ECRC	7,654,060	8,545,349
FUEL CLAUSE – GAS RESERVES (1)	10,417,643	9,838,424
CASH CAPITAL SUB ACCOUNT	2,282,862	2,155,935
POLE ATTACHMENTS RENTS RECEIVABLE	16,020,296	16,020,296
PREPAYMENTS - ECCR	54,398,147	54,398,147
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	7,048,572	6,765,811
TEMPORARY CASH INVESTMENTS	2,030,164	1,955,529
STORM DEFICIENCY RECOVERY	364,342,867	364,342,867
NUCLEAR COST RECOVERY	67,777	67,777
JOBGING ACCOUNTS	9,493,690	9,144,670
OTH REG ASSETS - CLAUSES	6,238,519	5,891,659
MISC. DEFERRED DEBIT - CLAUSES	11,657,513	11,009,358
CEDAR BAY TRANSACTION	714,726,424	676,541,118
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,219,266,156	\$ 1,179,090,771
<b>ADJUSTMENTS TO LIABILITIES PER BOOKS:</b>		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(114,569)	(110,591)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(115,231,591)	(115,231,591)
ACCUM. PROV. - RATE REFUNDS	(196,954)	(195,669)
GAIN ON SALE OF EMISSION ALLOWANCE	(23,871)	(22,657)
JOBGING ACCOUNTS	(13,592,916)	(13,093,195)
FUEL CLAUSE – GAS RESERVES (1)	23,225,265	21,933,945
POLE ATTACHMENT RENTS PAYABLE	(7,601,750)	(7,601,750)
SJRPP ACCELERATED RECOVERY	(25,801,277)	(24,424,624)
STORM DEFICIENCY RECOVERY	0	0
ASSET RETIREMENT OBLIGATION	(3,938,241,667)	(3,801,509,892)
MARGIN CALL CASH COLLATERAL	(19,231)	(18,524)
NUCLEAR COST RECOVERY	(234,930,590)	(234,930,590)
CEDAR BAY TRANSACTION	(6,634,184)	(6,280,210)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (4,319,163,335)	\$ (4,181,485,346)
<b>NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS</b>	<b>\$ (3,099,897,179)</b>	<b>\$ (3,002,394,576)</b>

**NOTES:**

(1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
DETAIL OF PRO FORMA ADJUSTMENTS  
SEPTEMBER, 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)	\$ (162,892,481)	0	0	0	(117,283)	(62,790,533)	0	0	0	(62,907,815)	\$ (99,984,665)
TOTAL PROFORMA ADJUSTMENTS	\$ (162,892,481)	0	0	0	(117,283)	(62,790,533)	0	0	0	(62,907,815)	\$ (99,984,665)

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  
SEPTEMBER, 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	\$ 43,619,130,863	14,419,948,745	29,199,182,118	264,895,462	3,056,173,158	687,368,248	33,207,618,986	(1,421,555,872)	\$ 31,786,063,114
JURISDICTIONAL PER BOOKS	\$ 41,681,422,804	12,972,962,153	28,708,460,651	251,106,975	2,900,175,299	649,086,644	32,508,829,569	(2,059,678,091)	\$ 30,449,151,478
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,175,002,059)	(474,944,903)	(1,700,057,156)	0	(1,783,747,611)	0	(3,483,804,767)	3,002,394,576	\$ (481,410,192)
FPSC ADJUSTED:	\$ 39,506,420,745	12,498,017,251	27,008,403,495	251,106,975	1,116,427,688	649,086,644	29,025,024,802	942,716,485	\$ 29,967,741,286
 <b>PRO FORMA ADJUSTMENTS</b>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 39,506,420,745	12,498,017,251	27,008,403,495	251,106,975	1,116,427,688	649,086,644	29,025,024,802	942,716,485	\$ 29,967,741,286

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
INCOME STATEMENT  
SEPTEMBER, 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	\$ 11,084,495,967	3,525,848,868	1,634,557,675	1,506,914,509	1,208,563,365	88,443,968	974,208,513	4,482,367	(5,809,785)	8,937,209,479	\$ 2,147,286,489
JURISDICTIONAL PER BOOKS	\$ 10,636,977,074	3,336,127,025	1,574,595,359	1,456,524,874	1,190,415,792	84,849,933	934,617,949	4,313,628	(5,806,197)	8,575,638,363	\$ 2,061,338,712
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (468,102,518)	0	0	0	(12,039,597)	(175,926,272)	0	0	0	(187,965,869)	\$ (280,136,649)
FRANCHISE EXPENSE	0	0	0	0	(456,062,879)	175,926,256	0	0	0	(280,136,623)	280,136,623
GROSS RECEIPTS TAX	(246,928,770)	0	0	0	(246,732,349)	(75,769)	0	0	0	(246,808,119)	(120,651)
FINANCIAL PLANNING SERVICES	0	0	(426,691)	0	0	164,596	0	0	0	(262,095)	262,095
INDUSTRY ASSOCIATION DUES	0	0	(2,089,181)	0	0	805,902	0	0	0	(1,283,279)	1,283,279
ECONOMIC DEVELOPMENT 5%	0	0	(108,375)	0	0	41,808	0	0	0	(66,569)	66,569
AVIATION - EXPENSES	0	0	(96,356)	0	0	37,169	0	0	0	(59,187)	59,187
EXECUTIVE COMPENSATION	0	0	(31,251,322)	0	0	12,055,197	0	0	0	(19,196,124)	19,196,124
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(3,101,958,210)	(3,035,643,727)	(3,629,878)	(15,133,536)	(2,619,927)	(52,025,333)	34,778,279	0	0	(3,074,274,124)	(27,684,086)
CONSERVATION COST RECOVERY	(75,251,513)	0	(61,565,410)	(9,983,231)	(1,265,286)	(6,227,433)	5,287,134	0	0	(73,754,227)	(1,497,287)
CAPACITY COST RECOVERY	(387,297,663)	(263,275,253)	(51,067,925)	(31,804,223)	(449,543)	(17,956,242)	2,178,790	0	0	(362,174,396)	(25,123,267)
ENVIRONMENTAL COST RECOVERY	(240,230,465)	0	(60,847,873)	(51,645,458)	(349,047)	(63,585,707)	14,419,928	0	66,946	(161,941,210)	(78,289,255)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	3,411,066	0	(1,315,828)	0	0	0	2,095,260	(2,095,260)
STORM DEFICIENCY RECOVERY	(116,884,375)	0	(579,832)	(103,159,750)	0	(5,070,604)	0	0	0	(108,810,186)	(8,074,189)
INTEREST TAX DEFICIENCIES	0	0	715,639	0	0	(276,058)	0	0	0	439,582	(439,582)
INTEREST SYNCHRONIZATION	0	0	0	0	0	20,458,755	(8,764,885)	0	0	11,693,870	(11,693,870)
<b>TOTAL FPSC ADJUSTMENTS</b>	\$ (4,636,653,514)	(3,298,918,980)	(210,947,204)	(208,115,111)	(719,518,629)	(112,969,564)	47,899,245	0	66,946	(4,502,503,297)	\$ (134,150,217)
<b>FPSC ADJUSTED</b>	\$ 6,000,323,560	37,208,045	1,363,648,155	1,248,409,762	470,897,163	(28,119,632)	982,517,194	4,313,628	(5,739,250)	4,073,135,066	\$ 1,927,188,495
PRO FORMA ADJUSTMENTS	\$ (162,892,481)	0	0	0	(117,283)	(62,790,533)	0	0	0	(62,907,815)	\$ (99,984,665)
(SEE SCHEDULE 2, PAGE 2A OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 5,837,431,080	37,208,045	1,363,648,155	1,248,409,762	470,779,880	(90,910,164)	982,517,194	4,313,628	(5,739,250)	4,010,227,251	\$ 1,827,203,829
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 99,959,082 \$ 95,949,127										

NOTES:

- (1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.  
(2) 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  
INCOME STATEMENT  
DETAIL OF PRO FORMA ADJUSTMENTS  
SEPTEMBER, 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)	\$ (162,892,481)	0	0	0	(117,283)	(62,790,533)	0	0	0	(62,907,815)	\$ (99,984,665)
TOTAL PROFORMA ADJUSTMENTS	\$ (162,892,481)	0	0	0	(117,283)	(62,790,533)	0	0	0	(62,907,815)	\$ (99,984,665)

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  
SEPTEMBER, 2016

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 1,628,018,120	\$ 1,545,186,433
FUEL AND CAPACITY	112,196,700	106,135,002
FUEL CLAUSE – GAS RESERVES (1)	0	0
CAPITALIZED EXECUTIVE COMPENSATION	16,215,945	15,652,943
LOAD CONTROL	46,167,650	46,167,650
ASSET RETIREMENT OBLIGATION	419,247,411	404,691,564
CAPITAL LEASES	59,224,688	57,168,466
TOTAL	\$ 2,281,070,513	\$ 2,175,002,059
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (250,371,276)	\$ (237,632,674)
ACCUM PROV DECOMMISSIONING COSTS	(4,029,011,191)	(3,809,985,694)
ASSET RETIREMENT OBLIGATION	24,386,341	23,539,671
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	3,735,329,998	3,605,643,111
FUEL AND CAPACITY	(35,558,460)	(33,585,873)
FUEL CLAUSE – GAS RESERVES (1)	0	0
OTHER RATE CASE ADJUSTMENTS (2)	3,553,644	3,411,086
LOAD CONTROL	(19,432,770)	(19,432,770)
CAPITAL LEASES	(7,150,000)	(6,901,759)
TOTAL	\$ (578,253,714)	\$ (474,944,903)
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 1,874,655,605	\$ 1,766,862,451
CWIP - CLAUSE PROJECTS (1)	17,832,072	16,885,160
TOTAL	\$ 1,892,487,677	\$ 1,783,747,611
<b>NUCLEAR FUEL:</b>		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
<b>WORKING CAPITAL:</b>		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,099,897,179)	\$ (3,002,394,576)
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 495,407,297</b>	<b>\$ 481,410,192</b>

NOTES:

(1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.

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

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
SYSTEM ADJUSTMENTS  
INCOME STATEMENT  
SEPTEMBER, 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	\$ 11,084,495,967	3,525,848,868	1,634,557,675	1,506,914,509	1,208,563,365	88,443,968	974,208,513	4,482,367	(5,809,785)	8,937,209,479	\$ 2,147,286,489
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (468,102,518)	0	0	0	(12,039,597)	(175,926,272)	0	0	0	(187,965,869)	\$ (280,136,649)
FRANCHISE EXPENSE	0	0	0	0	(456,062,879)	175,926,256	0	0	0	(280,136,623)	280,136,623
GROSS RECEIPTS TAX	(246,928,770)	0	0	0	(246,732,349)	(75,769)	0	0	0	(246,808,119)	(120,651)
FINANCIAL PLANNING SERVICES	0	0	(442,039)	0	0	170,516	0	0	0	(271,522)	271,522
INDUSTRY ASSOCIATION DUES	0	0	(2,164,324)	0	0	834,888	0	0	0	(1,329,436)	1,329,436
ECONOMIC DEVELOPMENT 5%	0	0	(112,273)	0	0	43,309	0	0	0	(68,964)	68,964
AVIATION - EXPENSES	0	0	(99,822)	0	0	38,506	0	0	0	(61,316)	61,316
EXECUTIVE COMPENSATION	0	0	(32,375,361)	0	0	12,488,796	0	0	0	(19,886,566)	19,886,566
FUEL COST REC RETAIL, INCL GAS RESERVES (1)	(3,272,064,661)	(3,208,352,950)	(3,843,581)	(16,024,494)	(2,645,264)	(50,196,758)	34,394,631	0	0	(3,246,668,416)	(25,396,245)
CONSERVATION COST RECOVERY	(75,251,513)	0	(61,565,410)	(9,983,231)	(1,265,286)	(6,227,433)	5,287,134	0	0	(73,754,227)	(1,497,287)
CAPACITY COST RECOVERY	(387,658,787)	(278,114,327)	(53,946,284)	(31,685,074)	(459,424)	(11,226,046)	2,178,790	0	0	(373,252,365)	(14,406,422)
ENVIRONMENTAL COST RECOVERY	(240,230,465)	0	(63,131,916)	(54,413,978)	(358,486)	(61,634,424)	14,419,928	0	70,535	(165,048,341)	(75,182,124)
OTHER RATE CASE ADJUSTMENTS (2)	0	0	0	3,553,644	0	(1,370,818)	0	0	0	2,182,826	(2,182,826)
STORM DEFICIENCY RECOVERY	(116,884,375)	0	(597,901)	(103,159,750)	0	(5,063,634)	0	0	0	(108,821,285)	(8,063,090)
INTEREST TAX DEFICIENCIES	0	0	741,379	0	0	(285,987)	0	0	0	455,392	(455,392)
INTEREST SYNCHRONIZATION	0	0	0	0	0	20,573,220	(9,080,138)	0	0	11,493,082	(11,493,082)
TOTAL FPSC ADJUSTMENTS	\$ (4,807,121,089)	(3,486,467,276)	(217,537,531)	(211,712,883)	(719,563,285)	(101,931,650)	47,200,344	0	70,535	(4,689,941,746)	\$ (117,179,343)
FPSC ADJUSTED	\$ 6,277,374,878	39,381,591	1,417,020,143	1,295,201,626	489,000,080	(13,487,682)	1,021,408,857	4,482,367	(5,739,250)	4,247,267,732	\$ 2,030,107,146
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3)	\$ (162,892,481)	0	0	0	(117,283)	(62,790,533)	0	0	0	(62,907,815)	\$ (99,984,665)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,114,482,398	39,381,591	1,417,020,143	1,295,201,626	488,882,798	(76,278,214)	1,021,408,857	4,482,367	(5,739,250)	4,184,359,917	\$ 1,930,122,481
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 99,959,082										

NOTES:

- (1) AMOUNTS ASSOCIATED WITH FPL'S WOODFORD PROJECT HAVE BEEN MOVED BELOW THE LINE BEGINNING JULY 1, 2016.  
(2) 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  
SEPTEMBER, 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)
		NET INTERCHANGE	OTHER								
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (162,892,481)	0	0	0	(117,283)	(62,790,533)	0	0	0	(62,907,815)	\$ (99,984,665)
TOTAL PROFORMA ADJUSTMENTS	\$ (162,892,481)	0	0	0	(117,283)	(62,790,533)	0	0	0	(62,907,815)	\$ (99,984,665)

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  
SEPTEMBER, 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	\$ 8,695,755,018	\$ 8,342,998,472	\$ 70,969,294	\$ (281,335,025)	\$ 8,132,632,741	28.30%	4.60%	1.30%	4.60%	1.30%	4.60%	1.30%
SHORT TERM DEBT	638,063,754	611,467,920	5,382,939	(0)	616,850,859	2.15%	1.70%	0.04%	1.70%	0.04%	1.70%	0.04%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,769,401,380	13,195,463,874	116,163,712	(0)	13,311,627,587	46.33%	9.50%	4.40%	10.50%	4.86%	11.50%	5.33%
CUSTOMER DEPOSITS	416,996,404	416,877,505	3,669,900	(0)	420,547,405	1.46%	2.08%	0.03%	2.08%	0.03%	2.08%	0.03%
DEFERRED INCOME TAX	6,865,690,304	6,579,909,579	54,521,866	(386,570,009)	6,247,861,436	21.74%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	155,020,626	147,168,707	32,429	(143,484,996)	3,716,140	0.01%	7.64%	0.00%	8.26%	0.00%	8.88%	0.00%
TOTAL	\$ 30,540,927,486	\$ 29,293,886,058	\$ 250,740,141	\$ (811,390,030)	\$ 28,733,236,169	100.00%		5.77%		6.23%		6.70%

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	\$ 8,928,045,793	\$ 8,554,745,530	\$ 91,107,791	\$ (280,688,286)	\$ 8,365,165,034	27.91%	4.52%	1.26%	4.52%	1.26%	4.52%	1.26%
SHORT TERM DEBT	831,120,970	795,440,402	8,758,801	-	804,199,203	2.68%	1.62%	0.04%	1.62%	0.04%	1.62%	0.04%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	14,137,889,460	13,530,940,598	148,992,697	(0)	13,679,933,295	45.65%	9.50%	4.34%	10.50%	4.79%	11.50%	5.25%
CUSTOMER DEPOSITS	422,266,630	422,236,793	4,649,359	-	426,886,152	1.42%	2.15%	0.03%	2.15%	0.03%	2.15%	0.03%
DEFERRED INCOME TAX	7,309,309,599	6,996,325,775	72,781,736	(386,570,009)	6,682,537,502	22.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	157,430,661	149,462,381	98,241	(140,540,520)	9,020,101	0.03%	7.61%	0.00%	8.23%	0.00%	8.85%	0.00%
TOTAL	\$ 31,786,063,114	\$ 30,449,151,478	\$ 326,388,624	\$ (807,798,816)	\$ 29,967,741,286	100.00%		5.68%		6.13%		6.59%

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  
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CAPITAL STRUCTURE  
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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	\$ 8,132,632,741	\$ -	\$ 8,132,632,741	28.30%	4.60%	1.30%	4.60%	1.30%	4.60%	1.30%
SHORT TERM DEBT	616,850,859	-	616,850,859	2.15%	1.70%	0.04%	1.70%	0.04%	1.70%	0.04%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,311,627,587	-	13,311,627,587	46.33%	9.50%	4.40%	10.50%	4.86%	11.50%	5.33%
CUSTOMER DEPOSITS	420,547,405	-	420,547,405	1.46%	2.08%	0.03%	2.08%	0.03%	2.08%	0.03%
DEFERRED INCOME TAX	6,247,861,436	-	6,247,861,436	21.74%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	3,716,140	-	3,716,140	0.01%	7.64%	0.00%	8.26%	0.00%	8.88%	0.00%
TOTAL	\$ 28,733,236,169	\$ -	\$ 28,733,236,169	100.00%		5.77%		6.23%		6.70%

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	\$ 8,365,165,034	\$ -	\$ 8,365,165,034	27.91%	4.52%	1.26%	4.52%	1.26%	4.52%	1.26%
SHORT TERM DEBT	804,199,203	-	804,199,203	2.68%	1.62%	0.04%	1.62%	0.04%	1.62%	0.04%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	13,679,933,295	-	13,679,933,295	45.65%	9.50%	4.34%	10.50%	4.79%	11.50%	5.25%
CUSTOMER DEPOSITS	426,886,152	-	426,886,152	1.42%	2.15%	0.03%	2.15%	0.03%	2.15%	0.03%
DEFERRED INCOME TAX	6,682,537,502	-	6,682,537,502	22.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	9,020,101	-	9,020,101	0.03%	7.61%	0.00%	8.23%	0.00%	8.85%	0.00%
TOTAL	\$ 29,967,741,286	\$ -	\$ 29,967,741,286	100.00%		5.68%		6.13%		6.59%

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	\$ 2,168,622,543
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	23,538,894
INCOME TAXES	1,049,997,792
TOTAL	\$ 3,242,159,229
 INTEREST CHARGES EXCLUDING DEBT AFUDC	 \$ 471,551,615
 TIMES INTEREST EARNED WITH AFUDC	 6.88

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,168,622,543
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(76,420,188)
INCOME TAXES	1,049,997,792
TOTAL	\$ 3,142,200,147
 INTEREST CHARGES EXCLUDING DEBT AFUDC	 \$ 471,551,615
 TIMES INTEREST EARNED WITHOUT AFUDC	 6.66

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 23,538,894
X (1 - INCOME_TAX_RATE)	0.6143
SUBTOTAL	\$ 14,458,766
 ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	 76,420,188
TOTAL	\$ 90,878,954
 NET INCOME AVAILABLE FOR COMMON	 \$ 1,720,609,822
 AFUDC AS PERCENT OF NET INCOME	 5.28%

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 235,967,969
GAINS ON DISPOSITION OF PROPERTY	(6,503,137)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	0
	\$ 229,464,832

\*\* INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF: 0

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 1,720,609,822
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(2,000,000,000)
AFUDC (DEBT & OTHER)	(99,959,082)
DEPRECIATION AND AMORTIZATION EXPENSE	1,506,914,509
DEFERRED INCOME TAXES	962,168,497
INVESTMENT TAX CREDITS	4,482,367
OTHER SOURCE/USES OF FUNDS	229,464,832
INTERNALLY GENERATED FUNDS	\$ 2,323,680,944

CONSTRUCTION EXPENDITURES \$ 4,118,103,511

PERCENT INTERNALLY GENERATED FUNDS 56.43%

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	\$ 8,132,632,741
JURIS ADJUSTED SHORT TERM DEBT	616,850,859
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	13,311,627,587
TOTAL	\$ 22,061,111,187
 LTD TO TOTAL INVESTOR FUNDS	 36.86%
 STD TO TOTAL INVESTOR FUNDS	 2.80%

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.70%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :	
LONG TERM DEBT	1.30%
SHORT TERM DEBT	0.04%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.00%
SUBTOTAL	1.37%
 TOTAL	 5.33%
 DIVIDED BY COMMON EQUITY RATIO	 46.33%
 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	6.35%
LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	1.30%
SHORT TERM DEBT	0.04%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.03%
TAX CREDITS - WTD COST	0.00%
SUBTOTAL	<u>1.37%</u>
PRO FORMA ROR LESS NON EQUITY COST	<u>4.98%</u>
PRO FORMA COMMON EQUITY RATIO	46.33%
PRO FORMA RETURN ON COMMON EQUITY	10.75%