



Cost-Effective Ways to Meet State Renewable Requirements

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NextEra Energy, Inc. is a Fortune 200 corporation with two principal subsidiaries, Florida Power & Light and NextEra Energy Resources

NextEra Energy, Inc. Overview



- \$27.1 billion market capitalization(1)
- 41,067 MW in operation
- \$15.3 billion operating revenues
- \$57.2 billion in total assets



- 4.6 MM customer accounts
- 24,460 MW in operation
- \$10.6 billion in operating revenues
- \$31.8 billion in total assets



- Assets in 22 states and Canada
- 16,607 MW in operation
- \$4.5 billion in operating revenues
- \$23.5 billion in total assets

•Focus on Shareholder Value

•Financially Strong

•Disciplined Investment Approach

(1) Market capitalization as of May 18, 2012;

• Note: all other data as of December 31, 2011



NEER generation fleet includes more than 110 projects in 23 states and Canada

NextEra Energy Resources is Large, Clean Competitive Generator

- **One of the largest competitive generators in New England**
- **Largest owner operator of wind generating facilities in North America – 2nd largest in world**
 - More than 8,600 MW at 85 facilities in 18 states and Canada
 - On track to add ~1,300 MW of new assets in 2011-2012
- **Largest utility-scale solar generator in U.S.**
 - 940 MW of already-contracted solar projects are expected to enter service from 2011 to 2016
- **Leading producer of hydroelectric power in New England, with 81 units at 23 projects in Maine**

NEER generation – clean or renewable resources – wind, solar, hydro, natural gas and nuclear energy

State policy promotes renewable growth – federal policy is complementary

Steps to Cost-Effective Renewable Energy

- 1. Extend federal Production Tax Credit**
- 2. Maintain consistent regional and state policy drivers**
- 3. Lower barriers to REC purchases by New England**
- 4. Strengthen New England transmission grid to unlock best regional renewable resources**
- 5. Good regional cooperation in development and effective implementation of energy policies**

If PTC is not extended, barriers to REC trading remain, and transmission build does not improve access, New England may not have cost effective way to meet state RES needs

PTC expiration threatens ability of New England to achieve success

PTC: Key to Cost-Effective Renewable Energy

- **PTC benefits are passed through to customers**
- **Prospect of PTC expiration creates regulatory uncertainty that kills investment – sharp drop in wind project additions when PTC expired in past**
- **PTC is effective policy to promote technology innovation and reduce the cost of wind for consumers**
 - Cost of wind dropped 39% over last 10 years
- **PTC has enabled private industry to invest an average of more than \$15 billion annually in U.S. while directly employing 75,000 skilled workers**
 - PTC spurred U.S. wind manufacturing and service industry

New England has stake in Congressional fight over PTC extension

State policy drives renewable demand in New England

Flexibility and Choice Help Cost-Effectiveness

- **Maine, New Hampshire, Massachusetts, Rhode Island, and Connecticut all have RES programs, Vermont has goal**
 - Eligible resources include PV solar, wind, landfill gas, hydroelectric, and biomass
- **Renewable energy credit trades and purchases are tracked through NEPOOL-GIS**
 - Specific to each state rules, renewables within NEPOOL or adjoining control areas are also eligible

New England has liquid REC market – but there are barriers

State policy drives renewable demand in New England (continued)

Flexibility and Choice Help Cost-Effectiveness

- **RES must be properly constructed to avoid challenges**
 - Commerce Clause of U.S. Constitution bars states from favoring local industry to disadvantage of out-of-state competitors

New England has liquid REC market – but there are barriers

New England has renewable energy resources of varying quality and cost

Transmission Can Unlock Best Regional Resources

- **New England has over 10,000 MWs¹ of untapped renewable resources**
 - Northern states have disproportionate resources and the ability to be exporters
- **FERC Order 1000 can enhance regional transmission planning for efficient and cost effective projects**
 - Requirement to plan for state public policy like RES
- **Renewable resources in New England**
 - Offshore wind – federal permitting and siting difficult, can cost 2-4 times as much as onshore wind
 - Onshore wind – difficult to achieve scale in New England, takes much longer to permit than in other regions
 - Solar – scalable in remote locations, distributed solar costly
 - Hydrokinetics – not yet cost effective

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ENERGY 
RESOURCES

Appendix

Cautionary Statement And Risk Factors That May Affect Future Results

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In some cases, you can identify the forward-looking statements by words or phrases such as “will,” “will likely result,” “expect,” “anticipate,” “believe,” “intend,” “plan,” “seek,” “aim,” “potential,” “projection,” “forecast,” “predict,” “goals,” “target,” “outlook,” “should,” “would” or similar words or expressions. You should not place undue reliance on these forward-looking statements, which are not a guarantee of future performance. The future results of NextEra Energy and FPL are subject to risks and uncertainties that could cause their actual results to differ materially from those expressed or implied in the forward-looking statements. These risks and uncertainties include, but are not limited to, the following: effects of extensive regulation of NextEra Energy's and FPL's business operations; inability of NextEra Energy and FPL to recover in a timely manner any significant amount of costs, a return on certain assets or an appropriate return on capital through base rates, cost recovery clauses, other regulatory mechanisms or otherwise; impact of political, regulatory and economic factors on regulatory decisions important to NextEra Energy and FPL; risks of disallowance of cost recovery by FPL based on a finding of imprudent use of derivative instruments; effect of any reductions to or elimination of governmental incentives that support renewable energy projects of NextEra Energy Resources, LLC and its affiliated entities (NextEra Energy Resources); impact of new or revised laws, regulations or interpretations or other regulatory initiatives on NextEra Energy and FPL; effect on NextEra Energy and FPL of potential regulatory action to broaden the scope of regulation of OTC financial derivatives and to apply such regulation to NextEra Energy and FPL; capital expenditures, increased cost of operations and exposure to liabilities attributable to environmental laws and regulations applicable to NextEra Energy and FPL; effects on NextEra Energy and FPL of federal or state laws or regulations mandating new or additional limits on the production of greenhouse gas emissions; exposure of NextEra Energy and FPL to significant and increasing compliance costs and substantial monetary penalties and other sanctions as a result of extensive federal regulation of their operations; effect on NextEra Energy and FPL of changes in tax laws and in judgments and estimates used to determine tax-related asset and liability amounts; impact on NextEra Energy and FPL of adverse results of litigation; effect on NextEra Energy and FPL of failure to proceed with projects under development or inability to complete the construction of (or capital improvements to) electric generation, transmission and distribution facilities, gas infrastructure facilities or other facilities on schedule or within budget; impact on development and operating activities of NextEra Energy and FPL resulting from risks related to project siting, financing, construction, permitting, governmental approvals and the negotiation of project development agreements; risks involved in the operation and maintenance of electric generation, transmission and distribution facilities, gas infrastructure facilities and other facilities; effect on NextEra Energy and FPL of a lack of growth or slower growth in the number of customers or in customer usage; impact on NextEra Energy and FPL of severe weather and other weather conditions; risks associated with threats of terrorism and catastrophic events that could result from terrorism, cyber attacks or other attempts to disrupt NextEra Energy's and FPL's business or the businesses of third parties; risk of lack of availability of adequate insurance coverage for protection of NextEra Energy and FPL against significant losses; risk to NextEra Energy Resources of increased operating costs resulting from unfavorable supply costs necessary to provide NextEra Energy Resources' full energy and capacity requirement services; inability or failure by NextEra Energy Resources to hedge effectively its assets or positions against changes in commodity prices, volumes, interest rates, counterparty credit risk or other risk measures; potential volatility of NextEra Energy's results of operations caused by sales of power on the spot market or on a short-term contractual basis; effect of reductions in the liquidity of energy markets on NextEra Energy's ability to manage operational risks; effectiveness of NextEra Energy's and FPL's hedging and trading procedures and associated risk management tools to protect against significant losses; impact of unavailability or disruption of power transmission or commodity transportation facilities on sale and delivery of power or natural gas by FPL and NextEra Energy Resources; exposure of NextEra Energy and FPL to credit and performance risk from customers, hedging counterparties and vendors; risks to NextEra Energy and FPL of failure of counterparties to perform under derivative contracts or of requirement for NextEra Energy and FPL to post margin cash collateral under derivative contracts; failure or breach of NextEra Energy's and FPL's information technology systems;

Cautionary Statement And Risk Factors That May Affect Future Results (cont.)

risks to NextEra Energy and FPL's retail businesses of compromise of sensitive customer data; risks to NextEra Energy and FPL of volatility in the market values of derivative instruments and limited liquidity in OTC markets; impact of negative publicity; inability of NextEra Energy and FPL to maintain, negotiate or renegotiate acceptable franchise agreements with municipalities and counties in Florida; increasing costs of health care plans; lack of a qualified workforce or the loss or retirement of key employees; occurrence of work strikes or stoppages and increasing personnel costs; NextEra Energy's ability to successfully identify, complete and integrate acquisitions; environmental, health and financial risks associated with NextEra Energy's and FPL's ownership of nuclear generation facilities; liability of NextEra Energy and FPL for significant retrospective assessments and/or retrospective insurance premiums in the event of an incident at certain nuclear generation facilities; increased operating and capital expenditures at nuclear generation facilities of NextEra Energy or FPL resulting from orders or new regulations of the Nuclear Regulatory Commission; inability to operate any of NextEra Energy Resources' or FPL's owned nuclear generation units through the end of their respective operating licenses; liability of NextEra Energy and FPL for increased nuclear licensing or compliance costs resulting from hazards posed to their owned nuclear generation facilities; risks associated with outages of NextEra Energy's and FPL's owned nuclear units; effect of disruptions, uncertainty or volatility in the credit and capital markets on NextEra Energy's and FPL's ability to fund their liquidity and capital needs and meet their growth objectives; inability of NextEra Energy, FPL and NextEra Energy Capital Holdings, Inc. to maintain their current credit ratings; risk of impairment of NextEra Energy's and FPL's liquidity from inability of creditors to fund their credit commitments or to maintain their current credit ratings; poor market performance and other economic factors that could affect NextEra Energy's and FPL's defined benefit pension plan's funded status; poor market performance and other risks to the asset values of NextEra Energy's and FPL's nuclear decommissioning funds; changes in market value and other risks to certain of NextEra Energy's investments; effect of inability of NextEra Energy subsidiaries to upstream dividends or repay funds to NextEra Energy or of NextEra Energy's performance under guarantees of subsidiary obligations on NextEra Energy's ability to meet its financial obligations and to pay dividends on its common stock; and effect of disruptions, uncertainty or volatility in the credit and capital markets of the market price of NextEra Energy's common stock. NextEra Energy and FPL discuss these and other risks and uncertainties in their annual report on Form 10-K for the year ended December 31, 2011 and other SEC filings, and this presentation should be read in conjunction with such SEC filings made through the date of this presentation. The forward-looking statements made in this presentation are made only as of the date of this presentation and NextEra Energy and FPL undertake no obligation to update any forward-looking statements.