

(1) NEXTERA ENERGY REACHES AGREEMENT TO ACQUIRE GULF POWER AND OTHER SOUTHERN COMPANY ASSETS

Matthew Roskot:

Thank you, Brandan.

Good morning and welcome to this NextEra Energy conference call.

As a reminder, today's call is being recorded, and a copy of the slide presentation is available on the investor relations section of www.NextEraEnergy.com. An audio archive of this call will be available shortly after the call has concluded.

(2) FORWARD LOOKING STATEMENTS

The remarks today will include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 as amended. Any forward-looking statements are based upon historical performance and current plans, estimates and expectations. There may be forward-looking statements about among other matters, future financial and operating results, objectives, expectations and intentions, and other statements that are not historical facts.

Inclusion of this forward-looking information should not be regarded as representation that future plans, estimates or expectations will be achieved. Such forward-looking statements are subject to various risks

and uncertainties and assumptions. A number of important factors could cause actual results or performance to differ materially from those indicated by such forward-looking statements. There is no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made, or to reflect occurrence of unanticipated events.

Investors are cautioned not to place undue reliance on any of these forward-looking statements. Please refer to the most recent annual reports, quarterly reports and current reports filed with the SEC, as well as the forward-looking statements legend appearing on slide two of today's presentation. For a more extensive list of factors that could affect results these documents can be found at www.NextEraEnergy.com.

Participating on the call today are Jim Robo, Chairman and Chief Executive Officer of NextEra Energy, John Ketchum, Executive Vice President and Chief Financial Officer of NextEra Energy, Mark Hickson, Executive Vice President of NextEra Energy, and Eric Silagy, President and Chief Executive Officer of Florida Power & Light Company. Jim will begin with prepared remarks, and we will then open the call for questions.

With that, I will turn the call over to Jim.

Jim Robo:

(3) TRANSACTION OVERVIEW

Thanks, Matt, and good morning everyone.

I'd like to thank you all for joining us. As you know, earlier today NextEra Energy and Southern Company announced definitive agreements under which NextEra has agreed to acquire Gulf Power, Florida City Gas, and ownership stakes in the Oleander and Stanton natural gas power plants. The transactions, which are expected to provide substantial benefits to both customers and shareholders, are valued at approximately \$6.475 billion, including the assumption of roughly \$1.4 billion of Gulf Power debt.

The transactions expand NextEra Energy's regulated business operations through the addition of attractive electric and natural gas franchises that are an excellent complement to our existing operations within the state of Florida. Over time, the transactions will allow NextEra to extend its best in class value proposition of low bills, clean energy, high reliability and outstanding customer service to the roughly six hundred thousand combined customers of Gulf Power and Florida City Gas. Similar to the long-term strategy we have pursued at FPL, we look forward to investing in a stronger and smarter grid, modernizing generation and

making other smart investments for the benefit of our customers, our shareholders and the Florida economy.

We expect the approximately \$5.1 billion cash purchase price to be financed through the issuance of new debt and we anticipate executing interest rate hedges for the full amount of the debt very shortly. We expect to make smart investments in the new business which will lead to enhanced operations and reliability and result in earnings growth in the acquired regulated companies at twice the rate we've outlined for NextEra Energy's adjusted earnings per share range through 2021. As a result, on a valuation basis we believe we are acquiring the regulated assets at a market price-to-earnings multiple based on projected 2021 earnings. For NextEra Energy shareholders, upon closing, the transactions are expected to be 15 and 20 cents accretive to adjusted EPS expectations in 2020 and 2021, respectively. Consistent with the expectations we have previously shared, we anticipate that S&P and Moody's will make further favorable adjustments to our credit metric thresholds as a result of the expansion of the company's regulated operations. At the new thresholds we expect to continue to maintain our \$5 to \$7 billion of excess balance sheet capacity following the financing of the transactions, while preserving NextEra Energy's strong current credit ratings going forward.

(4) STRATEGIC RATIONALE

A key element of the rationale for the transactions is the excellent complimentary geographic and strategic fit of both Gulf Power and Florida City Gas with FPL. Gulf Power provides electric service to approximately four hundred and fifty thousand retail customers in northwest Florida. In addition to roughly 9,500 miles of transmission and distribution lines, Gulf Power also owns a portfolio of nearly 2,300 megawatts of generation assets. Florida City Gas provides natural gas distribution to its approximately one hundred and ten thousand customers through 3,700 miles of pipelines in the southeast Florida region that largely overlaps with FPL's service territory.

Both Gulf Power and Florida City Gas are regulated by the Florida Public Service Commission, who we have often said is one of the most constructive, progressive and forward thinking regulators in the country. By working constructively with the FPSC and other key stakeholders in the state, FPL has been able to reach fair and balanced long-term settlement agreements for the benefit of customers, shareholders and the state. With the stability and predictability that these settlement agreements provide, we have been able to focus on efficiently running the business and smartly

investing capital to reduce costs, improve reliability, and provide low bills and outstanding service for our customers.

Beyond a constructive regulatory environment, both Gulf Power and Florida City Gas benefit from the strength of the Florida economy.

Compared to many other regions in the U.S., an attractive and expanding underlying Florida economy should benefit Gulf Power and Florida City Gas over the long-term, helping provide the opportunity for continued investment to support ongoing growth.

Let me spend a brief moment discussing the Stanton and Oleander natural gas plants. We are acquiring a 65% ownership position in the Stanton Energy Center, an approximately 660 megawatt combined cycle project that is contracted with the Orlando Utilities Commission and Florida Municipal Power Agency. The Oleander natural gas plant, in which we are acquiring a 100% ownership position, consists of five combustion turbine units totalling 791 megawatts and has PPAs with FMPA and the Seminole Electric Cooperative. Both projects are attractive additions to the portfolio of contracted, high credit quality assets that we have pursued in our non-regulated businesses.

(5) DELIVERING CUSTOMER VALUE

The opportunity to deploy NextEra's skills, knowledge and capabilities to provide affordable, reliable service for customers is at the heart of why we believe these transactions will benefit all stakeholders.

At Florida Power & Light, we are proud to offer our customers electric service that is cleaner and more reliable than ever before. Our typical residential customer bill is approximately 20 percent below that of the other Florida IOUs and nearly 30 percent below the national average. In addition to providing outstanding value for our customers, FPL delivered its best-ever full-year period of service reliability in 2017 and was recognized as being the most reliable electric utility in the Southeast. FPL also has a proven track record of making smart investments to modernize its power generation fleet, which have saved customers more than \$9 billion since 2002. NextEra Energy's culture of continuous improvement and focus on smart investments that reduce O&M expenses has helped drive significant productivity enhancements, which has resulted in FPL's industry leading cost position. For the past four years FPL has had the lowest non-fuel O&M cost per kilowatt hour in the country.

Our performance is the direct result of our focus on operational cost effectiveness, productivity and the long-term investments we've made to

further improve FPL's best in class customer value proposition. Through the same unyielding focus, we believe we have the ability to bring real value to Gulf Power and Florida City Gas customers and, in turn, find attractive investment opportunities which benefit Florida and create long-term shareholder value.

(6) EXPECTED TIMELINE & KEY APPROVALS

I would like to briefly outline the key regulatory approvals for these transactions. All of the transactions are conditioned upon, among other items, satisfaction of the Hart-Scott-Rodino anti-trust requirements, while the acquisition of Gulf Power and the natural gas plants also require Federal Energy Regulatory Commission approval. Based upon these requirements, we expect the Florida City Gas transaction to close in the third quarter of this year, and the Gulf Power and natural gas plant acquisitions to close in the first half of 2019. We also look forward to updating the Florida Public Service Commission, the Office of Public Counsel and other key stakeholders in the state regarding the benefits of the transactions for Gulf Power and Florida City Gas customers.

(7) NEXTERA ENERGY'S ADJUSTED EARNINGS PER SHARE EXPECTATIONS

For NextEra Energy shareholders, the transactions are expected to be immediately accretive to earnings, enhance our long-term adjusted EPS expectations and preserve our \$5 to \$7 billion of excess balance sheet capacity while maintaining our strong current credit ratings.

We expect that today's transactions will be 15 and 20 cents accretive to our 2020 and 2021 adjusted EPS expectations, respectively. As a result, upon closing of the transactions, we expect our 2020 adjusted EPS expectations to be in a range of \$8.70 to \$9.20 and our 2021 adjusted EPS expectations to be in a range of \$9.40 to \$9.95. We will be disappointed if we are not able to deliver financial results at or near the top end of these ranges, reflecting 2020 and 2021 growth at or near the top of our 6 to 8 percent compound annual growth rate range off our expected 2018 base of \$7.70 per share plus the expected accretion from these transactions. The financial expectations we have previously communicated for 2018 and 2019 remain unchanged. The transactions do not impact the previously announced two-year extension of our dividend policy that is expected to result in a growth rate in dividends per share of 12 to 14 percent per year through at least 2020, off a 2017 base of \$3.93 per share.

(8) FINANCIAL STRENGTH

With today's transactions, we expect the level of regulated contribution to NextEra Energy's business mix to increase to the roughly 70 percent level that the rating agencies have indicated would lead to a further reduction of our credit metric thresholds. We have reviewed the transactions with the credit rating agencies, and consistent with our indications, at the closing of the transactions we expect Moody's to reduce NextEra Energy's CFO pre-working capital-to-Debt rating threshold from 20 percent to 18 percent and for S&P to make a similar percentage reduction to our FFO-to-Debt rating trigger. At these revised rating agency thresholds, we expect to maintain \$5 to \$7 billion of excess balance sheet capacity through 2021, despite utilizing roughly \$4 billion of debt capacity for these transactions. We will look to utilize the remaining balance sheet capacity to either buy-back shares or opportunistically execute on accretive incremental capital investments or accretive acquisition opportunities if it makes sense to do so. As a reminder, the remaining excess balance sheet capacity serves as a cushion, as its utilization is not currently assumed in our revised financial expectations.

(9) TRACK RECORD OF SHAREHOLDER VALUE CREATION

A key element of our track record and value proposition at NextEra Energy is a culture focused on delivering results for our shareholders. Dating back to 2005, we have delivered compound annual growth in adjusted EPS of over 8%, which is the highest among all top ten U.S. power companies, while growing dividends per share at a nearly 9% compound annual growth rate. We also have a long history of delivering strong total shareholder returns, outperforming both the S&P 500 and the S&P Utility Index in terms of total shareholder return on a one-year, three-year, five-year, seven-year, and ten-year basis.

As we have often discussed, we continue to view our organic opportunity set as among the best in the industry. This has allowed us to take an opportunistic and disciplined approach to potential opportunities to acquire regulated assets, and this case is no different. The high quality assets we are acquiring in these transactions add to our growth platform and we are confident that by leveraging our core competencies, we can create long-term value for both customers and shareholders. With the addition of Gulf Power, Florida City Gas and the gas-fired generation facilities, NextEra Energy will be an even stronger company with greater scale and a more robust financial profile, better positioned than ever to

generate long-term shareholder value while maintaining the highest standards of customer service.

(10) EXPECTED BENEFITS FOR ALL STAKEHOLDERS

NextEra Energy looks forward to advancing its strategy of making smart, long-term investments and leveraging our core operational capabilities for the benefit of customers and Florida. These transactions expand NextEra Energy's regulated utility operations, allowing us to maintain the \$5 to \$7 billion in excess balance sheet capacity that we previously had. Through the transactions, we see an opportunity to add a platform that provides new opportunities to extend our long-term growth.

In summary, I am very excited about the new opportunities we see as a result of these transactions. We believe the transactions are beneficial for all key stakeholders: for the state of Florida, for Gulf Power and Florida City Gas customers, and for NextEra Energy's shareholders as well.

With that, we will be happy to answer any questions.