CONFERENCE CALL
THIRD QUARTER 2011 EARNINGS RELEASE
NOVEMBER 4, 2011

(1) THIRD QUARTER 2011 EARNINGS CONFERENCE CALL

Rebecca Kujawa:

Thank you, Bill.

Good morning everyone, and welcome to our third quarter 2011 earnings conference call.

Lew Hay, NextEra Energy's chairman and chief executive officer, will provide an overview of NextEra Energy's performance and recent accomplishments. Lew will be followed by Armando Pimentel, our former chief financial officer and current president and chief executive officer of NextEra Energy Resources, LLC, which we will refer to with its subsidiaries as Energy Resources in this presentation. Armando will discuss the specifics of our financial results. Also joining us this morning are Moray Dewhurst, vice chairman and chief financial officer of NextEra Energy; Jim Robo, president and chief operating officer of NextEra Energy; and Armando Olivera, president and chief executive officer of Florida Power & Light.

Following our prepared remarks, our senior management team will be available to take your questions.

(2) SAFE HARBOR STATEMENT AND NON-GAAP FINANCIAL INFORMATION

We will be making statements during this call that are forward-looking. These statements are based on current expectations and assumptions that are subject to risks and uncertainties. Actual results could differ materially from our forward-looking statements if any of our key assumptions are incorrect or because of other factors discussed in today's earnings news release, in the comments made during this conference call, in the risk factors section of the accompanying presentation, or in our latest reports and filings with the Securities and Exchange Commission, each of which can be found in the investor relations section of our website, www.NextEraEnergy.com. We do not undertake any duty to update any forward-looking statements.

Please also note that today's presentation includes references to adjusted earnings, which is a non-GAAP financial measure. You should refer to the information contained in the slides accompanying this presentation for definitional information and reconciliations of the non-GAAP measure to the closest GAAP financial measure.

With that, I will turn the call over to Lew Hay. Lew…

Lew Hay:

(3) NEXTERA ENERGY OVERVIEW – FPL

Thank you, Rebecca, and good morning everyone.

I'm pleased to report that FPL had strong performance in the third quarter, and while Energy Resources had a challenging quarter financially, the team executed well on creating tangible growth opportunities for the future. During the quarter, we continued to build a large backlog of future investment opportunities at both of our main businesses. Despite the decline in year-over-year financial results at Energy Resources, we continue to expect adjusted earnings per share for 2011 to be at the low end of our range of $4.35 to $4.65.

Florida Power & Light Company Highlights

At Florida Power & Light Company, earnings per share were up approximately 12 percent over the prior-year comparable quarter, due to increased investment in the business.

The Florida economy continues to show mixed signs, with improvement in some indicators and little change in others. Florida's unemployment rate was 10.6 percent as of September 2011. This is 1.1 percentage points below last year's comparable month and represents one of the largest year-over-year decreases in state unemployment rates in the United States.

Florida's housing affordability has improved significantly, particularly in FPL's core markets. The Case-Shiller Index, which tracks the prices of residential real estate, has fallen 50 percent from its 2006 peak for the Miami-Dade, Broward, and Palm Beach County markets in South Florida. This makes Florida much more attractive to baby boomers as they enter retirement, and the state's existing home sales trend continues to show positive momentum. Over the quarter, FPL averaged 24,000 more customers than we had in the year-ago comparable quarter, and our inactive meters have declined 4.4 percent since the year-ago period.

Florida also continues to have a low tax burden, and we are encouraged by the efforts of Governor Scott's administration to make the state even more attractive to businesses.

At FPL, we continued to make good progress on our large investment program.

Our nuclear uprate work at St. Lucie and Turkey Point continues. Last week, the Florida Public Service Commission approved FPL's nuclear cost recovery of $196 million through the capacity clause. This amount relates primarily to the cost of nuclear uprates, which by themselves are estimated to provide fuel savings to customers of $4.6 billion to $4.8 billion over the lives of the plants. The commission determined that FPL's 2009 and 2010 uprate costs were prudently incurred and FPL's actual and projected 2011 and 2012 costs are reasonable. Cost recovery for 2009 and 2010 was one of several issues that had been left unresolved by the prior commission. All of the prior unresolved issues have now been resolved.

This week, the commission approved the remainder of the clauses for 2012, including fuel, conservation, and environmental clauses. This approval was reached through stipulation with all parties.

During the third quarter, the commission accepted FPL’s request for a bid rule exemption regarding the proposed modernization of the Port Everglades facility, and we plan to file a petition for a determination of need for the facility later this month. If the new plant were to come online in 2016 as currently proposed, the Port Everglades modernization would cost roughly $1.2 billion and is expected to provide net customer benefits of more than $400 million over the life of the plant

In aggregate, FPL's completed and planned investments from 2001 to 2016 are expected to save customers an estimated $1.3 billion in projected fuel costs in 2016 relative to a 2001 baseline.

These investments are delivering significant benefits to our customers through operating efficiencies, cleaner generation, and reduced fuel costs. As a result, FPL customers are receiving cleaner, more reliable energy for a typical bill that is the lowest in Florida and more than 20 percent below the national average. Looking forward, we expect that these investments will allow us to keep our typical residential customer bill among the lowest in the state.

(4) NextEra Energy Overview – Energy Resources

On the Energy Resources side of the business, we made great strides in growing our backlog of contracted renewable energy projects by entering into contracts for approximately 1,100 megawatts of new renewable energy capacity since our second quarter earnings call. In fact, since the beginning of the year, we have signed approximately 2,100 megawatts of contracts for new wind and solar projects. The numbers I just gave you are higher than what are shown on the slides, as last night, we entered into another 100 megawatt wind contract, which is not included in the numbers you are seeing on the slides. This year is the most successful contracting year in Energy Resources' history.

On the solar development front, we were pleased to announce that we have purchased a 50 percent ownership interest in the 550-megawatt Desert Sunlight photovoltaic solar project. We believe the addition of Desert Sunlight, which is expected to be one of the world's largest solar PV facilities, considerably strengthens our backlog of solar projects. We expect this project will begin operation in 2013 and be at full capacity in 2015. Long-term Power Purchase Agreements, or PPAs, for the project have already been approved by the California Public Utilities Commission.

I also want to take this opportunity to announce that we are pursuing the necessary approvals and permits to develop the McCoy solar facility, a 250-megawatt solar PV project located in the Mojave Desert near the Genesis and Desert Sunlight projects. This project, which is expected to reach full commercial operations by 2016, has a long-term contract with Southern California Edison, currently pending approval by the California Public Utilities Commission. This project further enhances the visibility of our longer-term backlog, and we look forward to providing you additional updates on McCoy in the future.

McCoy and Desert Sunlight join our solar portfolio alongside our Genesis and Spain solar thermal projects and several other smaller PV projects, increasing our backlog of already-contracted solar opportunities to 940 megawatts expected to come into service sometime between 2011 and 2016. We expect these projects will begin contributing meaningfully to cash flow and earnings in 2013.

On the wind development front, we had another active quarter and now have long-term PPAs for over 1,400 megawatts of new wind projects to be commissioned in 2011 and 2012, including the contract we signed last night. By 2012, Energy Resources expects to have approximately 10,000 megawatts of operating wind projects that provide, on their own, attractive upside opportunities.

Looking beyond 2012, our current backlog of already-contracted wind projects for 2013 and 2014 is 593 megawatts, which includes 469 megawatts of Canadian projects that we talked about last quarter as well as an additional Canadian project of 124 megawatts that we had previously included in our 2012 backlog but now expect to come online in 2013.

As you know, last month, we announced new management roles for Armando Pimentel and Moray Dewhurst. Since Armando was Chief

Financial Officer during the third quarter, he will be presenting the company's quarterly financial results today. With that, I will turn the call over to Armando before returning for some closing comments. Armando…

Armando Pimentel:

(5) NEXTERA ENERGY RESULTS – THIRD QUARTER 2011

Thank you Lew, and good morning everyone.

In the third quarter of 2011, NextEra Energy's GAAP net income was $407 million or 97 cents per share. NextEra Energy's 2011 third quarter adjusted earnings and adjusted EPS were $551 million and $1.31 per share, respectively.

The difference between the GAAP and adjusted results is the exclusion of the mark in our non-qualifying hedge category, the exclusion of net other than temporary impairments on certain investments, or OTTI, and the exclusion of the impact of the pending sale of Energy Resources' ownership interest in a portfolio of 4 natural gas-fired generation assets. The pending sale of these assets resulted in a one-time after-tax charge of approximately 23 cents per share, of which approximately 22 cents was at Energy Resources and 1 cent was at Corporate and Other due to the consolidated tax impact. These results are still subject to various closing adjustments.

Late last month, we announced the sale of our ownership interest in RISE, a 550-megawatt gas-fired generation asset. The transaction is expected to result in a one-time after-tax charge of less than one cent per share, subject to final closing adjustments, which the company expects to exclude from fourth quarter and fiscal year 2011 adjusted earnings.

(6) FPL – Third quarter 2011 Results

For the third quarter of 2011, Florida Power & Light reported net income of $347 million, or 83 cents per share.

(7) FPL – EPS Drivers

FPL's contribution to earnings per share increased 9 cents relative to the prior-year's comparable quarter, driven almost entirely by the substantial investments we have made in the business, including the nuclear uprates and our Martin Solar facility.

As a reminder, for the term of the 2010 base rate agreement, FPL's earnings will largely be a function of its rate base and return on equity cap. We continue to expect that FPL will realize a retail regulatory ROE at or near 11 percent during each of 2011 and 2012, subject to the normal caveats we provide including weather and operating conditions. Per the terms of the base rate agreement, we expect that FPL will be able to amortize surplus depreciation to offset most of the variability in its normal operations, including modest differences from normal weather. Keep in mind that because the return on equity is calculated each month on a trailing 12-month basis, you should expect to see continued variability in FPL's quarterly earnings, but on an annual basis, we expect the retail regulatory return to be approximately 11 percent in 2011 and 2012.

(8) FPL – SURPLUS DEPRECIATION AMORTIZATION ILLUSTRATIVE EXAMPLE

During the quarter, we reversed $47 million of surplus depreciation to maintain a regulatory ROE of 11 percent in accordance with the settlement agreement. Year-to-date, we have recognized approximately $84 million of surplus depreciation amortization. For the full year 2011, assuming normal weather and operating conditions, we now expect to amortize between $160 million and $180 million, down from our previous range of $180 million to $200 million provided on our second quarter earnings call. This revision is largely a result of modestly favorable weather experienced in the third quarter. At this point, we expect to utilize between $510 million and

$530 million of surplus depreciation in 2012, leaving us at the end of 2012 with between $180 million and $220 million remaining of the original $895 million established in the last rate case, although of course the exact amount will depend upon a variety of other factors affecting 2012 results, including actual 2012 weather.

(9) FPL – Customer Attributes

Some of FPL's key customer metrics continue to show mixed results. The table in the upper left shows the change in retail kilowatt-hour sales in the quarter versus last year's comparable period. Overall, on a comparable basis, retail kilowatt-hour sales decreased by 2.4 percent, with the average number of customers increasing 0.5 percent. Although the usage due to weather is down slightly from last year, cooling degree days were 6.9 percent higher than normal. Non-weather related, or underlying, usage and all other declined by 1.1 percent. We continue to analyze customer usage statistics to assess how much of the decline can be attributed to the economic environment and how much is a result of mandated efficiency standards. At this point, we believe each is contributing roughly equally to the decline. There is, however, more work for us to do in this important area.

As depicted in the graph in the upper right corner, during the third quarter of 2011, we had approximately 24,000 more customers than we did in the comparable period of 2010. This is the 7th quarter in a row where we have had customer increases compared to the prior-year comparable period.

The graph on the bottom left of the page shows inactive and low-usage customers, which we believe are indicative of the level of empty homes in our service territory. While the percentage of low usage customers is flat to last year, inactive accounts declined approximately 4.4% since the end of last year's third quarter.

We also want to highlight a recent update from the Office of Economic and Demographic Research regarding its population growth outlook for Florida. The chart at the bottom right corner provides annual projected population growth in Florida through 2021. The chart shows population growth rates increasing from 0.6% in 2012 to a peak of 1.5% in 2016 before tapering off slightly. We believe this is a positive indication of long-term potential customer growth.

(10) FPL – Economic Attributes

Turning to Florida's economic environment, a number of the indicators we follow have improved since the depth of the recession, but progress has been less consistent than we would prefer to see. Both the retail sales index and the tourism taxable sales are up over the comparable period in 2010.   The trailing 12-month average of existing home sales continues to trend positively suggesting the market is moving through the inventory of available homes.

We continue to believe Florida offers a unique proposition in terms of housing affordability, great weather, low taxes, and a pro-business economy – all of which should continue to lead to ongoing customer growth for FPL in the future.

(11) Energy Resources – Third Quarter 2011 Results

Let me now turn to Energy Resources, which reported third quarter 2011 GAAP earnings of $67 million, or 16 cents per share. Adjusted earnings for the third quarter, which exclude the effect of non-qualifying hedges, net OTTI, and the previously announced loss on the four natural gas-fired generation assets held for sale, were $204 million, or 49 cents per share.

(12) ENERGY RESOURCES – ADJUSTED EPS CONTRIBUTION DRIVERS

Energy Resources' third quarter adjusted EPS decreased 15 cents from last year's comparable quarter.

New wind and solar investment contributions decreased 6 cents relative to last year, as a result of lower CITC elections and lower state tax credits. Our estimate for full-year 2011 CITC elections is unchanged at roughly 275 megawatts, compared with approximately 600 megawatts for 2010 projects. We continue to expect the full-year impact of lower CITC elections in 2011 relative to 2010 to be approximately 7 cents.

In aggregate, the existing asset portfolio contribution was roughly flat relative to the prior-year comparable quarter.

Wind resource in the quarter was 88 percent relative to normal compared to 99 percent relative to normal in the prior-year comparable quarter. The weaker wind resource was the primary driver of the negative 4 cent contribution from existing wind assets relative to the prior-year comparable quarter. Year-to-date, the wind resource has been at 98 percent of normal.

The Texas gas-fired generation assets contributed 2 cents, primarily as a result of extreme hot weather in the ERCOT region.

In the nuclear asset portfolio, Seabrook's contribution was lower by 3 cents as a result of lower-priced hedges, while Point Beach contributed 5 cents more as a result of decommissioning fund gains, favorable generation, and the lack of an outage in this quarter.

Our shale gas well-drilling program contributed an additional 5 cents compared to the prior-year comparable quarter.

Customer supply and proprietary trading were down 13 cents. This includes lower earnings at Gexa, our retail business, of approximately 5 cents attributable to the extreme hot weather in Texas during the month of August and lower contributions from our proprietary trading business of roughly 7 cents.

As you know, there are three main parts to our Texas portfolio: two large combined-cycle plants, approximately 1,700 megawatts of hedged wind assets, and a position in the competitive retail market through our Gexa subsidiary. Normally, we expect warm weather to be good for the gas assets, challenging for Gexa, and uncertain for the wind assets. If the wind blows hard, it is good, as we have excess capacity to sell; if the wind is weak, it is bad, as we have to buy power to cover our hedges.

Through most of the quarter, which experienced much warmer than usual weather, our experience was consistent with prior years. However, in

August, when the Houston area experienced 22 days of record heat, the negative impact on Gexa increased more rapidly than the favorable impact on the gas plants, which were largely hedged, and at the same time, the wind resource was light during the super peak period. As a result, the negatives outweighed the positives and at the portfolio level we were down 5 cents.

After undertaking a thorough review, it is clear that we could have reacted more quickly to certain signs we were seeing in the marketplace and reduced this impact. We have made changes as a result, and we believe we are now better positioned to avoid a recurrence of this issue. Ironically, however, the same events that caused us pain in the current quarter helped in other ways, as forward curves moved up sharply and we were able to hedge out additional volumes for future years at higher prices than we could have done before the heat wave.

(13) ENERGY RESOURCES – BACKLOG UPDATE

From a development standpoint, we had a terrific quarter in terms of adding to our backlog of already-contracted solar and wind opportunities, as Lew mentioned just a couple of minutes ago.

Starting with solar, since the second quarter, we have added two new projects, Desert Sunlight and McCoy. With the addition of these two projects, we now expect to be toward the high end of the plans we laid out for investors at our May 2010 investor conference to invest between $3 billion and $4 billion in solar opportunities during the 2010 to 2014 timeframe. Including all of the planned solar projects that are already under long-term contract, Energy Resources plans to invest between $2.1 billion and $2.3 billion in 2011 and 2012 and between $1.3 billion and $1.5 billion in 2013 and 2014.

We now plan to add roughly 660 megawatts of solar to the portfolio between 2011 and 2014 and plan for an additional roughly 280 megawatts to be brought into service between 2015 and 2016.

Turning to our wind business, Energy Resources' backlog of tangible investment opportunities includes plans to spend between $2.1 billion and $2.3 billion in 2011 and 2012 and $1.3 billion and $1.5 billion in 2013 and 2014. Included in these expectations are 1,310 megawatts of signed PPAs for projects we plan to put into service in either 2011 or 2012. Our 2013 to 2014 backlog includes 593 megawatts of Canadian wind projects. These numbers do not include the capital expenditures associated with the new

100 megawatt contract we signed last night, which will go into service in 2012.

(14) ENERGY RESOURCES – DESERT SUNLIGHT AND MCCOY PROJECTS

Since this is our first opportunity to talk with you regarding our two new large solar projects, we want to provide a short overview of each project. At the end of September, we acquired 50 percent ownership in the 550-megawatt Desert Sunlight solar PV project. Construction began in September, and interconnection is expected by the end of 2013. Full commercial operation is expected in 2015. We plan to elect CITCs for Desert Sunlight as the megawatts go into service at an estimated pace of 150 megawatts in 2013, 90 megawatts in 2014, and 35 megawatts in 2015.

The project has two long-term PPAs on the full output of the facility, both of which have already been approved by the California Public Utilities Commission. Total invested capital for the project is estimated at $2.2 billion, 50 percent of which represents our subsidiaries' capital obligations, and we will account for the project under the equity method of accounting.

Also adding to our solar development backlog, our newest development project, McCoy, is expected to consist of 250 megawatts of solar PV technology. We plan to develop the project so that it reaches full commercial operations in 2016; total capital costs are expected to be approximately $1 billion.

In September, we signed a PPA with Southern California Edison for the full output of the project, contingent on the approval of the California Public Utilities Commission. This contract will be submitted for the commission's approval by the end of the year, and we expect approval in 2012.

The McCoy site has further expansion capabilities, which could at least double our current plans.

(15) NextEra Energy – 2011 Earnings Expectations

Let's now spend some time discussing our earnings expectations for the rest of 2011, as well as the next several years.

Turning first to the outlook for the balance of the year, we continue to expect to come in at the low end of our original guidance range of $4.35 to $4.65. This is disappointing. We see, with the benefit of hindsight, that to reach the upper end of our range would have required contributions from our customer supply and proprietary trading operations that were not likely, given how actual market conditions unfolded. And we have not increased, and we do not intend to increase, our risk exposure from those operations in an effort to make up any shortfall relative to our expectations. Having said that, it is also true that we believe that we could have, and should have, been at the mid-point of our original range had we executed better. Mistakes in execution are not acceptable to us, and we are committed to improving. We have already taken several actions in response to the events of this year.

(16) NextEra Energy – 2012 and 2013 Earnings Drivers

As far as the earnings outlook beyond 2011, we want to give you a bit more detail regarding some factors that are expected to drive results in 2012 and 2013.

First, as we have indicated before, we expect that the major driver of our earnings growth over the next several years will be the investments that we continue to make at FPL. We expect these investments to reward our customers with operating efficiencies, cleaner generation, and reduced fuel costs, all while keeping our bills among the lowest in Florida.

At Energy Resources, we expect the adjusted earnings drivers over the next couple of years to primarily fall into two different buckets. First, there is significant headwind associated with above market hedges rolling off, as well as the expiration of PTCs and some increased costs. The second bucket contains the significant earnings contributions attributable to bringing our contracted backlog of new solar and wind energy investments to completion. Although both of the Energy Resources drivers will affect our adjusted earnings expectations in the next couple of years, we expect the headwinds to be a bit stronger in 2012, while the contributions from new investments are expected to be much stronger in 2013 and beyond.

(17) NextEra Energy – 2012 Earnings Drivers

Looking at 2012 specifically, as a result of our rate agreement, FPL's earnings will be primarily based on the amount of rate base investment it makes. We expect average total rate base in 2012 to be between $24.7 and $24.9 billion, or approximately 14 percent higher than in 2011. The growth in total rate base is driven primarily by generation projects that have received prior PSC approval. The variability in FPL's earnings, assuming normal operating conditions, is expected to fall within a relatively tight range, because we have the opportunity under the rate agreement to vary the amount of surplus depreciation amortization we use to achieve an approximate 11% retail regulatory ROE.

At Energy Resources, significant headwinds, primarily associated with above market hedge roll-offs of roughly $60 million after tax, are expected to affect adjusted earnings from 2011 to 2012. Our expectations for 2012 also include PTC roll-offs and lower state tax benefits, which combined are roughly a $75 million after-tax reduction to earnings compared to 2011. In terms of offsetting positive drivers, fewer days of nuclear outages are expected to contribute approximately $60 million after-tax, and new asset additions are expected to contribute roughly $70 million after-tax, including higher CITC elections which are expected to contribute approximately $20 million after-tax, all relative to 2011. We currently estimate that we will elect CITCs on approximately 450 megawatts of wind projects compared to our estimate of 275 megawatts in 2011. There are obviously other puts and takes, but these are the primary drivers we see in 2012.

After accounting for all these effects, we expect adjusted earnings per share for 2012 will be in the range of $4.35 to $4.65.

(18) NEXTERA ENERGY – 2013 EARNINGS DRIVERS

Turning to 2013, we expect FPL to have customer rates in place that will provide an appropriate cash return on the significant capital investments we continue to make. These investments in 2013 are expected to include the completion of our Cape Canaveral combined-cycle project, completion of FPL’s nuclear uprates at Turkey Point and St. Lucie, and the continuing construction of the Riviera Beach Next Generation Clean Energy Center. Our customers should greatly benefit from the fuel efficiency and environmental improvements associated with these investments over their useful lives. We expect total average rate base in 2013 to be between $26.4 and $26.8 billion, or approximately 7 percent higher than in 2012.

In addition, the approximately 320-mile, rate-regulated transmission line that our Lone Star Transmission subsidiary is building is expected to be completed in 2013. Our expectations are that, when completed, Lone Star will have approximately $800 million of utility rate base in Texas.

(19) NEXTERA ENERGY – ENERGY RESOURCE EARNINGS WALK 2011-2013

On this slide, we are providing you with a walk of Energy Resources’ expected adjusted earnings from 2011 to 2013.

The renewable energy investments we plan to commission in 2011, 2012, and 2013 provide significant earnings contributions at Energy Resources through 2013. As you can see from this chart, we expect that the growth in our solar business will contribute between $90 million and $115 million in earnings relative to 2011, with virtually all of these increased earnings coming in 2013. Driving this expected growth are the contributions from our Spain solar projects, the first half of our Genesis solar project, and a portion of the Desert Sunlight project.

We expect our new wind additions, primarily the contributions from the 2011 and 2012 project additions, to contribute between $60 million and $75 million during this period. Recall that there will be no CITC earnings for new wind projects in 2013 and that we expect to have roughly $35 million of CITC earnings in 2011, so the $60 million to $75 million range you see here is net of that CITC amount.

We also expect price escalators built into a number of our long-term PPAs on our existing assets to contribute approximately $55 million during this period.

The tangible growth at Energy Resources that we see through 2013 resulting from these new, long-term contracted investments will be partially offset by the expiration of production tax credits, higher costs, and unfavorable market pricing from our merchant assets. While we do not have the exposure to merchant prices that many of our peers have, as a result of our largely contracted portfolio, we do have some exposure that shows up here from higher-priced hedges that will be rolling off during this time period. In fact, from 2011 to 2013, the reduction in Energy Resources gross margin associated with above market hedge roll-offs is expected to be approximately $85 million, but as I just pointed out a second ago, roughly $60 million of this $85 million occurs from 2011 to 2012, so there is much less headwind associated with above market hedges rolling off in 2013.

Overall, we are currently 92 percent hedged in 2013 in terms of equivalent gross margin for our existing assets. For your reference, we have included in the appendix to this presentation the 2012 and 2013 hedging slides.

On the 2012 slide, you will notice the reduction in our expectations for the proprietary trading business. As part of an effort to align the cost structure of our gas trading operations with our reduced expectations for the business going forward, in the first quarter 2012 we will be relocating the gas trading and scheduling operations from Houston back to our corporate headquarters in Florida. In addition to reducing costs, bringing these operations back to Florida will allow us to better integrate the teams and improve leverage across the overall business.

On the 2013 slide, note that the new investment line includes both the contributions from the 2012 additions and the 2013 additions that we already have under contract. Please also note that with the pending sale of the five natural gas plants, we have tried to simplify and clarify the hedging charts to align better with the primary drivers of commodity price exposure in the different parts of the portfolio.

By executing on our tangible backlog of investment opportunities, we expect to be able to grow earnings at Energy Resources, even in the face of the headwinds I have just described.

The combination of FPL, Lone Star Transmission, and Energy Resources investments, offset by the headwinds I have described for the period, are expected to result in significant adjusted earnings growth in 2013 over 2012.

(20) NEXTERA ENERGY – 2014 DRIVERS AND EXPECTATIONS FOR CASH FLOW FROM OPERATIONS

Turning to 2014, in addition to a full year of contributions from the 2013 Energy Resources investments I just discussed, 2014 is also expected to add the second half of our Genesis solar project, 90 megawatts of Desert Sunlight, and contributions from our Canadian wind projects that we plan to put into service between 2013 and 2014. Also, the headwinds from the roll-off of above market hedges are not present in 2014. In fact, we currently expect gross margin on our merchant assets to be up in 2014 compared to 2013. Our 2014 merchant assets' gross margin is roughly 70% hedged.

In addition to the contributions from Energy Resources, rate base growth at FPL is expected to be approximately 3 percent from 2013 to 2014.

All of the investments we are making at FPL and Energy Resources are expected to meaningfully increase cash flow from operations beginning in 2013. We expect that in 2013, cash flow from operations will cover capital expenditures, and in 2014, we currently expect cash flow from operations to exceed capital expenditures and expected dividends, assuming we do not add any additional projects to our current backlog. In 2014, we expect consolidated cash flow from operations to be approximately $5.5 billion, which would be an increase of over 35 percent from our consolidated expectations in 2011.

Based on our current cash flow expectations, and absent further new investment opportunities, we would therefore expect to be in a position to return some capital to shareholders in 2013 and 2014. We continue to believe that maintaining our strong balance sheet and capital structure is an important differentiator for us and has added to our competitiveness at critical times over the past decade. As such, we plan to maintain this balance sheet strength and our credit metrics as we go forward. Of course, we will always look for additional opportunities to deploy capital into new investments that we would expect to produce additional value for our shareholders, while maintaining our capital structure.

On a net basis from now through 2014, we expect that outstanding shares may decline slightly relative to 2011.

(21) NextEra Energy – Long-Term EPS Expectations

Today we have given you additional information to help you better understand the adjusted earnings drivers for our business over the next couple of years. In addition to the specific guidance ranges for 2011 and 2012, we have provided additional color on the expected adjusted earnings drivers for 2013 and 2014.

In summary, we continue to believe that our adjusted earnings per share will grow at an average of 5 to 7 percent per year through 2014, relative to a 2011 base of $4.35 to $4.65, which equates to a range of $5.05 to $5.65 in 2014, subject to all the usual caveats we provide including normal weather and operating conditions.

Before turning the call back to Lew, I wanted to take a quick moment to thank all of the analysts and investors with whom I have worked over the last few years while I was the CFO of NextEra Energy. I look forward to continuing to interact with you in my new role at Energy Resources.

With that, let me now turn the call back over to Lew for some closing remarks.

(22) NEXTERA ENERGY – LOGO

Lew Hay:

Thanks Armando.

To close, let me just say that while we are not satisfied with the financial results this year at Energy Resources, we remain very positive about our outlook for the future. During my tenure as CEO, we have never before enjoyed a position in which so much of our future is represented by projects in our current backlog with high visibility and a clear path to completion. Altogether, our backlog totals almost $20 billion of capital investments across FPL, Energy Resources, and Lone Star.

Our growth for the next few years will be driven primarily by growth at Florida Power and Light, where our investments are fundamentally substituting capital for fuel and thereby making our delivery system more efficient. We already have what we believe is the best customer value proposition in Florida, combining the lowest bills in the state with top-quartile reliability, award-winning customer service, and the risk mitigation that comes from our clean emissions profile, and we are working hard to improve this. Our investments will mean real benefits for our customers in the form of lower fuel bills, which means total bills will need to rise very little, even in nominal terms, and will likely continue to decline in real terms. As a result, we believe we should be able to earn a fair rate of return on the capital we are investing in the business. This will lead to strong growth in contributions to earnings per share.

While the outlook for FPL is for fairly consistent growth, at Energy Resources, we first need to fight through the effects of some headwinds, most notably the impact of the decline in power and gas prices that has occurred over the last few years and which will somewhat mask the positive impact of the strong growth in new business through the end of next year. Nevertheless, Energy Resources has a bright and highly visible future path to growth through 2014 in the form of continued investment in new wind and solar projects. And at the same time, the mix of Energy Resource's businesses will continue to shift toward long-term, contracted projects, thus improving the overall risk profile.

Combining all of these, we continue to believe we can grow earnings per share at 5 to 7 percent per year through 2014, relative to a 2011 base of $4.35 to $4.65, which equates to a range of $5.05 to $5.65. We believe we can do so even after conservatively assuming no U.S. wind additions in 2013 or 2014. Yet we firmly believe we will find additional growth opportunities in the years ahead beyond those we have currently identified, and we will be working very hard to do so. Not withstanding the short-term uncertainties related to renewable energy policy, we believe that U.S. renewable energy policies will continue to be supportive of future investment over the long haul. We understand that we have much work to do to execute effectively against our extensive backlog of projects, and that is our immediate focus. But we will continue to seek ways to deploy new capital at attractive returns to build long-term value for our shareholders.

(23) QUESTION AND ANSWER SESSION – NEXTERA ENERGY LOGO

With that, I'll turn the call over to the conference moderator for questions.