## (1) Second Quarter 2014 Earnings Conference Call

**Amanda Finnis:**

Thank you, Chanel.

Good morning everyone, and welcome to the second quarter 2014 combined earnings conference call for NextEra Energy and for NextEra Energy Partners.

With me this morning are Jim Robo, Chairman and Chief Executive Officer of NextEra Energy, Moray Dewhurst, Vice Chairman and Chief Financial Officer of NextEra Energy, Armando Pimentel, President and Chief Executive Officer of NextEra Energy Resources, all of whom are also officers of NextEra Energy Partners, as well as Eric Silagy, President and Chief Executive Officer of Florida Power & Light Company.

Moray will provide an overview of our results and our executive team will then be available to answer your questions.

## (2) Safe Harbor Statement and Non-GAAP Financial Information

We will be making forward-looking statements during this call based on current expectations and assumptions which 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 on our websites www.NextEraEnergy.com and www.NextEraEnergyPartners.com. We do not undertake any duty to update any forward-looking statements.

Today’s presentation also includes references to adjusted earnings which is a non-GAAP financial measure. You should refer to the information contained in the slides accompanying today’s 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 Moray.

**Moray Dewhurst:**

(3) OPENING REMARKS

Thank you, Amanda, and good morning everyone.

NextEra Energy had an excellent quarter capped off by the successful launch of NextEra Energy Partners. All parts of the NextEra portfolio performed well, and both NEE and NEP remain on track to deliver the financial expectations, including cash flow and credit metrics, that we have previously disclosed. I will provide more detail on expectations later in the call.

At Florida Power & Light, we have invested roughly $1.6 billion of capital year-to-date, consistent with our strategy of improving the long term value we offer our customers. Our major capital projects remain on track and we continue to expect the last of our three generation modernization projects, at Port Everglades, to come on line in mid-2016. Our reliability and storm hardening initiatives are also progressing well. In addition to these efforts to improve our electric delivery system we are now exploring opportunities to help us deliver lower and more stable natural gas costs for our customers. Last month FPL announced an innovative plan to invest in long-term natural gas supplies, which I will talk about more in a moment. And we were particularly pleased to learn that FPL was named the most trusted utility in the nation based on a large nationwide sample of utility customers.

At Energy Resources, our development and construction programs remain on track and our backlog of contracted renewables projects continues to develop, with a PPA for another roughly 100 MW of U.S. wind signed since the last call. Earnings growth was driven by new contracted renewables projects, as well as strong results in our customer supply and trading business.

At NextEra Energy Partners, the assets operated well and delivered financial results in line with expectations. In addition, just after the close of the quarter, the last of the projects in the initial portfolio became operational.

## (4) FPL – Second Quarter 2014 Results

Now let's look at the results for FPL.

For the second quarter of 2014, FPL reported net income of $423 million, or 96 cents per share, up 4 cents per share year-over-year.

## (5) FPL – Second Quarter 2014 Drivers

The principal drivers of FPL's earnings growth in the quarter were continued investment in the business and an increase in wholesale operations. FPL's capital expenditures were approximately $570 million in the quarter and we expect our full year capital investments to be roughly $3.2 billion. Regulatory capital employed grew 6.2% over the same quarter last year and net income grew 8.2%.

Our reported ROE for regulatory purposes for the twelve months ended June 2014 will be approximately 11.3%. Similar to last quarter, this includes the impact of transition costs associated with our enterprise-wide productivity initiative, Project Momentum, that we incurred over the 12 month period, all of which were incurred in 2013. Absent these costs, regulatory ROE would have been 11.5%, which remains our target for the full year 2014. As a reminder, the impact of the 2013 transition costs will roll off our reported regulatory ROE as we move through the year, since the regulatory ROE is measured on a twelve-month trailing basis.

We utilized $6 million of reserve amortization during the quarter in order to achieve this predetermined ROE bringing our year-to-date utilization of reserve amortization to $131 million. Under the current rate agreement we record reserve amortization entries to achieve a predetermined regulatory ROE for each twelve month trailing period – in this case the 11.5% that I previously mentioned – excluding special charges such as the Project Momentum transition costs. As we have mentioned before, we always expect to use more reserve amortization in the first half of the year than the second half given the pattern of our underlying revenues and expenses. Over the remainder of the year, assuming normal weather and operating conditions, we expect to reverse the reserve amortization taken in the first half of the year and end the year with a balance roughly equal to where we started or possibly even a little better.

Looking beyond 2014, we continue to believe that our reserve balance, when combined with our weather normalized sales growth forecast of 1.5 to 2 percent per year and our current O&M expectations, as well as the commitment of a total of roughly $7 billion in infrastructure cap ex for the period 2013 to 2016, will allow us to support regulatory ROEs in the upper half of the allowed band of 9.5 to 11.5 percent for the remaining period of the current rate agreement. We expect that we can do so in ways that will further improve our already outstanding customer value proposition and will position us well for 2017 and beyond.

(6) FPL - FLORIDA ECONOMY

In Florida, most economic indicators we follow continue to show improvement year over year while some appear to have recently stabilized.

Most notably, Florida's focus on economic development and an overall improvement in the business climate continue to encourage business expansion and additional hiring, while measures of confidence in the state of the economy have generally improved. As a result, the Florida labor force participation rate has increased in recent months, even while the U.S. rate continues to drift downward. Clearly, the return of previously discouraged workers into the labor force is positive, although it will naturally mean that further reductions in Florida's unemployment rate will come at a slower rate. Florida's seasonally adjusted unemployment rate in June was 6.2%, down 1.2 percentage points from a year ago. The number of jobs in Florida was up 237,500, an increase of 3.1% compared to a year earlier, and June was the 47th consecutive month with positive job growth in Florida following more than three years of job losses. Nationally, the number of jobs was up 1.8% over the year. Florida's annual job growth rate has exceeded the nation's rate since April 2012. Florida's private sector continues to drive the state's job growth and more than 620,000 private-sector jobs have been added since December 2010.

Turning to the Florida housing market, recent data appear to show indicators settling into a steadier and hopefully more sustainable pace. As the accompanying chart shows, new building permits have stabilized and remain at comparatively healthy levels, as Florida ranked second highest in the US in new housing permits. Mortgage delinquency rates continue to decline and the Case-Shiller Index for South Florida shows home prices up 14.6% from the prior year. Other positive economic data across the state include continued improvement in retail taxable sales as well as the consumer confidence index. Overall, Florida's economy continues to progress well.

## (7) FPL – Customer Characteristics

Our customer and usage metrics at FPL this quarter show mixed results. We saw the largest average increase of customers since the second quarter of 2007 with approximately 91,000 more customers than in the comparable quarter of 2013, representing growth of 2%. Roughly half of the increase can be attributed to the roll out of our remote connect and disconnect capability enabled by our smart meter program that we highlighted last year. As a reminder, these new customers, which are disproportionately low usage and residential, have a lower impact on our sales. Taking this into account, we estimate that customer growth accounted for about 1.0% of the increase in sales during the quarter.

Overall usage grew by 0.6% driven by favorable weather comparison. Underlying usage per customer, however, decreased 1.3% compared to the same quarter last year. As you may recall, usage was in-line with our long-term expectations during the first quarter, and as we have often pointed out this metric can be somewhat volatile on a quarterly basis. Our long-term expectation of underlying usage growth continues to be approximately half a percent per year net of the impact of efficiency and conservation programs at least through the period of the rate agreement. The 12-month average of low usage customers fell to 8.1%, its lowest level in seven years while the average number of inactive accounts for the quarter declined to levels not seen since early 2004.

## (8) FPL – Development Highlights

As I mentioned earlier, FPL has announced a plan to invest in long-term natural gas supplies and has filed a petition with the Florida Public Service Commission seeking permission. As a first step in the plan, FPL will partner with PetroQuest Energy to develop natural gas production wells in the Woodford Shale region in southeastern Oklahoma. While the proposed initial program of up to roughly $200 million of capital investment is modest in size relative to FPL's overall natural gas needs, we view the transaction as an important first step in what we hope will be a larger program that will improve the value we deliver to our customers even further. Acquiring an interest in natural gas reserves is expected to lower long-term fuel cost and provide a long term hedge against potential volatility in the market price for natural gas, which is a large component of the price of electricity, and would thereby address a concern that a number of policymakers have raised.

In addition to the initial proposal, FPL has also requested that the PSC approve a set of guidelines for subsequent natural gas production projects to allow the company, and in turn its customers, to take advantage of future beneficial natural gas investment opportunities. FPL expects a PSC decision by the end of 2014 or early 2015.

### (9) ENERGY RESOURCES – SECOND QUARTER 2014 RESULTS

Let me now turn to Energy Resources, which reported second quarter 2014 GAAP earnings of $81 million, or 18 cents per share. Adjusted earnings for the second quarter were $213 million, or 48 cents per share. These adjusted results include two unusual items, both associated with the launch of NextEra Energy Partners. First, a negative impact of 5 cents per share from restructuring and direct transaction costs associated with the creation of NEP. Second, a negative impact of 10 cents per share which represents an income tax charge driven by separating our Canadian projects to enable them to fit into the overall NEP structure. This is a non-cash item, and any real cash tax impact – if there were to be any – would occur many years in the future. In fact, there may never be any cash impact, as we believe this item may be reversed in future periods pending discussions with Canadian tax authorities. Together, these two items reduced Energy Resources' adjusted results by about 15 cents per share so the underlying operating results were very strong and in fact exceeded our expectations, with excellent performance in virtually all parts of the portfolio.

As you know, the launch of NEP came at the end of the quarter, and NEP was not operational in the second quarter. As a result, Energy Resources' second quarter results do not reflect any deduction for non-controlling interest. Going forward, Energy Resources will continue to consolidate NEP for accounting purposes, and you should expect to see a deduction from income representing the NEP LP unitholders' interests in Energy Resources results. Our investor relations team will be ready to address any questions you may have about the interrelationships between Energy Resources and NEP.

## (10) ENERGY RESOURCES – ADJUSTED EPS CONTRIBUTION DRIVERS

Energy Resources contribution to adjusted EPS decreased by 8 cents year-over-year. Setting aside the combined negative impact of 15 cents per share from the unusual items associated with establishing and launching NEP that I discussed earlier, the core business delivered great results.

Strong contributions from growth in our contracted renewables portfolio added 5 cents per share, reflecting new wind and solar investments placed into service during or after the second quarter of 2013. Consistent with our commitment to recycling capital, asset sales collectively added 6 cents per share, including 3 cents per share due to gain on a sale of wells in our gas infrastructure business. We expect to continue to recycle capital from time to time within the gas infrastructure business, keeping our overall commitment of capital to this business to a small fraction of the total. The customer supply and trading business added 7 cents per share, primarily reflecting structured transactions tailored to meet specific customer needs.

The contributions from existing assets declined by 5 cents per share, driven primarily by the planned refueling outage at Seabrook. However, this was better than we had anticipated as Seabrook's outage was the best ever for the facility at just over 23 days. In addition, wind resource overall was strong during the quarter, although the year-over-year impact was small, as the second quarter of 2013 was also well above average.

All other factors reduced results by 6 cents per share, including 2 cents of higher interest expense associated with a growing portfolio and 2 cents of dilution.

For the full year, we continue to expect to elect CITCs on roughly 265 megawatts for our Mountain View solar project and the portions of Genesis and Desert Sunlight solar projects that are expected to enter service in 2014. This equates to roughly $60 million in adjusted earnings, down from roughly $70 million in 2013 on 280 megawatts of solar projects.

## (11) NEP – Second Quarter Highlights

Let me now turn to NEP. As I just noted, NEP was not operational during the second quarter, and therefore, while it has released results and will file a Form 10-Q, the presentation of results follows what is known as "predecessor format," which is the same basis as was presented in the S-1. I must caution you that this is likely to be different from what you will see going forward, in particular because the tax treatment of the NEP assets will be different under the NEP structure.

As a consequence, analysis of NEP second quarter reported results is not particularly meaningful. Moreover, we recognize that most NEP investors will be focused on EBITDA and cash available for distribution, and we expect to provide analysis of these variables for the third quarter and beyond.

During the second quarter, the NEP assets performed in line with our expectations. Consequently, the EBITDA and cash flow of the portfolio were also consistent with our expectations. The second unit at our Genesis project entered commercial operations late in the first quarter and operated well throughout the second quarter, while the last of the initial portfolio assets, our Bluewater wind project in Ontario, started commercial operations just after the end of the quarter.

Overall, we are very pleased with the performance of the NEP portfolio during the second quarter.

(12) ENERGY RESOURCES – DEVELOPMENT HIGHLIGHTS

Shifting back to the broader Energy Resources portfolio, the team continues to execute on our backlog and pursue additional contracted renewable development opportunities. In Canada, we continue to expect the remaining approximately 400 megawatts of wind in our backlog to enter service by the end of 2015, with the majority expected to come into service by the end of this year.

Our solar backlog remains on track and during the quarter we brought 13 megawatts of solar into service with the partial commissioning of Desert Sunlight. We continue to expect to bring the remaining roughly 635 megawatts of our backlog into service by the end of 2016. In addition to our existing contracted backlog, we continue to pursue additional solar opportunities that could come online by the end of 2016.

Turning to our U.S. wind program, the team recently signed a PPA for a roughly 100 megawatt project which is expected to come into service in 2015 bringing our total contracted U.S. wind development program for 2013 through 2015 to approximately 1,770 megawatts. Based on everything we see at the moment, we continue to believe our total 2013 to 2015 U.S. wind program could be 2,000 to 2,500 megawatts. In the appendix of our earnings presentation we have provided a reconciliation of all anticipated megawatts at Energy Resources through the end of 2016 which may be helpful to NEP investors as well.

## (13) NEXTERA ENERGY RESULTS – SECOND QUARTER 2014

Turning now to the consolidated results for NextEra Energy, for the second quarter of 2014, NextEra Energy's GAAP net income was $492 million, or $1.12 per share. NextEra Energy's 2014 second quarter adjusted earnings and adjusted EPS were $630 million and $1.43, respectively.

Adjusted earnings from the Corporate & Other segment increased 1 cent per share compared to the second quarter of 2013.

You may recall that when discussing the possible creation of NEP we indicated that an important factor in our decision-making would be the impact it might have on credit. We are pleased to note that S&P, Moody's and Fitch all affirmed our ratings and stable outlook. Looking forward, as NEP grows we will continue to focus on ensuring that we sustain our strong credit position, both in terms of our credit metrics as well as in our focus on portfolio mix and business composition.

The development of both Sabal Trail Transmission and Florida Southeast Connection continue to progress well through their respective processes and we continue to expect to submit necessary filings with FERC later this year.

During the quarter we also announced a non-binding open season for a 330-mile natural gas pipeline project called Mountain Valley Pipeline partnering with EQT Corporation. The project is designed to connect the Marcellus and Utica shales with markets in the Southeast region of the U.S. in order to support growing demand and improvements in reliability. The results of the open season, the details of which we are currently evaluating, were very strong and confirm our view that the Mountain Valley project is very attractive to a wide range of potential shippers. The next step towards firming up a commercially viable project is to convert these strong expressions of interest into binding economic commitments. We look forward to providing more details at a later date.

Before turning to our expectations for 2014 and beyond, I would like to say a few words about our involvement with the Energy Future Holdings bankruptcy case. While our general policy is not to comment on individual transactions, whether real or potential, obviously a number of documents have been publicly filed in this case and various parties have commented and speculated on our involvement.

We have on many occasions articulated our view that we believe we have the necessary skills to effectively manage large regulated utility businesses in a fashion that delivers value to both customers and investors. We have also indicated that we would be open to expanding our portfolio of regulated utility assets through acquisition, if we can do so within acceptable financial and risk parameters and if we can see a reasonable path to all necessary regulatory approvals.

With that in mind, it is no secret that we have made a tangible revised proposal to EFH and the bankruptcy court. Our commitment to Texas runs deep, having invested more than $7 billion in transmission, power generation and other operations in the Lone Star state. We also bring to the table a proven track record in the utility industry highlighted by strong performance in the areas of reliability, affordability and customer focus; and I will simply reiterate our belief that our revised proposal would provide substantial value to all stakeholders, including Oncor's customers.

## (14) NextEra Energy – 2014 – 2016 Earnings Expectations

Our performance in the second quarter was stronger than we expected, and our expectations for the second half of the year have not changed significantly. Based on these observations we now believe it is reasonable to expect our full year results to be somewhere in the range of $5.15 to $5.35 per share, even including the 15 cents of one-time effects from the launch of NEP – which, of course were not anticipated when we originally shared with you our 2014 view back in the summer of last year.

While we are very pleased with our progress so far this year, it remains to be seen how much of the quote “goodness” of this year will carry over into 2015 and beyond. Accordingly, at least for now we are not changing our view of 2016, with an adjusted earnings per share range of $5.50 to $6.00, or 5 to 7 percent compound annual growth rate off of a 2012 base. However, we do expect to update our view of the 2016 timeframe later in the year or early in 2015, when we will have more clarity around a few important uncertainties. As always, our expectations are subject to the usual caveats we provide including normal weather and operating conditions.

Last year we shared with you our expectations for improvement in our credit metrics for both 2013 and 2014, and we continue to be on track in terms of cash flow and leverage to meet those targets, which are fully consistent with our current ratings.

(15) NEP – EXPECTATIONS

Turning now to expectations for NEP, we remain confident in the forecast we presented in the S-1. We expect the initial portfolio to yield EBITDA of about $250 million and cash available for distribution of about $87 million for the twelve months through the end of June 2015 and these results should support an initial distribution at an annualized rate of 75 cents per unit. Our expectations assume normal weather and operating conditions.

Looking beyond the first year, we expect unit distributions to grow about 12 to 15 percent per year for at least three years, and we believe this is achievable with the acquisition only of assets from the ROFO portfolio, assuming current market conditions.

On average, we expect the ROFO portfolio to look fairly similar to the initial portfolio on a “per megawatt” basis with annual EBITDA expectations of $250 to $260 thousand per megawatt and cash available for distribution of about $85 to $95 thousand per megawatt once all ROFO assets have entered into commercial operations. The last of the ROFO assets are not expected to enter service until late in 2016.

While NEP has no special contractual rights to support further acquisitions, we believe it is reasonable to expect that Energy Resources will want to make available additional projects from its existing portfolio as well as some of those currently under development. As of the end of last year, Energy Resources had another roughly 7,000 or so megawatts of contracted renewables projects in its operating portfolio, and while not all of these projects would be suitable immediately for NEP, many or all of them could become eligible over time. In addition we expect to have a further 1,800 to 2,300 megawatts of additional contracted renewable capacity entering service prior to the end of 2016. And finally, beyond contracted renewables, Energy Resources has other projects that may perhaps be suitable for NEP over time. Overall, we continue to believe that NEP offers investors by far the largest and highest overall quality portfolio of potential assets that can help drive growth in distributions for many years to come. We expect to be in a position to provide additional ongoing, forward-looking disclosures with our third quarter conference call.

With that we will now open the lines for questions. Since this is our first combined conference call for NextEra Energy and NextEra Energy Partners it will be helpful if you can be clear which entity you are referring to in your questions.

(16) QUESTION AND ANSWER SESSION – NEE AND NEP LOGO