Meeting Future Energy Needs in Florida and the United States

Eric Silagy
Vice President and
Chief Development Officer
February 4, 2009
Cautionary Statements And Risk Factors That May Affect Future Results

Any statements made herein about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may include, for example, statements regarding anticipated future financial and operating performance and results, including estimates for growth. Actual results may differ materially from such forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix and in our Securities and Exchange Commission (SEC) filings.
FPL Group is a premier energy company

**FPL Group**
- $21.1 B market capitalization
- 38,212 MW in operation
- $15.3 B operating revenue
- $43.8 B in total assets

**Florida Power & Light**
- One of the largest U.S. electric utilities
- Vertically integrated, retail rate-regulated
- 4.5 MM customer accounts
- 22,135 MW in operation
- $11.6 B in operating revenues
- $25.9 B in total assets

**NextEra Energy Resources**
- Successful wholesale generator
- U.S. leader in renewable generation
- Assets in 26 states and Canada
- 16,077 MW in operation
- $3.5 B in operating revenues
- $16.4 B in total assets

A Growing, Diversified and Financially Strong Company

Market Capitalization as of January 4, 2009
Operating Revenue for the year ended December 31, 2007
All other data as of June 30, 2008
With over $8 billion already invested, FPL Group is the world leader in renewable energy

FPL Group’s renewable energy portfolio
In Florida, FPL is constructing and/or actively developing clean energy projects representing billions of dollars of investment.

### Active Projects

<table>
<thead>
<tr>
<th>Fossil (5)</th>
<th>Renewable (4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• West County Units 1 and 2</td>
<td>• Martin Next Generation Solar Energy Center</td>
</tr>
<tr>
<td>• West County Next Generation Clean Energy Center (Unit 3)</td>
<td>• DeSoto Next Generation Solar Energy Center</td>
</tr>
<tr>
<td>• Riviera Beach Next Generation Clean Energy Center</td>
<td>• Space Coast Next Generation Solar Energy Center</td>
</tr>
<tr>
<td>• Cape Canaveral Next Generation Clean Energy Center</td>
<td>• St. Lucie Wind Project</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nuclear (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• St. Lucie and Turkey Point Uprates</td>
</tr>
<tr>
<td>• Turkey Point Units 6 and 7</td>
</tr>
</tbody>
</table>
Fuel diversity is imperative to maintain energy security

2007 Fuel Mix

• Current fuel mix has a large weighting towards natural gas
  - Clean and efficient
  - Only two major pipelines in Florida
  - Majority of gas comes from the Gulf of Mexico

• Fuel diversity
  - Mitigates risk of supply disruptions
  - Reduces price shocks
  - Reduces technology risk

Sources of generation for the year 2007.
Florida and FPL are clean energy leaders

State CO$_2$ Emission Rates (Electric Only)

Source: U.S. Department of Energy – 2006 Data
FPL will continue to improve its fleet of generation assets

**FPL’s Commitment**

- Retain fuel diversity to maintain energy security
- Expand conservation efforts
- Invest in clean energy sources
  - Modernizations
  - Nuclear
  - Solar
  - Wind
  - Emerging Technologies
- Improve efficiency at existing facilities

We’re proud to be a national leader in deploying clean, efficient, innovative generation
FPL intends to invest $2.3 billion to modernize the Cape Canaveral and Riviera Power Plants

1) In 2013 and 2014 dollars as filed in the respective need petitions filed with the FPSC
Uprates at the St. Lucie and Turkey Point Nuclear Plants will provide clean sources of new power and leverage existing infrastructure

Nuclear Uprates

• 414 MW of uprates are planned at existing nuclear facilities

• 206 MW at St. Lucie Plant
  − Cost of ~$850 million*
  − Scheduled completion in 2011 and 2012

• 208 MW at Turkey Point Plant
  − Cost of ~$950 million*
  − Scheduled completion in 2012

*Includes transmission, interest and other carrying costs
New nuclear units at Turkey Point are being actively pursued

**Turkey Point Units 6 and 7**

- 2,200 MW, two unit facility
- Final selection of technology has not taken place, but we have indicated a preference for Westinghouse
- Cost of between $12 and $18 billion\(^1\)
- Opportunity to use reclaimed water from the Miami area
- Sited on 11,000 acre FPL owned property
- Expected commercial operations date
  - Unit 6 - 2018
  - Unit 7 - 2020

The Florida PSC voted unanimously to proceed with the project

---

1. Represents total project costs as incurred through 2020
New nuclear delivers savings to FPL customers while helping address the challenge of global climate change

**Benefits**

- **Most cost effective source of baseload generation**
  
  - Estimated fuel savings to customers of $94 billion* over the first 40 year license period

- **Safe, reliable generation**
  
  - New units will supply to over one million people

- **Avoids over 7 million tons of CO₂ per year as compared to state-of-the-art CCGT**

- **Able to leverage existing infrastructure and reduce costs**

*Estimated cumulative annual fuel cost savings as provided in PTN 6 & 7 Need Hearing Transcript
Significant risks remain and require active management

**Risks**

- **Regulatory uncertainty remains**
  - Untested licensing process at the Nuclear Regulatory Commission
- **Global market pressures on material and labor costs remain**
  - Intense international and domestic competition
  - Untested construction and equipment supply support in U.S.
  - Volatile commodity pricing
  - One year delay could increase costs by $240 million assuming a 2.5% annual escalation
- **We also recognize that a prudent approach requires us to:**
  - Proactively monitor and, where possible, manage regulatory and market risks
  - Vigilantly manage our spending curve and overall risk position

With so much at risk, we will make a “go / no-go” decision at each major milestone throughout the development process.
FPL has started construction on the world’s first hybrid energy center in Martin County

Martin Next Generation Solar Energy Project

Total Facility = approximately 11,300 acres
Solar Field = approximately 500 acres
Solar Array = approximately 180,000 mirrors
(Video will be played on this slide)
FPL remains committed to developing renewable projects in Florida, including wind energy facilities

**The St. Lucie Wind Project**

- Up to 13.8 MW wind farm located on Hutchinson Island
- Six turbines to be located at St. Lucie Nuclear power plant
  - FPL owns the property and is able to utilize existing transmission
- Emissions free power for over 1,500 customers
- Will offset up to 16,000 tons of CO₂ per year
  - Equivalent of taking 2,600 cars off the road every year
- Uses no water
- Will produce $3.2 million in local tax revenue in the first year
There is no one “silver bullet” solution to meet all of our current and future energy needs, so FPL is pursuing other alternative energy projects and incorporating the latest technology into our existing fleet.

**Alternative Energy Projects and Technology**

- Landfill / waste energy
- Concentrated solar photovoltaic
- Ocean current and ocean thermal
  - Florida Atlantic University
- Cutting edge monitoring, control and predictive system

Operational excellence is critical to meeting our energy needs and environmental goals.
(Video will be played on this slide)
FPL Group is committed to continue delivering industry leading results

Here’s What Matters

• Scale
  • Number one in solar
  • Number one in wind
  • Number one in conservation

• Credibility
  • Cleanest large utility in the country
  • Recognize technology limitations

• Leadership
  • Proactive in shaping state and the national climate change initiatives

• Execution
  • On time, on budget, operational excellence - year after year

At the end of the day, it is action, and not words, that matter