FPL announces plans to buy and phase out another coal-fired power plant, saving customers millions of dollars and preventing millions of tons of carbon emissions

- Plan is expected to save FPL customers an estimated $129 million

- Reducing plant's output will prevent more than half a million tons of carbon dioxide emissions annually

13:51 ET from Florida Power & Light Company

JUNO BEACH, Fla., June 20, 2016 /PRNewswire/ -- Florida Power & Light Company (FPL) today filed a petition with the Florida Public Service Commission (PSC) to request approval to purchase a coal-fired power plant located in Indiantown, Fla., with which FPL has an existing long-term contract. If approved, the proposal is projected to save FPL customers an estimated$129 million and prevent more than 657,000 tons of carbon dioxide emissions annually – further expanding upon FPL's position as the cleanest energy company in Florida and among the cleanest in the nation.

Upon taking ownership of the 330-megawatt Indiantown Cogeneration facility, which is currently owned by Calypso Energy Holdings, LLC, FPL plans to immediately reduce the plant's operations with the intention of eventually phasing the plant out of service. If approved by the PSC, this will be the second coal power plant in two years that FPL has bought to phase out while saving customers money in the process.

"We are delivering power to our customers that is cleaner and more reliable than ever before at a price that is lower than it was 10 years ago and among the lowest in the nation. That is no accident – it's because of our forward-looking strategy of smart investments that improve the efficiency of our system, reduce our fuel consumption, prevent emissions and cut costs for our customers," said Eric Silagy, president and CEO of FPL. "While many years ago it made sense to buy this plant's power to serve our customers, we're now able to purchase the facility and phase it out of service, preventing potentially harmful carbon emissions while saving our customers millions of dollars."

Thanks in large part to the company's affordable clean energy strategy, FPL is already cleaner today than the carbon emissions rate goal set by the U.S. Environmental Protection Agency's (EPA) Clean Power Plan for

Florida to meet by 2030. At the same time, FPL's typical customer rates are about 30 percent lower than the national average.

"Reducing emissions of greenhouse gas pollutants is critical to addressing the risks posed by climate change. Transitioning to a clean energy economy is something that Floridians want and deserve—and retiring coal-fired facilities is an important step toward a lower-carbon future," said Temperince Morgan, executive director of the Florida Chapter of The Nature Conservancy.

In 1991, the PSC approved a long-term purchased-power agreement between FPL and the Indiantown Cogeneration L.P. facility that does not expire until 2025. The contract was based on the cost of power at the time; however, today, FPL can generate electricity at a much lower cost. Also, while the Indiantown Cogeneration plant is well-run, it nonetheless emits very high rates of carbon dioxide compared with FPL's current generation fleet, which has an overall carbon emissions rate far lower than the national average.

In its filing with the PSC today, FPL proposes to purchase the ownership interest in the Indiantown Cogeneration facility for$451 million (including existing debt), making FPL the owner of the facility. FPL is requesting PSC approval of the purchase byDecember 2016, so that the purchase can be completed as soon as possible to maximize customer savings. Over the remaining life of the contract, approximately nine years, FPL is projecting $129 million in customer savings.

FPL plans to decrease the plant's operations immediately upon taking ownership so that it operates no more than about 5 percent of the time. Reducing the plant's operations by this amount will prevent more than 657,000 tons of carbon dioxide emissions every year. EPA calculates that this amount of carbon reduction is equivalent to saving 74 million gallons of gasoline or switching more than 23 million incandescent light bulbs to energy-efficient compact-fluorescent lights every year.

Based on the company's current analysis of operational needs, FPL expects to operate the facility minimally through the end of 2018 as needed. After the expected addition of a new natural gas pipeline system into Florida in 2017 and with the high-efficiency natural gas-fired FPL Okeechobee Clean Energy Center entering service in 2019, FPL believes that the Indiantown Cogeneration plant will no longer be economic and plans to retire the facility years sooner than it otherwise would have been.

At this time, no decision on future use of the site has been made; however, the property's close proximity to the existing Martin Next Generation Clean Energy Center's solar and natural gas infrastructure provides the opportunity for future solar or natural gas generation.

The buyout proposal is consistent with FPL's ongoing strategy of making smart, innovative investments to deliver affordable clean energy for its customers. Last year, FPL bought out its long-term contract with the Cedar Bay coal-fired power plant inJacksonville, saving customers more than $70 million and preventing nearly 1 million tons of carbon emissions annually.

FPL's investments in high-efficiency natural gas generation have enabled the company to cut its use of foreign oil by more than 98 percent – from more than 40 million barrels of oil in 2001 to less than 1 million barrels annually today. FPL has been strategically phasing out older, less efficient fossil fuel plants and replacing them with new, high-efficiency natural gas energy centers that use approximately one-third less fuel per megawatt-hour. The company has also invested heavily to increase its use of zero-emissions nuclear and solar energy.

In 2016, FPL is building three new solar power plants that will be among the largest solar power facilities ever built in the eastern U.S. Comprising more than 1 million solar panels, the new, cost-effective plants will begin powering FPL customers later this year, tripling the company's use of energy from the sun.

Florida Power & Light Company

Florida Power & Light Company is the third-largest electric utility in the United States, serving more than 4.8 million customer accounts or more than 10 million people across nearly half of the state of Florida. FPL's typical 1,000-kWh residential customer bill is approximately 30 percent lower than the latest national average and, in 2015, was the lowest inFlorida among reporting utilities for the sixth year in a row. FPL's service reliability is better than 99.98 percent, and its highly fuel-efficient power plant fleet is one of the cleanest among all utilities nationwide. The company was recognized in 2015 as one of the most trusted U.S. electric utilities by Market Strategies International. A leading Florida employer with approximately 8,800 employees, FPL is a subsidiary of Juno Beach, Fla.-based NextEra Energy, Inc. (NYSE: NEE), a clean energy company widely recognized for its efforts in sustainability, ethics and diversity, and has been ranked No. 1 in the electric and gas utilities industry in Fortune's 2016 list of "World's Most Admired Companies." NextEra Energy is also the parent company of NextEra Energy Resources, LLC, which, together with its affiliated entities, is the world's largest generator of renewable energy from the wind and sun. For more information, visit these websites: www.NextEraEnergy.com,www.FPL.com, www.NextEraEnergyResources.com.

Cautionary Statements and Risk Factors That May Affect Future Results

This news release contains "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not statements of historical facts, but instead represent the current expectations of NextEra Energy, Inc. (NextEra Energy) and Florida Power & Light Company (FPL) regarding future operating results and other future events, many of which, by their nature, are inherently uncertain and outside of NextEra Energy's and FPL's control. Forward-looking statements in this press release include, among others, statements concerning future operating performance. In some cases, you can identify the forward-looking statements by words or phrases such as "will," "may 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 and their business and financial condition 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, or may require them to limit or eliminate certain operations. 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 a reasonable return on invested 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; 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 or policies that support utility scale renewable energy projects of NextEra Energy Resources, LLC and its affiliated entities (NextEra Energy Resources) or the imposition of additional taxes or assessments on renewable energy; impact of new or revised laws, regulations, 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 over-the-counter (OTC) financial derivatives and to apply such regulation to NextEra Energy and FPL; capital expenditures, increased operating costs and various liabilities attributable to environmental laws, regulations and other standards 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; 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; inability to obtain adequate insurance coverage for protection of NextEra Energy and FPL against significant losses and risk that insurance coverage does not provide protection against all significant losses; a prolonged period of low gas and oil prices could impact NextEra Energy Resources' gas infrastructure business and cause NextEra Energy Resources to delay or cancel certain gas infrastructure projects and for certain existing projects to be impaired; 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 manage properly or hedge effectively the commodity risk within its portfolio; 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 risk management tools associated with their hedging and trading procedures to protect against significant losses, including the effect of unforeseen price variances from historical behavior; 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; failure of NextEra Energy or FPL counterparties to perform under derivative contracts or of requirement for NextEra Energy or FPL to post margin cash collateral under derivative contracts; failure or breach of NextEra Energy's or FPL's information technology systems; risks to NextEra Energy and FPL's retail businesses from compromise of sensitive customer data; losses from 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, including the effect of increased competition for acquisitions; NextEra Energy Partners, LP's (NEP's) acquisitions may not be completed and, even if completed, NextEra Energy may not realize the anticipated benefits of any acquisitions; environmental, health and financial risks associated with NextEra Energy's and FPL's ownership and operation 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, and increased public attention to 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; impairment of NextEra Energy's and FPL's liquidity from inability of credit providers 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 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 pay 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; the fact that the amount and timing of dividends payable on NextEra Energy's common stock, as well as the dividend policy approved by NextEra Energy's board of directors from time to time, and changes to that policy, are within the sole discretion of NextEra Energy's board of directors and, if declared and paid, dividends may be in amounts that are less than might be expected by shareholders; NEP's inability to access sources of capital on commercially reasonable terms could have an effect on its ability to consummate future acquisitions and on the value of NextEra Energy's limited partner interest in NextEra Energy Operating Partners, LP; and effects of disruptions, uncertainty or volatility in the credit and capital markets on 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, 2015 and other SEC filings, and this news release should be read in conjunction with such SEC filings made through the date of this news release. The forward-looking statements made in this news release are made only as of the date of this news release and NextEra Energy and FPL undertake no obligation to update any forward-looking statements.

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