

(1) NEXTERA ENERGY REACHES AGREEMENT TO ACQUIRE ONCOR

Amanda Finnis:

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 or future trading values or levels of stock or other securities, 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 the company's slide 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, and Mark Hickson, Senior Vice President of NextEra Energy. 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, Amanda, and good morning everyone.

I'd like to thank you all for joining us. As you know, earlier today NextEra Energy announced that it has agreed to purchase an 80 percent interest in Oncor Electric Delivery. Under the definitive agreement, NextEra Energy will acquire 100 percent of the equity of reorganized Energy Future Holdings and reorganized Energy Future Intermediate Holding Company, including EFIH's 80 percent equity interest in Oncor, as part of an overall plan of reorganization designed to allow Energy Future Holdings to emerge from chapter 11 bankruptcy. NextEra Energy's decision to acquire Oncor reflects the strength of Oncor's management team and employees and the terrific opportunities we see with the company.

We have had a significant presence in Texas for more than 15 years. Our commitment to the Lone Star state runs deep, having invested more than \$8 billion in transmission, power generation and other operations. This transaction provides Oncor the opportunity to transition from a highly-leveraged structure in which financial investors own Oncor to ownership by a strategic investor with one of the strongest balance sheets in the sector.

NextEra shares Oncor's commitment to providing affordable and reliable electric service, and providing high-quality customer service for the benefit of Oncor's customers and the continued economic growth of the state.

As part of the transaction, NextEra intends to fund \$9.5 billion to be primarily used for the repayment of EFIH debt, including approximately \$5.4 billion of EFIH first lien debtor-in-possession financing. The transaction implies an enterprise value for Oncor of \$18.4 billion.

For NextEra Energy shareholders, the transaction is expected to be meaningfully accretive to earnings per share, with financing that continues to support our current strong investment grade credit rating. We expect the accretion from the transaction to enable us to grow at or near the top end of our expected adjusted earnings per share range of 6 to 8% through 2018, off a 2014 base. We expect financing to consist of a combination of debt, convertible equity units, and proceeds from asset sales. The financing plan includes roughly \$1.5 billion of convertible equity units to ensure we have more than adequate equity support to finance the transaction. We remain committed to maintaining NextEra Energy's strong balance sheet and expect that our credit ratings will be maintained post-closing.

Consistent with our focus on investing in regulated and long-term contracted assets, the transaction adds to our portfolio an attractive utility in

a constructive regulatory environment with significant opportunities to further benefit customers by continuing to smartly invest in necessary infrastructure.

(4) TRANSACTION STRUCTURE

Under the plan, creditors of Texas Competitive Electric Holdings Company, the merchant energy subsidiary of EFH, will receive TCEH's assets in a tax-free spinoff. TCEH will form a standalone reorganized entity post restructuring, separated from the remaining activities of EFH, EFIH, Oncor, and certain other subsidiaries.

As part of EFH's plan of reorganization, the transaction would extinguish all debt at EFH, and NextEra would fund the repayment of approximately all EFIH debt that currently exists above Oncor. As a result, remaining Oncor debt obligations will be solely at the Oncor level, and NextEra Energy commits that it and its subsidiaries, other than Oncor, will not incur, guarantee or pledge assets in respect of any new debt that is solely or almost entirely dependent on the revenues of Oncor without first seeking approval from the Public Utility Commission of Texas. In turn, NextEra Energy will acquire all of the equity of reorganized EFH, whose principal remaining business interest will be its interest in Oncor.

(5) EXPECTED TIMELINE & SOLICITATION RIGHTS

It is important to note that these agreements remain subject to key milestones of the EFH bankruptcy process. In connection with today's announcement, EFH plans to file an amended plan of reorganization with the United States Bankruptcy Court for the District of Delaware. The plan of reorganization includes our transaction and encompasses a comprehensive restructuring and recapitalization that requires approval by the creditors and the court. As a first step, we expect the bankruptcy court to consider whether to approve EFH's entry into the merger agreement at a hearing that is expected to be scheduled as soon as practicable. Once EFH has received approval to enter into the merger agreement, we would expect an order from the court establishing a more detailed schedule for the proceedings. Although there is inherent uncertainty involved with the bankruptcy process, we are currently targeting a creditor vote and confirmation hearing in the fourth quarter in order to be in a position to receive bankruptcy court confirmation of the plan of reorganization by the end of the year.

Separate from the bankruptcy approval process, we plan to file for regulatory approval with the Public Utility Commission of Texas shortly. Based on the statutory review period for the Commission of up to 180 days,

we would expect the PUCT to rule on the filing no later than early next year. In addition to the receipt of key approvals from the bankruptcy court and the PUCT, closing of the transaction is contingent upon receiving an IRS Private Letter Ruling affirming the tax-free nature of the transaction, and is also subject to receiving FERC approval and satisfaction of the Hart-Scott-Rodino anti-trust requirements. Based on our current targets for completing key milestones, we expect the transaction to close in the first quarter of 2017.

Based on the terms of the agreements, until the bankruptcy court approves EFH entering into the merger agreement, EFH can solicit proposals from third parties. During this period, to the extent that EFH obtains a superior alternative proposal, EFH can terminate the merger agreement without paying NextEra a break-up fee. After the bankruptcy court approves EFH entering into the merger agreement and until the plan of reorganization is confirmed, EFH can no longer solicit proposals from third parties. However, during this period, EFH is free to continue discussions with those parties with which EFH had received a bid from and was in active negotiations with on the date the bankruptcy court approved EFH entering into the merger agreement, as well as respond to certain unsolicited proposals from third parties. During this time, EFH is required

to provide written notice, including the name of the bidder, the purchase price and terms, to NextEra of a proposal which it deems to be superior. To the extent that NextEra is not able or is unwilling to top a superior proposal, EFH can terminate the merger agreement and move forward with the superior transaction. If this happens, EFH must pay NextEra a \$275 million termination fee upon the closing of the superior transaction. Once the plan of reorganization is confirmed by the bankruptcy court, EFH may no longer entertain alternative proposals or terminate the merger agreement to proceed with any third party proposal. What I just summarized is very high level of course and I refer you to the merger agreement when it is available for the details around this transaction.

(6) DELIVERING CUSTOMER VALUE

For Oncor and its customers, the transaction will bring capabilities, scale and experience that we believe will help improve operating efficiencies and reliability for the benefit of all stakeholders. NextEra Energy's proven track record of providing affordable, reliable electric service for customers complements Oncor's operational strengths, and is at the core of why we believe this transaction will be a significant benefit for Oncor and for Texas.

At Florida Power & Light, we are proud to offer our customers electric service that is cleaner and more reliable than ever before, while our typical residential customer bill is the lowest among reporting utilities in the state of Florida and is approximately 15 percent lower than it was a decade ago. FPL delivered its best-ever full-year period of service reliability in 2015 and was recognized as being the most reliable electric utility in the nation. 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 what we consider to be an already outstanding customer value proposition.

Through the same unyielding focus on our customers, we believe we have the ability to bring real value to Oncor stakeholders and, in turn, find attractive investment opportunities to create long-term shareholder value.

(7) FINANCIAL STRENGTH

One of the hallmarks of our company has been a focus on financial strength. NextEra Energy maintains a strong balance sheet and is one of the strongest investment-grade rated electric utilities in the United States. We have cultivated a large, balanced and well-diversified lending group consisting of over 100 banks that span 20 countries and 4 continents. Our

focus on credit quality has helped sustain growth through different industry phases, enabling us to raise an average of approximately \$7.5 billion of capital per year since 2011. Over the last decade, we have invested over \$60 billion of total capital and have a track record of being overall on time and on budget on our major projects.

The transaction will improve Oncor's financial strength and enable continued investment in smart, innovative technologies and execution on capital plans for the benefit of customers. In addition, we expect that Oncor's credit rating will be improved post-closing, generating real savings for customers in terms of lower borrowing costs.

Certainty of value for EFH creditors presents a viable path forward designed to allow EFH to emerge from bankruptcy. We believe that NextEra Energy's deep operating experience, strong financial profile and traditional utility ownership model also offer uniquely compelling advantages.

(8) 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. Over the last decade, we've been able to grow both adjusted earnings per

share and dividends per share at approximately 8% per year, while also delivering solid total shareholder returns.

As we have often discussed, we 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. By leveraging our core competencies, including smartly investing capital to improve operations, we are confident we can create long-term value for both customers and shareholders. With Oncor, NextEra Energy will be an even stronger company with greater scale and a robust financial profile, better positioned than ever to generate long-term shareholder value.

(9) NEXTERA ENERGY AND TEXAS

Texas is a place that we know well, and we also know how integral Oncor is to the state and its communities. That's why we are committed to maintaining the company's Texas roots and operating structure. NextEra Energy is committed to retaining local management, the Dallas headquarters and the Oncor name.

NextEra Energy also has a tremendous appreciation for the value of the Oncor team, and we are committed to providing workforce stability and

meaningful benefits to Oncor's employees. Importantly, NextEra Energy has committed to making no involuntary reductions to Oncor's workforce as a result of the transaction for at least two years after close, and to providing no less favorable salaries or wage rates and substantially comparable incentive compensation opportunities and employee benefits for two years post-closing.

NextEra Energy's Texas roots run deep. Since 1999, we have had a significant presence in Texas, including through our ownership of Lone Star Transmission. NextEra Energy is a substantial contributor to the Texas economy, having invested \$8 billion in transmission, power generation, gas pipelines and other operations in Texas. We provide hundreds of good, well-paying jobs across the state and pay millions of dollars annually in payroll, property taxes and lease payments to local landowners. This transaction will build on our already strong commitment to Texas.

(10) CORPORATE STRUCTURE

The combined company is expected to serve approximately 8.6 million customer accounts and have roughly \$102 billion in total assets. We expect Oncor to become an integral member of the NextEra Energy family and to benefit from the core capabilities we have been able to

develop in engineering and construction and supply chain, as well as leverage our transmission and distribution and smart grid expertise. Through this structure, Oncor and all of the businesses in the NextEra Energy portfolio will benefit from increased skills, scale and scope.

(11) EXPECTED BENEFITS FOR ALL STAKEHOLDERS

NextEra Energy shares Oncor's strategy of making smart, long-term investments in transmission and distribution to continue to deliver affordable, reliable electric service to its customers. Through the transaction, we see an opportunity to make two already great companies even stronger.

In summary, I am very excited about the new opportunities we see as a result of this transaction. We believe the transaction is beneficial for all key stakeholders: for the state of Texas and Oncor's customers, for the creditors of the EFH bankruptcy estate, and for NextEra Energy's shareholders as well.

With that, will be happy to answer any questions.