FPL GROUP INC
Form 424B2
March 13, 2009

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**CALCULATION OF REGISTRATION FEE**

| Title of Each Class of Securities to be Registered | Maximum Aggregate Offering Price(1) | Amount of Registration Fee(2)(3) |
|---|---|---|
| FPL Group Capital Inc Series F Junior Subordinated Debentures due 2069 | $ 402,500,000 | |
| FPL Group, Inc. Subordinated Guarantee of FPL Group Capital Inc Junior Subordinated Debentures(4) | | (5) |
| Total | $ 402,500,000 | $15,819 |

(1)
Includes $52,500,000 principal amount of Series F Junior Subordinated Debentures which the underwriters have the option to purchase in order to cover over-allotments, if any.

(2)
Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.

(3)
This filing fee will be offset against the $440,356 aggregate registration fee previously paid. No additional registration fee has been paid with respect to this offering. In particular, this filing fee has been satisfied by applying $15,819 from the $313,256 remaining from the $354,760 that had already been paid with respect to $2,800,000,000 aggregate amount of securities that were previously registered pursuant to Registration Statement Nos. 333-116209, 333-116209-01, 333-116209-02, 333-116209-03, 333-116209-04 and 333-116209-05 ("Registration Statement No. 333-116209"), which registration statement was filed with the Securities and Exchange Commission on June 4, 2004, and were not issued or sold thereunder. In accordance with Rules 456(b) and 457(r), the registrants will have $297,437 remaining available for future registration fees, being $297,437 from the $313,256 remaining from the $354,760 that has already been paid with respect to $2,800,000,000 aggregate amount of securities that were previously registered pursuant to Registration Statement No. 333-116209, and were not issued or sold thereunder. This "Calculation of Registration Fee" table shall be deemed to update the "Calculation of Registration Fee" table in Registration Statement Nos. 333-137120, 333-137120-01, 333-137120-02, 333-137120-03, 333-137120-04, 333-137120-05, 333-137120-06, 333-137120-07 and 333-137120-08.

(4)
The value attributable to the FPL Group, Inc. subordinated guarantee, if any, is reflected in the offering price of the FPL Group Capital Inc Series F Junior Subordinated Debentures.

(5)
Pursuant to Rule 457(n) under the Securities Act, no separate fee for the FPL Group, Inc. subordinated guarantee is payable.

**Filed pursuant to Rule 424(b)(2)**
**Registration Statement Nos. 333-137120, 333-137120-01,**
**333-137120-02, 333-137120-03,**
**333-137120-04, 333-137120-05,**
**333-137120-06, 333-137120-07,**
**and 333-137120-08**

**PROSPECTUS SUPPLEMENT**
**(To prospectus dated May 3, 2007)**

# $350,000,000
# Series F Junior Subordinated Debentures due 2069

## The Series F Junior Subordinated Debentures will be Fully and Unconditionally Guaranteed by FPL GROUP, INC.

The Series F Junior Subordinated Debentures will bear interest at 8.75% per year. FPL Group Capital will pay interest on the securities on March 1, June 1, September 1 and December 1 of each year, beginning June 1, 2009. The securities will be issued in registered form and in denominations of $25 and integral multiples thereof. The securities will mature on March 1, 2069.

FPL Group Capital may defer interest payments on the securities on one or more occasions for up to 10 consecutive years per deferral period as described in this prospectus supplement. Deferred interest payments will accrue additional interest at a rate equal to the interest rate on the securities, to the extent permitted by applicable law.

FPL Group Capital may redeem the securities at its option at the times and the prices described in this prospectus supplement.

FPL Group Capital intends to apply to list the securities on the New York Stock Exchange. Trading on the New York Stock Exchange is expected to commence within 30 days after the securities are first issued.

**See "Risk Factors" beginning on page S-8 to read about certain factors you should consider before making an investment in the securities.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

| | Per Junior Subordinated Debenture | Total |
|---|---|---|
| Price to Public(1) | $ 25.00 | $ 350,000,000 |
| Underwriting Discount(2) | $ 0.7875 | $ 11,025,000 |
| Proceeds to FPL Group Capital (before expenses)(2) | $ 24.2125 | $ 338,975,000 |

(1) Plus accrued interest, if any, from the date the securities are originally issued, if settlement occurs after that date.

(2) Underwriting commissions of $0.7875 per security (or up to $11,025,000 for all securities) will be deducted from the proceeds paid to FPL Group Capital by the underwriters. However, the commission will be $0.50 per security for sales to institutions and, to the extent of such sales, the total underwriting discount will be less than the amount set forth herein. As a result of sales to institutions, the total proceeds to FPL Group Capital increased by $148,063. Other expenses of the offering will be paid by FPL Group Capital except as discussed under "Underwriting" in this prospectus supplement.

The underwriters will have the option to purchase up to an additional $52,500,000 in principal amount of the securities in order to cover over-allotments, if any. If the option is exercised, any option securities are expected to be delivered on or about the same date set forth below. Should the underwriters exercise this option in full, and assuming no sales of securities to institutions upon exercise of the option, the total public offering price, underwriting discount and proceeds, before expenses, to FPL Group Capital will be $402,500,000, $12,530,687 and $389,969,313, respectively (which amounts reflect the additional $148,063 to be received by FPL Group Capital as a result of sales to institutions as described in footnote (2) to the table above).

The securities are expected to be delivered in book-entry only form through The Depository Trust Company for the accounts of its participants on or about March 19, 2009.

Morgan Stanley & Co. Incorporated and Wachovia Capital Markets, LLC acted as structuring advisors for this transaction.

*Joint Book-Running Managers*

**Banc of America Securities LLC** **Citi** **Morgan Stanley**
**UBS Investment Bank** **Wachovia Securities**

*Junior Co-Managers*

**Raymond James** **RBC Capital Markets**

The date of this prospectus supplement is March 12, 2009.

**You should rely only on the information incorporated by reference or provided in this prospectus supplement and in the accompanying prospectus and in any written communication from FPL Group Capital, FPL Group or the underwriters specifying the final terms of the offering. None of FPL Group Capital, FPL Group or the underwriters has authorized anyone else to provide you with additional or different information. None of FPL Group Capital, FPL Group or the underwriters is making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus supplement or in the accompanying prospectus is accurate as of any date other than the date on the front of those documents or that the information incorporated by reference is accurate as of any date other than the date of the document incorporated by reference.**

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## PROSPECTUS SUPPLEMENT SUMMARY

*You should read the following summary in conjunction with the more detailed information incorporated by reference or provided in this prospectus supplement or in the accompanying prospectus. This prospectus supplement and the accompanying prospectus contain forward-looking statements (as that term is defined in the Private Securities Litigation Reform Act of 1995). Forward-looking statements should be read with the cautionary statements in the accompanying prospectus under the heading Forward-Looking Statements and the important factors discussed in this prospectus supplement and in the incorporated documents. To the extent the following information is inconsistent with the information in the accompanying prospectus, you should rely on the following information. You should pay special attention to the Risk Factors section beginning on page S-8 of this prospectus supplement to determine whether an investment in these securities is appropriate for you.*

## FPL GROUP CAPITAL AND FPL GROUP

The information in this section replaces the information in the FPL Group Capital and FPL Group sections on page 5 of the accompanying prospectus.

**FPL Group Capital**

FPL Group Capital holds the capital stock of, or has equity interests in, FPL Group s operating subsidiaries, other than Florida Power & Light Company, and provides funding for those subsidiaries, including NextEra Energy Resources, LLC ( NextEra Energy Resources ). FPL Group Capital was incorporated in 1985 as a Florida corporation and is a wholly-owned subsidiary of FPL Group.

**FPL Group**

FPL Group has two principal subsidiaries, Florida Power & Light Company and, indirectly through FPL Group Capital, NextEra Energy Resources. Florida Power & Light Company is a rate-regulated utility engaged primarily in the generation, transmission, distribution and sale of electric energy. NextEra Energy Resources is FPL Group s competitive energy subsidiary which produces the majority of its electricity from clean and renewable fuels. FPL Group is a holding company incorporated in 1984 as a Florida corporation.

Both FPL Group Capital s and FPL Group s principal executive offices are located at 700 Universe Boulevard, Juno Beach, Florida 33408, telephone number (561) 694-4000, and their mailing address is P.O. Box 14000, Juno Beach, Florida 33408-0420.

**Overview**

***FPL Group***

- Diversified energy company with approximately 39,000 megawatts of net generating capacity of that, approximately 28,600 megawatts are clean or renewable (natural gas, wind, nuclear, solar and hydro)
- Investment-grade corporate credit rating A2 (Moody s Investors Service, Inc.), A (Standard & Poor s Ratings Services, a division of The McGraw-Hill Companies, Inc.) and A (Fitch Ratings), with a stable outlook from each*
- Expected credit ratings on FPL Group Capital s Series F Junior Subordinated Debentures due 2069 are A3 (Moody s Investors Service, Inc.), BBB+ (Standard & Poor s Ratings Services, a division of The McGraw-Hill Companies, Inc.) and A- (Fitch Ratings)*

***Florida Power & Light Company***

- Supplies electric service to a population of more than 8.7 million in Florida and served approximately 4.5 million customer accounts during 2008
- Diverse fuel mix in 2008, 75% of kilowatt-hours were produced using natural gas and nuclear fuel
- Expects to install over 110 megawatts of clean, renewable solar energy capacity by the end of 2010

***NextEra Energy Resources, LLC***

- Produces the majority of its electricity from clean or renewable fuels

Ø In 2008, fuel source as a percentage of generation capacity included 39% natural gas, 38% wind, 15% nuclear and 2% hydro

Ø Largest owner/operator of wind generation in the U.S. with 6,375 megawatts of wind net generating capacity

Ø Largest operator of solar generation in the U.S. with a net ownership position of 148 megawatts

- Plans to add a total of 7,000 megawatts to 9,000 megawatts of new wind generation over the 2008 to 2012 period, of which approximately 1,300 megawatts were added in 2008

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* Credit ratings are not a recommendation to buy, sell or hold these securities. Each rating may be subject to revision or withdrawal at any time by the assigning rating organization, and should be evaluated independently of any other rating.

**SUMMARY Q&A**

**What securities are being offered pursuant to this prospectus supplement?**

FPL Group Capital is offering $350,000,000 aggregate principal amount ($402,500,000 if the underwriters exercise their over-allotment option in full) of its Series F Junior Subordinated Debentures due 2069, which will be referred to as the Junior Subordinated Debentures in this prospectus supplement. FPL Group Capital s corporate parent, FPL Group, has agreed to fully and unconditionally guarantee the payment of principal, interest and premium, if any, on the Junior Subordinated Debentures. The Junior Subordinated Debentures will be issued in denominations of $25 and integral multiples thereof.

**What interest will be paid by FPL Group Capital?**

The Junior Subordinated Debentures will bear interest at 8.75% per year. Subject to FPL Group Capital s right to defer interest payments as described below, interest is payable quarterly in arrears on March 1, June 1, September 1 and December 1 of each year, beginning June 1, 2009.

For a more complete description of interest payable on the Junior Subordinated Debentures, see Specific Terms of the Junior Subordinated Debentures Interest and Maturity.

**What are the record dates for the payment of interest?**

So long as all of the Junior Subordinated Debentures remain in book-entry only form, the record date for each interest payment date will be the close of business on the business day (as defined below under Specific Terms of the Junior Subordinated Debentures Interest and Maturity ) immediately preceding the applicable interest payment date. If any of the Junior Subordinated Debentures do not remain in book-entry only form, the record date for each interest payment date will be the close of business on the fifteenth calendar day immediately preceding the applicable interest payment date.

**When can payment of interest be deferred?**

So long as there is no event of default under the subordinated indenture pursuant to which the Junior Subordinated Debentures will be issued, FPL Group Capital may defer interest payments on the Junior Subordinated Debentures, from time to time, for one or more periods (each, an Optional Deferral Period ) of up to 10 consecutive years per Optional Deferral Period. In other words, FPL Group Capital may declare at its discretion up to a 10-year interest payment moratorium on the Junior Subordinated Debentures, and may choose to do that on more than one occasion. FPL Group Capital may not defer payments beyond the maturity date of the Junior Subordinated Debentures (which is March 1, 2069). Any deferred interest on the Junior Subordinated Debentures will accrue additional interest at a rate equal to the interest rate on the Junior Subordinated Debentures, to the extent permitted by applicable law. Once all accrued and unpaid interest on the Junior Subordinated Debentures has been paid, FPL Group Capital can begin a new Optional Deferral Period. However, FPL Group Capital has no current intention of deferring interest payments on the Junior Subordinated Debentures.

For a more complete description of FPL Group Capital s ability to defer the payment of interest, see Specific Terms of the Junior Subordinated Debentures Option to Defer Interest Payments and Specific Terms of the Junior Subordinated Debentures Modification of the Subordinated Indenture in this prospectus supplement and Description of the FPL Group and FPL Group Capital Junior Subordinated Debentures and the FPL Group Subordinated Guarantee Option to Defer Interest Payments in the accompanying prospectus.

**What restrictions are imposed on FPL Group Capital and FPL Group during an Optional Deferral Period?**

During any period in which FPL Group Capital defers interest payments on the Junior Subordinated Debentures, neither FPL Group nor FPL Group Capital will, and each will cause their majority-owned subsidiaries not to, do any of the following (with limited exceptions):

- declare or pay any dividend or distribution on FPL Group s or FPL Group Capital s capital stock;

• redeem, purchase, acquire or make a liquidation payment with respect to any of FPL Group s or FPL Group Capital s capital stock;

• pay any principal, interest or premium on, or repay, repurchase or redeem any of FPL Group s or FPL Group Capital s debt securities that are equal or junior in right of payment with the Junior Subordinated Debentures or FPL Group s guarantee (the Subordinated Guarantee ) of FPL Group Capital s payment obligations under the Junior Subordinated Debentures (as the case may be); or

• make any payments with respect to any FPL Group or FPL Group Capital guarantee of debt securities if such guarantee is equal or junior in right of payment to the Junior Subordinated Debentures or the Subordinated Guarantee (as the case may be).

See Specific Terms of the Junior Subordinated Debentures Option to Defer Interest Payments and Specific Terms of the Junior Subordinated Debentures Modification of the Subordinated Indenture (which describes the right of FPL Group and FPL Group Capital to modify the restrictions described above) in this prospectus supplement and Description of the FPL Group and FPL Group Capital Junior Subordinated Debentures and the FPL Group Subordinated Guarantee Option to Defer Interest Payments (which includes a description of the limited exceptions to the restrictions described above) in the accompanying prospectus.

Even though you will not receive any interest payments on your Junior Subordinated Debentures during an Optional Deferral Period, you likely will be required to include amounts in income for United States federal income tax purposes during such period, regardless of your method of accounting for United States federal income tax purposes. You should consult with your own tax advisor regarding the tax consequences of an investment in the Junior Subordinated Debentures. See Material United States Federal Income Tax Consequences U.S. Holders in this prospectus supplement.

If FPL Group Capital defers interest for a period of 10 consecutive years from the commencement of an Optional Deferral Period, FPL Group Capital will be required to pay all accrued and unpaid interest at the conclusion of the 10-year period, and to the extent it does not do so, FPL Group will be required to make guarantee payments in accordance with the Subordinated Guarantee with respect thereto. If FPL Group Capital fails to pay in full all accrued and unpaid interest at the conclusion of the 10-year period, such failure continues for 30 days and FPL Group fails to make guarantee payments with respect thereto, an event of default that gives rise to acceleration of principal and interest on the Junior Subordinated Debentures will occur under the subordinated indenture pursuant to which the Junior Subordinated Debentures will be issued. See Description of the FPL Group and FPL Group Capital Junior Subordinated Debentures and the FPL Group Subordinated Guarantee Events of Default and Description of the FPL Group and FPL Group Capital Junior Subordinated Debentures and the FPL Group Subordinated Guarantee Remedies in the accompanying prospectus.

**When can FPL Group Capital redeem the Junior Subordinated Debentures?**

FPL Group Capital may redeem the Junior Subordinated Debentures at its option before their maturity:

- in whole or in part on one or more occasions before March 1, 2014 at 100% of their principal amount plus accrued and unpaid interest plus any applicable make-whole premium,

- in whole or in part on one or more occasions on or after March 1, 2014 at 100% of their principal amount plus accrued and unpaid interest,

- in whole, but not in part, before March 1, 2014 at 100% of their principal amount plus accrued and unpaid interest, if certain changes in tax laws, regulations or interpretations occur, or

- in whole or in part on one or more occasions before March 1, 2014 at 100% of their principal amount plus accrued and unpaid interest plus any applicable rating agency event make-whole premium, if a rating agency makes certain changes in the equity credit criteria for securities such as the Junior Subordinated Debentures.

The circumstances under which the Junior Subordinated Debentures may be redeemed, and the redemption prices, are more fully described below under the captions Specific Terms of the Junior Subordinated Debentures Redemption, Specific Terms of the Junior Subordinated Debentures Right to Redeem Upon a Tax Event and Specific Terms of the Junior Subordinated Debentures Right to Redeem Upon a Rating Agency Event in this prospectus supplement.

**What is the Replacement Capital Covenant?**

Around the time of the initial issuance of the Junior Subordinated Debentures, FPL Group Capital and FPL Group will enter into a Replacement Capital Covenant, as described below under Certain Terms of the Replacement Capital Covenant, in which FPL Group Capital and FPL Group will covenant for the benefit of holders of a designated series of FPL Group Capital s unsecured long-term indebtedness, other than the Junior Subordinated Debentures, or in certain limited cases a designated series of unsecured long-term indebtedness of FPL Group, that

- FPL Group Capital will not redeem or purchase, or satisfy, discharge or defease (collectively, defease ) the Junior Subordinated Debentures,
- FPL Group will not purchase the Junior Subordinated Debentures, and
- FPL Group and FPL Group Capital will cause their majority-owned subsidiaries not to purchase the Junior Subordinated Debentures

in each case on or before March 1, 2039, unless, subject to certain limitations, a specified amount shall have been raised from the issuance, during the 180 days prior to the date of that redemption, purchase or defeasance, of qualifying securities that have equity-like characteristics that are the same as, or more equity-like than, the applicable characteristics of the Junior Subordinated Debentures at the time of redemption, purchase or defeasance. See Certain Terms of the Replacement Capital Covenant below.

The Replacement Capital Covenant is not intended for the benefit of holders of the Junior Subordinated Debentures and may not be enforced by them, and the Replacement Capital Covenant is not a term of the subordinated indenture pursuant to which the Junior Subordinated Debentures will be issued, the Subordinated Guarantee or the Junior Subordinated Debentures.

**What is the ranking of the Junior Subordinated Debentures and the Subordinated Guarantee?**

FPL Group Capital s payment obligation under the Junior Subordinated Debentures will be unsecured and will rank junior and be subordinated in right of payment and upon liquidation to all of FPL Group Capital s Senior Indebtedness, and FPL Group s payment obligation under the Subordinated Guarantee will be unsecured and will rank junior and be subordinated in right of payment and upon liquidation to all of FPL Group s Senior Indebtedness. Senior Indebtedness of FPL Group Capital and FPL Group are defined below under Specific Terms of the Junior Subordinated Debentures Ranking of the Junior Subordinated Debentures and the Subordinated Guarantee. However, the Junior Subordinated Debentures and the Subordinated Guarantee will rank equally in right of payment with any Pari Passu Securities, as defined below under Specific Terms of the Junior Subordinated Debentures Ranking of the Junior Subordinated Debentures and the Subordinated Guarantee.

FPL Group Capital is a holding company that derives substantially all of its income from its operating subsidiaries. FPL Group Capital s subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts on the Junior Subordinated Debentures or to make any funds available for such payment. Therefore, the Junior Subordinated Debentures will be effectively subordinated to all indebtedness and other liabilities, including trade payables, debt and preferred stock incurred or issued by FPL Group Capital s subsidiaries. In addition to trade liabilities, many of FPL Group Capital s operating subsidiaries incur debt in order to finance their business activities. All of this indebtedness will be effectively senior to the Junior Subordinated Debentures. The subordinated indenture pursuant to which the Junior Subordinated Debentures will be issued does not place any limit on the amount of Senior Indebtedness that FPL Group Capital may issue, guarantee or otherwise incur or the amount of liabilities, including debt or preferred stock, that FPL Group Capital s subsidiaries may issue, guarantee or otherwise incur. FPL Group Capital expects from time to time to incur additional indebtedness and other liabilities that will be senior to the Junior Subordinated Debentures. At March 10, 2009, FPL Group Capital s Senior Indebtedness, on an unconsolidated basis, totaled approximately $4.9 billion.

FPL Group is a holding company that derives substantially all of its income from its operating subsidiaries. FPL Group s subsidiaries are separate and distinct legal entities and, other than FPL Group Capital, have no obligation to pay any amounts on the Junior Subordinated Debentures or to make any funds available for such payment. Therefore, the Subordinated Guarantee will be effectively subordinated to all indebtedness and other liabilities, including trade payables, debt and preferred stock incurred or issued by FPL Group s subsidiaries. In addition to trade liabilities, many of FPL Group s operating subsidiaries incur debt in order to finance their business activities. All of this indebtedness will be effectively senior to the Subordinated Guarantee. The subordinated indenture pursuant to which the Junior Subordinated Debentures will be issued does not place any limit on the amount of Senior Indebtedness that FPL Group may issue, guarantee or otherwise incur or the amount of liabilities, including debt or preferred stock, that FPL Group s subsidiaries may issue, guarantee or otherwise incur. FPL Group expects from time to time to incur additional indebtedness and other liabilities that will be senior to the Subordinated Guarantee. At March 10, 2009, FPL Group s Senior Indebtedness, on an unconsolidated basis, totaled approximately $4.9 billion, which amount consisted solely of FPL Group s guarantees of FPL Group Capital indebtedness referred to in the paragraph above.

**Will the Junior Subordinated Debentures be listed on a stock exchange?**

FPL Group Capital intends to apply to list the Junior Subordinated Debentures on the New York Stock Exchange. If approved for listing, trading of the Junior Subordinated Debentures is expected to begin within 30 days after they are first issued.

**In what form will the Junior Subordinated Debentures be issued?**

The Junior Subordinated Debentures will be represented by one or more global certificates and registered in the name of The Depository Trust Company ( DTC ) or its nominee, and deposited with the subordinated indenture trustee on behalf of DTC. This means that you will not receive a certificate for your Junior Subordinated Debentures and that your broker will maintain your position in the Junior Subordinated Debentures. FPL Group Capital expects that the Junior Subordinated Debentures will be ready for delivery through DTC on or about the date indicated on the cover of this prospectus supplement.

**What are the expected credit ratings on the Junior Subordinated Debentures?**

FPL Group Capital expects that the Junior Subordinated Debentures will be rated A3 (Stable Outlook), BBB+ (Stable Outlook) and A- (Stable Outlook) by Moody s Investors Service, Inc., Standard & Poor s Ratings Services, a division of The McGraw-Hill Companies, Inc., and Fitch Ratings, respectively. Credit ratings are not a recommendation to buy, sell or hold these securities. Each rating may be subject to revision or withdrawal at any time by the assigning rating organization, and should be evaluated independently of any other rating.

**What are the principal United States federal income tax consequences related to the Junior Subordinated Debentures?**

In connection with the issuance of the Junior Subordinated Debentures, FPL Group Capital and FPL Group will receive an opinion from Morgan, Lewis & Bockius LLP that, for United States federal income tax purposes, the Junior Subordinated Debentures will be classified as indebtedness (although the matter is not free from doubt). This opinion is subject to certain customary conditions. See Material United States Federal Income Tax Consequences Classification of Junior Subordinated Debentures.

Each holder of Junior Subordinated Debentures will, by accepting the Junior Subordinated Debentures or a beneficial interest therein, be deemed to have agreed that the holder intends that the Junior Subordinated Debentures constitute indebtedness and will treat the Junior Subordinated Debentures as indebtedness for all United States federal, state and local tax purposes. FPL Group Capital intends to treat the Junior Subordinated Debentures in the same manner.

If FPL Group Capital elects to defer interest on the Junior Subordinated Debentures for one or more Optional Deferral Periods, the holders of the Junior Subordinated Debentures likely will be required to include amounts in income for United States federal income tax purposes during such period, regardless of such holder s method of accounting for United States federal income tax purposes and notwithstanding that no interest payments will be made on the Junior Subordinated Debentures during such periods.

**May additional Junior Subordinated Debentures of the same series be issued?**

All Junior Subordinated Debentures need not be issued at the same time, and the series may be re-opened for issuances of additional Junior Subordinated Debentures of that series. This means that FPL Group Capital may from time to time, without notice to, or the consent of, the existing holders of the Junior Subordinated Debentures, create and issue additional Junior Subordinated Debentures. Such additional Junior Subordinated Debentures will have the same terms as the Junior Subordinated Debentures in all respects (except for the payment of interest accruing prior to the issue date of the additional Junior Subordinated Debentures or except for the first payments of interest following the issue date of the additional Junior Subordinated Debentures) so that the additional Junior Subordinated Debentures may be consolidated and form a single series with the Junior Subordinated Debentures.

In addition, FPL Group Capital has granted the underwriters an option to purchase up to an additional $52,500,000 in principal amount of the Junior Subordinated Debentures in order to cover over-allotments, if any.

## RISK FACTORS

The information in this section replaces the information in the Risk Factors section beginning on page 2 of the accompanying prospectus.

*Before purchasing the securities, investors should carefully consider the following risk factors together with the risk factors and other information incorporated by reference or provided in the accompanying prospectus or in this prospectus supplement in order to evaluate an investment in the securities.*

### Risks Relating to FPL Group s and FPL Group Capital s Business

**FPL Group and FPL Group Capital are subject to complex laws and regulations and to changes in laws and regulations as well as changing governmental policies and regulatory actions. Florida Power & Light Company holds franchise agreements with local municipalities and counties, and must renegotiate expiring agreements. These factors may have a negative impact on the business and results of operations of FPL Group and FPL Group Capital.**

FPL Group and FPL Group Capital are subject to complex laws and regulations, and to changes in laws or regulations, with respect to, among other things, allowed rates of return, industry and rate structure, operation of nuclear power facilities, construction and operation of generation facilities, construction and operation of transmission and distribution facilities, acquisition, disposal, depreciation and amortization of assets and facilities, recovery of fuel and purchased power costs, decommissioning costs, return on common equity and equity ratio limits, transmission reliability and present or prospective wholesale and retail competition. This substantial and complex framework exposes FPL Group and FPL Group Capital to increased compliance costs and potentially significant monetary penalties for non-compliance. The Florida Public Service Commission has the authority to disallow recovery by Florida Power & Light Company of any and all costs that it considers excessive or imprudently incurred. The regulatory process generally restricts Florida Power & Light Company s ability to grow earnings and does not provide any assurance as to achievement of earnings levels.

FPL Group and FPL Group Capital also are subject to extensive federal, state and local environmental statutes, rules and regulations, as well as the effect of changes in or additions to applicable statutes, rules and regulations that relate to, or in the future may relate to, for example, air quality, water quality, climate change, greenhouse gas emissions, carbon dioxide emissions, waste management, marine and wildlife mortality, natural resources, health, safety and renewable portfolio standards that could, among other things, restrict or limit the output of certain facilities or the use of certain fuels required for the production of electricity and/or require additional pollution control equipment and otherwise increase costs. There are significant capital, operating and other costs associated with compliance with these environmental statutes, rules and regulations, and those costs could be even more significant in the future.

FPL Group and FPL Group Capital operate in a changing market environment influenced by various legislative and regulatory initiatives regarding regulation, deregulation or restructuring of the energy industry, including, for example, deregulation or restructuring of the production and sale of electricity, as well as increased focus on renewable and clean energy sources and reduction of carbon emissions. FPL Group and its subsidiaries will need to adapt to these changes and may face increasing costs and competitive pressure in doing so.

FPL Group s results of operations could be affected by Florida Power & Light Company s ability to negotiate or renegotiate franchise agreements with municipalities and counties in Florida.

**The operation and maintenance of power generation, transmission and distribution facilities involve significant risks that could adversely affect the results of operations and financial condition of FPL Group and FPL Group Capital.**

The operation and maintenance of power generation, transmission and distribution facilities involve many risks, including, for example, start up risks, breakdown or failure of equipment, transmission and distribution lines or pipelines, the inability to properly manage or mitigate known equipment defects throughout FPL Group s and

FPL Group Capital s generation fleets and transmission and distribution systems, use of new or unproven technology, the dependence on a specific fuel source, failures in the supply or transportation of fuel, the impact of unusual or adverse weather conditions (including natural disasters such as hurricanes, floods and droughts), and performance below expected or contracted levels of output or efficiency. This could result in lost revenues and/or increased expenses, including, for example, lost revenues due to prolonged outages and increased expenses due to monetary penalties or fines, replacement equipment costs or an obligation to purchase or generate replacement power at potentially higher prices to meet contractual obligations. Insurance, warranties or performance guarantees may not cover any or all of the lost revenues or increased expenses. Breakdown or failure of an operating facility of NextEra Energy Resources, LLC may, for example, prevent the facility from performing under applicable power sales agreements which, in certain situations, could result in termination of the agreement or subject NextEra Energy Resources to incurring a liability for liquidated damages.

**The operation and maintenance of nuclear facilities involves inherent risks, including environmental, health, regulatory, terrorism and financial risks, that could result in fines or the closure of nuclear units owned by Florida Power & Light Company or NextEra Energy Resources, and which may present potential exposures in excess of insurance coverage.**

Florida Power & Light Company and NextEra Energy Resources own, or hold undivided interests in, nuclear generation facilities in four states. These nuclear facilities are subject to environmental, health and financial risks such as on-site storage of spent nuclear fuel, the ability to dispose of spent nuclear fuel, the ability to maintain adequate reserves for decommissioning, potential liabilities arising out of the operation of these facilities, and the threat of a possible terrorist attack. Although Florida Power & Light Company and NextEra Energy Resources maintain decommissioning trusts and external insurance coverage to minimize the financial exposure to these risks, it is possible that the cost of decommissioning the facilities could exceed the amount available in the decommissioning trusts, and that liability and property damages could exceed the amount of insurance coverage.

The Nuclear Regulatory Commission has broad authority to impose licensing and safety-related requirements for the construction and operation and maintenance of nuclear generation facilities. In the event of non-compliance, the Nuclear Regulatory Commission has the authority to impose fines or shut down a unit, or both, depending upon its assessment of the severity of the situation, until compliance is achieved. Nuclear Regulatory Commission orders or new regulations related to increased security measures and any future safety requirements promulgated by the Nuclear Regulatory Commission could require Florida Power & Light Company and NextEra Energy Resources to incur substantial operating and capital expenditures at their nuclear plants. In addition, if a serious nuclear incident were to occur at a Florida Power & Light Company or NextEra Energy Resources plant, it could result in substantial costs. A major incident at a nuclear facility anywhere in the world could cause the Nuclear Regulatory Commission to limit or prohibit the operation or licensing of any domestic nuclear unit.

In addition, potential terrorist threats and increased public scrutiny of utilities could result in increased nuclear licensing or compliance costs which are difficult or impossible to predict.

**The construction of, and capital improvements to, power generation and transmission facilities involve substantial risks. Should construction or capital improvement efforts be unsuccessful or delayed, the results of operations and financial condition of FPL Group and FPL Group Capital could be adversely affected.**

The ability of FPL Group and FPL Group Capital to complete construction of, and capital improvement projects for, their power generation and transmission facilities on schedule and within budget are contingent upon many variables that could delay completion, increase costs or otherwise adversely affect operational and financial results, including, for example, limitations related to transmission interconnection issues, escalating costs for materials and labor and environmental compliance, delays with respect to permits and other approvals, and disputes involving third parties, and are subject to substantial risks. Should any such efforts be unsuccessful or delayed, FPL Group and FPL Group Capital could be subject to additional costs, termination payments under committed contracts, loss of tax credits and/or the write-off of their investment in the project or improvement.



**The use of derivative contracts by FPL Group and FPL Group Capital in the normal course of business could result in financial losses or the payment of margin cash collateral that adversely impact the results of operations or cash flows of FPL Group and FPL Group Capital.**

FPL Group and FPL Group Capital use derivative instruments, such as swaps, options, futures and forwards, some of which are traded in the over-the-counter markets or on exchanges, to manage their commodity and financial market risks, and for FPL Group and FPL Group Capital to engage in trading and marketing activities. FPL Group and FPL Group Capital could recognize financial losses as a result of volatility in the market values of these derivative instruments, or if a counterparty fails to perform or make payments under these derivative instruments and could suffer a reduction in operating cash flows as a result of the requirement to post margin cash collateral. In the absence of actively quoted market prices and pricing information from external sources, the valuation of these derivative instruments involves management s judgment or use of estimates. As a result, changes in the underlying assumptions or use of alternative valuation methods could affect the reported fair value of these derivative ins