



**VIA Email**

July 31, 2011

U.S. Securities and Exchange Commission  
Office of the Chief Accountant  
100 F Street, NE  
Washington, DC 20549

**RE: Work Plan for the Consideration of Incorporating International Financial Reporting Standards into the Financial Reporting System for U.S. Issuers: Exploring a Possible Method of Incorporation**

NextEra Energy, Inc. ("we" or "the Company") is a national energy company, with over \$15 billion in revenues in 2010. Its rate-regulated subsidiary, Florida Power & Light Company, serves approximately 4.5 million customer accounts in Florida. Additionally, NextEra Energy Resources, LLC, NextEra Energy's competitive energy business, is a leader in producing electricity from clean and renewable fuels in 28 states and Canada.

We appreciate the opportunity to respond to the Securities and Exchange Commission's (SEC or Commission) Staff Paper, *Work Plan for the Consideration of Incorporating International Financial Reporting Standards into the Financial Reporting System for U.S. Issuers: Exploring a Possible Method of Incorporation* (Staff Paper). We commend the SEC for their ongoing efforts to analyze considerations relevant to the Commission's decision regarding whether to incorporate International Financial Reporting Standards (IFRS) into the U.S. financial reporting system. We believe that this effort will be critical to the success of the potential mandatory adoption of IFRS by U.S. public companies in the future.

We have provided our comments on the Staff Paper below, and we hope the SEC finds them useful as they decide on the incorporation of IFRS into the U.S financial reporting system.

**Proposed Approach of Incorporation**

We strongly support the "condorsement" approach described in the Staff Paper for the following reasons:

- U.S. GAAP would continue to exist and to be promulgated by the Financial Accounting Standards Board (FASB). We believe that this will ensure active participation by the FASB in the development of high quality accounting standards.
- This would allow for the FASB and SEC to provide guidance to U.S. issuers on the more principle-based accounting requirements of IFRS that would increase transparency and consistency in the application, interpretation and enforcement of the accounting standards.
- The endorsement process would allow for the retention of industry- and country-specific accounting where the FASB deems appropriate.

- This would also minimize concerns over complying with regulatory and contractual requirements that are based on U.S. GAAP.

### **Proposed Role of the SEC and FASB**

We support the retention of the jurisdictional governing bodies in the SEC and FASB. We believe that this will ensure that country-specific (i.e. political, economic and regulatory) as well as industry-specific matters are considered in the accounting standards.

We encourage the maintenance of a local mechanism that can provide timely interpretational guidance on new and emerging issues consistent with IFRS, but with the consideration of the specific country environment. We believe that this will increase consistency in the application, interpretation and enforcement of the accounting standards.

We are very concerned with the additional uncertainty that will come along with any transition and believe strongly that continued involvement and governance by the SEC and FASB is vital to reducing uncertainty and to ensure timely resolution of company specific questions or consultations. The reporting deadlines for public companies are not expected to change, and consultations on interpretational issues with the IASB might add weeks or months to the consultation process.

### **Proposed Transition Method**

We agree that the proposed staged plan would allow for a more flexible overall transition strategy. This will provide companies with time to ensure the correct implementation of the accounting standards with their current available resources. However, we believe that this strategy will only be successful if it is well planned. The consideration of interdependencies of accounting standards and avoidance of multiple adoptions in the same area will be crucial to the success of any transition plan. In our view it would be beneficial if the FASB and SEC compile a comprehensive plan and timetable that considers all standards to the extent possible.

We strongly support the consideration of prospective application where possible for the IFRS not subject to standard setting category (Category 3). We understand the need for comparable financial information, however we believe that prospective application has the following advantages:

- Companies would be able to significantly reduce the time (and cost) needed to implement the Standards.
- There would be less impact on companies' IT systems and work processes.
- A staged transition process, by its nature, will be challenging for investors and companies. Companies face the risks of adding to the confusion of investors and losing credibility when previously reported results constantly change.

We suggest that prospective application be employed for the majority of the accounting changes resulting from the movement to IFRS-consistent standards. Retrospective application should only be required when previously reported amounts would be dramatically different under the new standards. In a matter of time, any differences resulting from prospective application will fade away, reaching the ultimate goal of high quality global accounting standards.



U.S. Securities and Exchange Commission

July 31, 2011

Page 3

Even with the concessions, the transition would be an enormous and costly effort. Furthermore, companies have to continue their day-to-day operations, deal with competing regulatory requirements (i.e. Dodd Frank) and internal company initiatives and educate investors, regulators and others. Therefore we believe that it would take closer to the 7 year timeframe to complete. We want to encourage the FASB to continue their focus on the quality of the accounting standards and to take the time to work through differences in opinion on fundamental issues, rather than to rush through matters to try and meet deadlines.

As noted above, we support the proposed plan, however we understand that this staged transition would require significant investor education for a significant period of time to ensure their understanding of the constantly changing financial statements.

Thank you for the opportunity to comment on the Staff Paper. Your consideration of our comments is greatly appreciated. Again, we want to commend the SEC on its efforts to consider alternatives regarding the transition to a global set of accounting standards. We will be happy to respond to any questions or to participate in any discussions relating to the transition efforts.

Sincerely,



Chris N. Froggatt

*Vice President, Controller and Chief Accounting Officer*