

FPL GROUP INC
Form DEF 14A
April 04, 2008
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)**

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
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- Definitive Proxy Statement
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FPL Group, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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**Notice of 2008 Annual Meeting
and Proxy Statement**

**YOUR VOTE IS IMPORTANT
PLEASE SUBMIT YOUR PROXY PROMPTLY**

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FPL Group, Inc.
P.O. Box 14000
700 Universe Boulevard
Juno Beach, Florida 33408-0420

Notice of Annual Meeting of Shareholders

May 23, 2008

The Annual Meeting of Shareholders of FPL Group, Inc. (FPL Group) will be held in the Juno Beach Auditorium at FPL Group s offices at 700 Universe Boulevard, Juno Beach, Florida at 10:00 a.m. on Friday, May 23, 2008, to consider and act upon the following items of business:

1. Election of Directors.
2. Ratification of the appointment of Deloitte & Touche LLP as FPL Group s independent registered public accounting firm for the year 2008.
3. Approval of the FPL Group Executive Annual Incentive Plan as required by Internal Revenue Code section 162(m).
4. One shareholder proposal, if properly presented at the meeting.
5. Such other matters as may properly come before the annual meeting and any adjournment or postponement of the annual meeting. The proxy statement more fully describes these items. FPL Group has not received notice of other matters that may be properly presented at the annual meeting.

The record date for shareholders entitled to notice of, and to vote at, the annual meeting and any adjournment or postponement of the annual meeting is March 24, 2008.

Admittance to the annual meeting will be limited to shareholders. For the safety of attendees, all boxes, handbags and briefcases are subject to inspection. Cameras (including cell phones with photographic capabilities), recording devices and other electronic devices are not permitted at the meeting.

Please submit your proxy or voting instructions by telephone or on the Internet promptly by following the instructions on your proxy/voting instruction card so that your shares can be voted, regardless of whether you expect to attend the annual meeting.

Alternatively, you may mark, date, sign and return the enclosed proxy/voting instruction card. If you attend, you may withdraw your proxy and vote in person.

By order of the Board of Directors.

Alissa E. Ballot
Vice President & Corporate Secretary
Juno Beach, Florida

April 7, 2008

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE
SHAREHOLDER MEETING TO BE HELD ON MAY 23, 2008**

The proxy statement and annual report to security holders are available at

www.fplgroup.com/proxy.shtml

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FPL GROUP, INC.

Annual Meeting of Shareholders

May 23, 2008

PROXY STATEMENT

This proxy statement contains information related to the solicitation of proxies by the Board of Directors of FPL Group, Inc., a Florida corporation (FPL Group, the Company, we, us or our), in connection with the annual meeting of FPL Group s shareholders to be held on Friday, May 23, 2008, beginning at 10:00 a.m., in the Juno Beach Auditorium at FPL Group s offices at 700 Universe Boulevard, Juno Beach, Florida and at any postponements or adjournments of the annual meeting. This notice of annual meeting, proxy statement and form of proxy are being mailed and made available electronically starting on or about April 7, 2008.

ABOUT THE ANNUAL MEETING

What is the purpose of the annual meeting?

At the annual meeting, shareholders will act upon the matters outlined in the notice of annual meeting of shareholders, including the election of directors, ratification of the appointment of the Company s independent registered public accounting firm for 2008, approval of the FPL Group Executive Annual Incentive Plan as required under Internal Revenue Code section 162(m) and consideration of one shareholder proposal, if properly presented at the meeting. In addition, management will report on the performance of the Company and respond to questions from shareholders.

Who can attend the annual meeting?

Subject to space availability, all shareholders as of the record date, or their duly appointed proxies, may attend the annual meeting. Since seating is limited, admission to the meeting will be on a first-come, first-served basis. Registration and seating will begin at 9:30 a.m. If you attend, please note that you may be asked to present valid picture identification, such as a driver s license or passport. Invited representatives of the media and financial community may also attend the annual meeting.

You will need an admission ticket or proof of ownership of FPL Group common stock to enter the annual meeting. An admission ticket is attached to your proxy/voting instruction card if you hold shares directly in your name as a shareholder of record or if you are a participant in any of FPL Group s Employee Retirement Savings Plans. If you plan to attend the annual meeting, please submit your proxy but keep the admission ticket and bring it with you to the meeting. If you have received your proxy statement by electronic delivery, you can request an admission ticket by calling the Coordinator, Shareholder Services, at 561-694-4694.

If your shares are registered or held in the name of your broker or bank or other nominee, your shares are held in street name. Please note that if you hold your shares in street name, you will need to bring proof of your ownership of FPL Group common stock as of the record date, such as a copy of a bank or brokerage statement, and check in at the registration desk at the meeting.

Will the annual meeting be webcast?

Our annual meeting will be webcast (audio only) on May 23, 2008. If you do not attend the annual meeting, you are invited to visit www.fplgroup.com at 10 a.m., Eastern Time, on May 23, 2008 to access the webcast of the meeting. You will not be able to vote your shares via the webcast. A replay of the webcast also will be available on our website through the first week of June, 2008.

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Who is entitled to vote at the annual meeting?

Only FPL Group shareholders at the close of business on March 24, 2008, the record date for the annual meeting, are entitled to receive notice of and to participate in the annual meeting. If you were a shareholder on that date, you will be entitled to vote all of the shares that you held on that date at the annual meeting, or any postponements or adjournments of the annual meeting.

What are the voting rights of the holders of the Company's common stock?

Each outstanding share of FPL Group, Inc. common stock, par value \$.01 per share, will be entitled to one vote on each matter properly brought before the annual meeting.

What constitutes a quorum?

The presence at the annual meeting, in person or by proxy, of the holders of a majority of the shares of FPL Group common stock issued and outstanding on the record date will constitute a quorum, permitting the meeting to conduct its business.

As of the record date, 408,120,110 shares of FPL Group common stock, representing the same number of votes, were outstanding. Thus, the presence of the holders of common stock representing at least 204,060,056 shares will be required to establish a quorum.

In determining the presence of a quorum at the annual meeting, abstentions in person, proxies received but marked as abstentions as to any or all matters to be voted on, and proxies received with broker non-votes on some but not all matters to be voted on, are counted as present.

A broker non-vote occurs when a broker, bank or other holder of record holding shares for a beneficial owner (broker) does not vote on a particular proposal because the broker has not received instructions from the beneficial owner and does not have discretionary voting power for that particular proposal. Brokers may vote on the election of directors and ratification of the independent registered public accounting firm even if they have not received instructions from the beneficial owner. However, brokers may not vote on the proposal to approve the FPL Group Executive Annual Incentive Plan or the shareholder proposal unless they have received voting instructions from the beneficial owner. See the response to "What vote is required on the matters proposed?" below for a discussion of the effect of broker non-votes on these proposals.

What is the difference between holding shares as a shareholder of record and as a beneficial owner?

If your shares are registered directly in your name with FPL Group's transfer agent, Computershare Investor Services, LLC, you are considered, with respect to those shares, the shareholder of record. The notice of annual meeting, proxy statement, annual report and proxy card have been sent directly to you by or on behalf of FPL Group.

If your shares are held in a stock brokerage account or by a bank or other holder of record, you are considered the beneficial owner of shares held in street name. The notice of annual meeting, proxy statement, annual report and voting instruction card have been forwarded to you by or on behalf of your broker, who is considered, with respect to those shares, the shareholder of record. As the beneficial owner, you have the right to direct your broker how to vote your shares by using the voting instruction card they sent to you or by following their instructions for submitting your voting instructions by telephone or on the Internet.

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How do I submit my proxy or voting instructions?

On the Internet, by telephone or by mail

Most shareholders can submit their proxy by using one of the following three methods:

By Internet You can vote on the Internet by following the instructions on your proxy/voting instruction card.

By Telephone In the United States and Canada you can vote by telephone by following the instructions on your proxy/voting instruction card.

By Mail You can vote by mail by completing, signing and dating the enclosed proxy/voting instruction card and returning it in the envelope provided.

Please see your proxy/voting instruction card or the information your broker provided to you for more information on these options. FPL Group's proxy tabulator, Broadridge Investor Communications Solutions, Inc., must receive any proxy/voting instruction card that will not be delivered in person at the annual meeting by 11:59 p.m., Eastern Time, on Thursday, May 22, 2008.

If you are a shareholder of record and you return your signed proxy card but do not indicate your voting preferences, the persons named in the proxy card will vote the shares represented by that proxy as recommended by the Board of Directors.

In person at the annual meeting

All shareholders may vote in person at the annual meeting. However, if you are a beneficial owner of shares, you must obtain a legal proxy from your broker and present it to the inspectors of election with your ballot to be able to vote at the annual meeting.

Your vote is important. You can save us the expense of a second mailing by submitting your proxy or voting instructions promptly.

Can I change my vote after I return my proxy or voting instruction card or submit my proxy or voting instructions by telephone or using the Internet?

Yes.

If you are a shareholder of record, you can revoke your proxy before it is exercised by:

written notice to the Corporate Secretary of the Company;

timely delivery of a valid, later-dated proxy or a later-dated vote by telephone or on the Internet; or

voting by ballot at the annual meeting. Please note that attendance at the meeting will not by itself revoke a previously granted proxy. You may change your proxy by using any one of these methods regardless of the method previously used to submit your proxy.

If you are a beneficial owner of shares, you may submit new voting instructions by contacting your bank, broker or other holder of record. You may also vote in person at the annual meeting if you obtain a legal proxy as described in the answer to the previous question.

All shares for which proxies have been properly submitted and not revoked will be voted at the annual meeting.

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How do I vote my Employee Retirement Savings Plan (401k) shares?

If you participate in any of our Employee Retirement Savings Plans (the plans), you may give voting instructions to Fidelity Management Trust Company, as trustee of the plans (Trustee), by completing and returning the proxy/confidential voting instruction card accompanying this proxy statement or by submitting your voting instructions by telephone or through the Internet by following the instructions on your proxy/confidential voting instruction card. Your instructions will tell the Trustee how to vote the number of shares of common stock reflecting your proportionate interest in the FPL Group Stock Fund and the FPL Group Leveraged ESOP Fund. Your instructions will also determine the vote on a proportionate number of the Leveraged ESOP shares which are held in the plans but not yet allocated to participants. If you do not give the Trustee voting instructions, the number of shares reflecting your proportionate interest will not be voted, but your proportionate share of the unallocated Leveraged ESOP shares will be voted by the Trustee in the same manner as it votes unallocated shares for which instructions are received. The Trustee will vote your shares in accordance with your duly executed instructions received by 1 a.m., Eastern time, on May 21, 2008.

You may also revoke previously given voting instructions by 1 a.m., Eastern time, on May 21, 2008, by filing with the Trustee either a written notice of revocation or a properly completed and signed proxy/confidential voting instruction card bearing a later date. Your voting instructions will be kept confidential by the Trustee.

What is householding and how does it affect me?

Under a Securities and Exchange Commission rule concerning the delivery of annual disclosure documents, called householding, certain brokers, banks and other intermediaries have arranged that a single set of our notice of annual meeting, proxy statement, proxy/voting instruction card and annual report is being delivered to multiple shareholders sharing an address unless those brokers, banks or other intermediaries have received contrary instructions from one or more of the shareholders. Also, you may have requested FPL Group to deliver a single set of these materials to multiple shareholders sharing an address. The rule applies to FPL Group's annual reports, proxy statements and any information statements. Each shareholder will continue to receive a separate proxy/voting instruction card.

FPL Group will deliver promptly upon written or oral request a separate copy of this proxy statement or other annual disclosure documents to a shareholder at a shared address to which a single copy of the proxy statement and other disclosure documents was sent. If you would like to receive your own set of these documents, or would like to receive your own set of FPL Group's annual disclosure documents in future years, contact us in writing at FPL Group, Shareholder Services, P.O. Box 14000, 700 Universe Blvd., Juno Beach, Florida, 33408-0420 or by calling 1-800-222-4511. Two or more shareholders sharing an address can request delivery of a single copy of proxy statements or other annual disclosure documents if they are receiving multiple copies by contacting FPL Group in the same manner. If a broker or other nominee holds your FPL Group shares, please contact Broadridge Financial Solutions and inform them of your request by calling them at 1-800-542-1061. You will need the name of your brokerage firm and your account number.

What are the Board's recommendations?

Unless you give other instructions on your proxy card, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of the Board. The Board's recommendations are set forth together with the description of each item in this proxy statement. In summary, the Board recommends a vote:

FOR the election as Directors of the nominees named in this proxy statement. (See Proposal 1)

FOR the ratification of the appointment of Deloitte & Touche LLP as FPL Group's independent registered public accounting firm for the year 2008. (See Proposal 2)

FOR approval of the FPL Group Executive Annual Incentive Plan. (See Proposal 3)

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AGAINST the shareholder proposal seeking the preparation of a Global Warming Report. (See Proposal 4)

In accordance with the best judgment of the persons acting under the proxy concerning other matters that are properly brought before the annual meeting and at any adjournment or postponement thereof.

What vote is required on the matters proposed?

Election of Directors The affirmative vote of a majority of the total number of shares represented at the meeting and entitled to vote (a Majority Vote) is required. Since brokers are permitted under New York Stock Exchange (NYSE) rules to vote your shares on the election of directors even if the broker does not receive voting instructions from you, there can be no broker non-votes on this proposal. Abstentions and votes to withhold have the same effect as a vote against a nominee. See *Director Resignation Policy* in the section entitled *Corporate Governance and Board Matters* for information about FPL Group 's policy if a director fails to receive the required Majority Vote.

Ratification of Appointment of Independent Registered Public Accounting Firm A Majority Vote is required. Since brokers are permitted under NYSE rules to vote your shares on this proposal even if the broker does not receive voting instructions from you, there can be no broker non-votes. Abstentions have the same effect as a vote against ratification.

Approval of the Executive Annual Incentive Plan A Majority Vote is required. In addition, in order for compensation paid under the Executive Annual Incentive Plan to certain officers to be deductible for federal income tax purposes, Internal Revenue Service (IRS) regulations require that the proposal receive the approval of a majority of the votes cast, including abstentions. Abstentions will therefore have the same effect as a vote against the proposal. Brokers are not permitted under NYSE rules to vote your shares on this proposal if the broker does not receive voting instructions from you. Since broker non-votes will not be counted as participating in the voting and are not votes cast, they will have no legal effect on this proposal.

Shareholder Proposal A Majority Vote is required. Abstentions will have the same effect as a vote against the proposal. Brokers are not permitted under NYSE rules to vote your shares on this proposal if the broker does not receive voting instructions from you. Therefore, broker non-votes will not be counted as participating in the voting, and shall have no legal effect.

What interests do management and the directors have in the matters to be acted upon?

The executive officers of FPL Group have an interest in the proposal to approve the FPL Group Executive Annual Incentive Plan that is different from the interests of other shareholders. Under the Executive Annual Incentive Plan, the executive officers are eligible to earn cash incentive compensation each year upon the achievement of one or more pre-determined performance goals.

The Board of Directors has taken the above interest into account in recommending that shareholders approve Proposal 3: Approval of the FPL Group Executive Annual Incentive Plan.

Who pays for the solicitation of proxies?

FPL Group is soliciting proxies, and it will bear the expense of solicitation. Proxies will be solicited principally by mail, but directors, officers and regular employees of FPL Group or its subsidiaries may solicit proxies personally, or by telephone or other electronic media, but without compensation other than their regular compensation. FPL Group has retained Georgeson Shareholder Communications Inc. to assist in the solicitation of proxies, for which services it will be paid a fee of \$7,500 plus out-of-pocket expenses. FPL Group will reimburse custodians, nominees and other persons for their out-of-pocket expenses in sending proxy materials to beneficial owners.

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Could other matters be decided at the annual meeting?

At the date this proxy statement went to press, the Board of Directors did not know of any matters to be raised at the annual meeting other than those referred to in this proxy statement and does not intend to bring before the meeting any matter other than the proposals described in this proxy statement. If, however, other matters are properly brought before the annual meeting, or any adjourned meeting, your proxies include discretionary authority on the part of the individuals appointed to vote your shares or act on those matters according to their best judgment, including to adjourn or postpone the annual meeting.

Can I access the notice of annual meeting, proxy statement and annual report on the Internet?

The notice of annual meeting, proxy statement and annual report may be viewed online at www.fplgroup.com/proxy.shtml.

BUSINESS OF THE ANNUAL MEETING

Proposal 1: Election of Directors

The Board of Directors of FPL Group is currently comprised of twelve members. Each of the members of the Board is standing for election at the meeting.

Listed below are the twelve nominees for election as directors, their principal occupations and certain other information regarding them. Unless otherwise noted, each director has held his or her present position continuously for five years or more and his or her employment history is uninterrupted. Directors serve until the next annual meeting of shareholders or until their respective successors are elected and qualified. Unless you specify otherwise in your proxy, it will be voted FOR the election of the listed nominees.

Sherry S. Barrat

Mrs. Barrat, 58, is president of Personal Financial Services for The Northern Trust Company, a banking corporation headquartered in Chicago, Illinois. Mrs. Barrat is a member of Northern Trust's Management Committee. Prior to being appointed to her current office in January 2006, Mrs. Barrat served as chairman and chief executive officer of Northern Trust Bank of California, N.A., from 1999 through 2005, and as president of Northern Trust Bank of Florida's Palm Beach Region from 1992 through 1998. Mrs. Barrat joined Northern Trust in 1990 in Miami. Mrs. Barrat has been a director of FPL Group since 1998.

Robert M. Beall, II

Mr. Beall, 64, is chairman of Beall's, Inc., the parent company of Beall's Department Stores, Inc., and Beall's Outlet Stores, Inc., which operate retail stores located from Florida to California. Until August 2006, he was also chief executive officer of Beall's, Inc. Mr. Beall is a director of SunTrust Banks, Inc., Blue Cross/Blue Shield of Florida and the National Retail Federation. He is also past chairman of the Florida Chamber of Commerce and a member of the Florida Council of 100. Mr. Beall has been a director of FPL Group since 1989.

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Mr. Brown, 70, is chairman of the board and chief executive officer of Brown & Brown, Inc., an insurance broker based in Daytona Beach and Tampa, Florida. He is a director of SunTrust Banks, Inc., Rock-Tenn Company and International Speedway Corporation. Mr. Brown is a former member of the Florida House of Representatives and served as Speaker of the House from 1978 to 1980. He is a member and past chairman of the Board of Trustees of Stetson University. Mr. Brown has been a director of FPL Group since 1989.

J. Hyatt Brown

Mr. Camaren, 53, is a private investor. Until May 2006, he was chairman and chief executive officer of Utilities, Inc. Utilities, Inc. was one of the largest investor-owned water utilities in the United States until March 2002, when it was acquired by Nuon, a Dutch company, which subsequently sold Utilities, Inc. in April 2006. He joined the company in 1987 and served successively as vice president of business development, executive vice president, and vice chairman, becoming chairman and chief executive officer in 1996. Mr. Camaren has been a director of FPL Group since 2002.

James L. Camaren

Mr. Ferguson, 53, is chairman and chief executive officer of Eastman Chemical Company, a global chemical company engaged in the manufacture and sale of a broad portfolio of chemicals, plastics and fibers. Prior to becoming chairman and chief executive officer in January 2002, Mr. Ferguson served as president of Eastman's Chemicals Group, where he had direct responsibility for all chemicals-based business organizations, as well as the manufacturing, sales, pricing and product management, technology and geographical aspects of the business group. He joined Eastman in 1977 and led several businesses in the U.S. and Asia. Mr. Ferguson is a director of the American Chemistry Council and serves on the President's Export Council. Mr. Ferguson has been a director of FPL Group since 2005.

J. Brian Ferguson

Mr. Hay, 52, is the chairman and chief executive officer of FPL Group, having relinquished the title of president in December 2006. He became a director, president and chief executive officer of FPL Group in June 2001, and chairman of FPL Group and chairman and chief executive officer of Florida Power & Light Company in January 2002. He joined FPL Group in 1999 as vice president, finance and chief financial officer. From March 2000 until December 2001 he served as president of FPL Group's competitive energy subsidiary, FPL Energy, LLC. He is a director of Capital One Financial Corporation and Harris Corporation, as well as FPL Group's subsidiary, Florida Power & Light Company.

Lewis Hay, III

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Toni Jennings

Ms. Jennings, 58, has since 2007 been the chairman of the board of Jack Jennings & Sons, Inc., a family-owned construction business which provides general contractor, construction manager and design builder services. She served as the Lieutenant Governor of the State of Florida from March 2003 through December 2006. Prior to serving in that role, she was a member of the Florida Senate from 1980 until 2000, including two consecutive terms as Senate President, and a member of the Florida House of Representatives from 1976 until 1980. From 1983 until she became Lieutenant Governor she also served as president of Jack Jennings and Sons. Ms. Jennings is a director of Brown & Brown, Inc. and the Nemours Foundation and a trustee of Rollins College. She has been a director of FPL Group since February 2007.

Oliver D. Kingsley, Jr.

Mr. Kingsley, 65, is retired. Prior to his retirement, Mr. Kingsley served from May 2003 to November 2004 as president and chief operating officer of Exelon Corporation, an integrated utility company. Prior thereto he was senior executive vice president of Exelon Corporation from February 2002 and president and chief nuclear officer from October 2000. Mr. Kingsley also served as president and chief executive officer of Exelon's subsidiary, Exelon Generation, from February 2000 to November 2004. Mr. Kingsley is a director of McDermott International, Inc. and has been a director of FPL Group since March 2007.

Rudy E. Schupp

Mr. Schupp, 57, has been the president and chief executive officer, and a director, of 1st United Bank, a banking corporation located in Boca Raton, Florida, and chief executive officer and a director of its parent company, 1st United Bancorp, Inc., since mid-2003. He was the chairman, president and chief executive officer of Republic Security Bank in West Palm Beach, Florida from 1984 until March 2001, and the chairman, president and chief executive officer of its parent company, Republic Security Financial Corporation (RSFC) from 1985 until March 2001, when RSFC was acquired by Wachovia Corporation. Following the acquisition, he served as Chairman of Florida Banking of Wachovia Bank, N.A. until December 2001. In March 2002, Mr. Schupp became a managing director of Ryan Beck & Co., an investment banking and brokerage company, a position he held until March 2003. He is a director of the Federal Reserve Bank of Atlanta, a director (and the former chairman) of the Business Development Board of Palm Beach County and a former president of the Florida Bankers Association. Mr. Schupp has been a director of FPL Group since 2005.

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Michael H. Thaman

Mr. Thaman, 44, has been the chief executive officer of Owens Corning, a world leader in building materials systems and composite systems, since December 2007, and has been its chairman since April 2002. Prior to becoming chief executive officer, Mr. Thaman had served as senior vice president and chief financial officer of Owens Corning since April 2000. Mr. Thaman joined Owens Corning in August 1992 as director, corporate development, and has held other positions with it since that time. Mr. Thaman has been a director of FPL Group since 2003.

Hansel E. Tookes, II

Mr. Tookes, 60, retired from Raytheon Company, a company engaged in defense and government electronics, space, information technology, technical services and business and special mission aircraft, in December 2002. He joined Raytheon in 1999 as president and chief operating officer of Raytheon Aircraft Company, was appointed chairman and chief executive officer of Raytheon Aircraft Company in 2000, and became president of Raytheon International in 2001. From 1980 until joining Raytheon, Mr. Tookes held a variety of leadership positions with United Technologies Corporation, including serving as president of Pratt & Whitney's Large Military Engines Group. He is a director of Corning Incorporated, Harris Corporation, BBA Aviation and Ryder System, Inc. Mr. Tookes has been a director of FPL Group since 2005.

Paul R. Tregurtha

Mr. Tregurtha, 72, is chairman and chief executive officer of Moran Transportation Company, a tug and marine transportation services enterprise, and of Mormac Marine Group, Inc., a maritime company. He is also vice chairman of Interlake Steamship Company and Lakes Shipping Company. Mr. Tregurtha previously served as chairman, chief executive officer, president and chief operating officer of Moore McCormack Resources, Inc., a natural resources and water transportation company. He has been a director of FPL Group since 1989.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF ALL NOMINEES.

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Proposal 2: Ratification of Appointment of Deloitte & Touche LLP as Independent Registered Public Accounting Firm for the Year 2008

In accordance with the provisions of the Sarbanes-Oxley Act of 2002 (Sarbanes-Oxley), the Audit Committee of the Board appoints the Company s independent registered public accounting firm. It has appointed Deloitte & Touche LLP as the independent registered public accounting firm to audit the accounts of FPL Group and its subsidiaries, as well as to provide its opinion on the effectiveness of the Company s internal control over financial reporting, for the fiscal year ending December 31, 2008. Although ratification is not required by FPL Group s Bylaws or otherwise, the Board of Directors is submitting the selection of Deloitte & Touche LLP to shareholders as a matter of good corporate practice. If the shareholders do not ratify the appointment, it will be reconsidered by the Audit Committee. Additional information on audit-related matters may be found beginning on page 26 of this proxy statement.

Representatives of Deloitte & Touche LLP will be present at the annual meeting and will have an opportunity to make a statement and to respond to appropriate questions raised at the meeting.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR RATIFICATION OF THE APPOINTMENT OF DELOITTE & TOUCHE LLP AS THE COMPANY S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE YEAR 2008.

Proposal 3: Approval of the FPL Group Executive Annual Incentive Plan

The Board of Directors of FPL Group has adopted the FPL Group Executive Annual Incentive Plan (Executive Annual Incentive Plan or plan), subject to approval by the shareholders. If approved by the shareholders, the effective date of the Executive Annual Incentive Plan will be January 1, 2008. Below is a summary of the Board s reasons for adopting this plan and seeking shareholder approval. The following summary is qualified in its entirety by the full text of the plan document, which is attached to this proxy statement as Appendix A and is incorporated by reference into this proposal.

Why FPL Group is asking for shareholder approval

The Company is asking shareholders to approve the Executive Annual Incentive Plan to help it maximize the tax deductibility of annual incentive compensation paid to its executive officers. FPL Group ties a portion of its executive officers cash compensation to the achievement of performance goals using an annual incentive plan under which executive officers earn incentive compensation that varies based on performance relative to goals pre-set annually by the Compensation Committee, acting as the committee referenced below. Under the Internal Revenue Code of 1986, as amended (the Code) and Internal Revenue Service Notice 2007-49, the Company cannot deduct taxable compensation in excess of \$1,000,000 that it pays to an individual who, as of the last day of the relevant tax year, is either its principal executive officer or any of its other three highest paid officers (except that if the principal financial officer is one of those other three highest paid officers, then this limitation applies to the other three highest paid officers), unless such compensation meets the Code s definition of qualified performance-based compensation. Annual incentive compensation cannot be qualified performance-based compensation unless it is paid under a written plan that shareholders approve.

If the Company does not receive shareholder approval it will not implement the plan

If the Company does not receive the approval of its shareholders, the Executive Annual Incentive Plan will not be implemented. In this event, it is likely that the Board will consider substituting other forms of compensation to assure that FPL Group s compensation package for executive officers is competitive with those of other similar companies.

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Purpose of the Executive Annual Incentive Plan

The purpose of the Executive Annual Incentive Plan is to: (i) recognize outstanding performers who have contributed significantly to the Company's success and to the success of such performers' respective business units, (ii) align corporate goals and strategy to executive compensation strategy, and (iii) provide a compensation environment which will attract, retain and motivate key employees of the Company and its subsidiaries and affiliates.

Material Provisions of the Executive Annual Incentive Plan

Nature of the Executive Annual Incentive Plan. Under this plan, FPL Group may pay annual cash incentive compensation which may be deductible under the Code. The amount of such annual incentive compensation will vary based on the level of attainment relative to one or more performance goals pre-established by the committee. Incentive compensation may be zero if the performance goal(s) are not attained.

Administration of the Plan. A committee of outside directors administers this plan. The committee must have at least two members and has broad discretionary powers. Its members are the members of the Compensation Committee of the Board of Directors who are disinterested directors under the federal tax laws. In general, disinterested directors are directors who (i) are not, and never were, officers or employees of the Company or its subsidiaries and affiliates and (ii) do not receive material compensation from the Company except for service as a director.

Eligibility. Eligibility is restricted to the officers of the Company and its subsidiaries who are designated as executives. Currently, the Company and its subsidiaries have 61 executives, including 14 executive officers. During the first 90 days of each year, the committee selects the year's participants from among the eligible executive officers. The committee has delegated to each of the chief executive officer and the senior human resources officer, acting singly, the right to select additional executives as participants. References to the committee in this Proposal 3 also refer to the chief executive officer and senior human resources officer with respect to participants other than the executive officers. After the first 90 days, the committee may allow participation (which may be on a prorated basis) by executives who are placed in eligible positions through hiring, promotion or transfer before August 31st of each year.

Target Awards and Performance Goals. When a participant is selected for a year, the participant's target (if any) and maximum annual incentive and the performance goal(s) which must be achieved to earn the annual incentive are also set by the committee. The target annual incentive is expressed as a percentage of the participant's base salary. The performance goals will be specified levels established with respect to any or all of the following corporate performance measures:

Adjusted earnings	Operations and maintenance expense	Total shareholder return
Return on equity	Budget achievement	Quality
Earnings per share growth	Operating income	Risk management
Basic earnings per common share	Diluted earnings per common share	Adjusted earnings before interest and taxes
Strategic business objectives, consisting of one or more objectives based upon meeting specified cost targets, business expansion goals, new growth opportunities, market penetration, and goals relating to acquisitions or divestitures, or goals relating to capital raising and capital management	Customer satisfaction, as measured by, among other things, one or more of: service cost, service levels, responsiveness, business value, and residential value	Reliability, as measured by, among other things, one or more of: outage frequency, outage duration, frequency of momentary interruptions, average frequency of customer interruptions, and average number of momentary interruptions per customer
Adjusted earnings per share	Net income	Share price

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Repayment. If the Company is required to prepare an accounting restatement due to its material noncompliance, as a result of misconduct, with any financial reporting requirement under the federal securities laws, the committee, in its sole and absolute discretion, may require any participant to reimburse the Company for all or any portion of his or her annual incentive compensation paid on the basis of the misstated results.

Amendment and Termination. If approved, this plan will be in effect for a five-year period ending December 31, 2012. The Board may suspend it or terminate it before then. It may also amend this plan at any time and in any respect. Any amendment that would change the list of performance measures, the class of eligible employees or the maximum amount of annual incentive compensation must first be approved by shareholders.

New Plan Benefits

The following table indicates the amount of the maximum annual incentive compensation payable for 2008 to each of the named executive officers, all current executive officers as a group, and all current employees other than executive officers as a group if the performance goal under the Executive Annual Incentive Plan is attained. The performance goal for 2008 relates to adjusted earnings. The non-executive directors do not participate in the Executive Annual Incentive Plan.

Name and Position	Maximum Annual Incentive Payable for 2008
Lewis Hay, III, Chairman & Chief Executive Officer	\$ 2,511,600
Moray P. Dewhurst, Vice President & Chief Financial Officer	825,720
James L. Robo, President	1,209,600
Armando J. Olivera, President, Florida Power & Light Company	832,580
John A. Stall, Vice President, Nuclear Division	826,000
All current executive officers (14 persons)	9,887,920
All current employees other than executive officers	10,976,507

Securities Authorized For Issuance Under Equity Compensation Plans

FPL Group's equity compensation plan information as of December 31, 2007 is as follows:

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	5,777,624	\$ 31.72	10,075,551
Equity compensation plans not approved by security holders(1)	11,769	\$ 16.32	
Total	5,789,393	\$ 31.69	10,075,551

(1) Represents options granted by Gexa Corp. under its Amended and Restated 2004 Incentive Plan and pursuant to various individual grants, all of which were made prior to the acquisition of Gexa Corp. All such options were assumed by FPL Group in connection with the acquisition of Gexa Corp. and are fully vested and exercisable for shares of FPL Group common stock. No further grants of stock options will be made under this plan.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR APPROVAL OF THE FPL GROUP EXECUTIVE ANNUAL INCENTIVE PLAN

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Proposal 4: Shareholder Proposal re Global Warming Report

The Free Enterprise Action Fund, 12309 Briarbush Lane, Potomac, MD 20854, the owner of 366 shares of the Company's common stock, has notified FPL Group that one of its representatives intends to present the following proposal at the annual meeting:

Resolved: The shareholders request that the Board of Directors prepare by October 2008, at reasonable expense and omitting proprietary information, a Global Warming Report. The report may describe and discuss how action taken to date by FPL Group to reduce its impact on global climate change has affected global climate in terms of any changes in mean global temperature and any undesirable climatic and weather-related events and disasters avoided.

Supporting Statement:

FPL Group says on its web site that it supports action on global warming. FPL Group is a member of the U.S. Climate Action Partnership (USCAP), a group that lobbies for global warming regulation.

But scientific data show that atmospheric levels of carbon dioxide, the greenhouse gas of primary concern in global warming, do not drive global temperature. *See e.g., <http://youtube.com/watch?v=XDI2NVTYRXU>*

Even assuming for the sake of argument that atmospheric carbon dioxide levels affect global temperatures, the U.S. Environmental Protection Agency recently projected that U.S. regulation of manmade greenhouse gas emissions would have a trivial impact on atmospheric concentrations of carbon dioxide. *See <http://www.epa.gov/climatechange/downloads/s1766analysispart1.pdf>*

So U.S. greenhouse gas regulation is not likely to discernibly affect global climate.

Global warming regulation is expected to harm the economy. The Congressional Budget Office, U.S. Department of Energy and prominent economists such as Alan Greenspan, Arthur Laffer and Greg Mankiw all say that cap-and-trade a type of greenhouse gas regulation promoted by USCAP would reduce economic growth. *See e.g., http://www.junkscience.com/failure_to_disclose.pdf*

Shareholders want to know how FPL Group's actions relating to greenhouse gases may be affecting global climate.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE AGAINST THE FOREGOING PROPOSAL FOR THE FOLLOWING REASONS:

The Board of Directors has considered the proposal submitted on behalf of The Free Enterprise Action Fund carefully and has concluded that the preparation of a Global Warming Report as described in the proposal can have no possible value to FPL Group shareholders and can therefore only represent a waste of corporate resources.

Specifically, the proposal states that the report may describe and discuss how actions taken to date by FPL Group to reduce its impact on global climate change has affected global climate. FPL Group's actions with regard to the general topic of climate change, however, are not driven by and in no way depend upon the direct impact that FPL Group's current or expected emissions profile may have on mean global temperature, which itself is inherently unmeasurably small. The best scientific evidence shows that anthropogenically driven climate change, to whatever extent it may be occurring, is a function of the combined emissions of millions of sources of greenhouse gases. The fact that no one source or collection of sources, such as the Company, by itself contributes enough to measurably affect global climate is irrelevant to the question of what actions it is prudent for FPL Group to take in response to widespread recognition of a global issue and consequent legislative and regulatory action that may affect FPL Group's businesses in the future.

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FPL Group's actions with regard to climate change are driven by recognition that: (i) there is a widespread perception, supported by the weight of current scientific evidence, that anthropogenically driven climate change is occurring; (ii) climate change could have significant adverse impacts; and (iii) legislative and regulatory actions have been taken and likely will be taken in the future as a consequence that will significantly affect FPL Group's businesses. The Board believes it is appropriate and necessary for FPL Group's management to evaluate the possible effects of various legislative and regulatory initiatives that could affect FPL Group's businesses and has directed management accordingly.

FPL Group has already prepared a number of reports on the subject of climate change and expects to publish additional material in the normal course of conducting its business.

The Board further believes that the proposal is not advanced in good faith for the general interests of shareholders but instead is proposed in a transparent attempt to influence a broader political dialogue.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE AGAINST THE SHAREHOLDER PROPOSAL REQUESTING THE PREPARATION OF A GLOBAL WARMING REPORT.

INFORMATION ABOUT FPL GROUP AND MANAGEMENT

Common Stock Ownership of Certain Beneficial Owners and Management

The following table indicates how much FPL Group common stock is beneficially owned by each person known by the Company to own 5% or more of the Company's common stock. Unless otherwise indicated, each person has sole voting and dispositive power.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership
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