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March 19, 2021

VIA HAND DELIVERY

Ms. Terri Bordelon
Louisiana Public Service Commission
Records and Recordings Division
602 N. 5th Street
Galvez Bldg. 12th Fl.
Baton Rouge, LA 70802

Re: DOCKET NO. U-35807 – Cleco Power LLC, ex parte. In re: Application for Recovery in Rates of Certain Storm Damage Costs Incurred as a Result of Hurricanes Laura, Delta, and Zeta.

Dear Ms. Bordelon:

Please find enclosed for filing both the confidential version (to be filed under seal) and the public version of the *Direct Testimony of R. Lane Sisung*, with exhibits, to be filed in the above-referenced docket on behalf of the Louisiana Public Service Commission Staff.

Thank you for your assistance in this matter. Should you have any questions, please do not hesitate to contact me at (225) 342-5703.

Sincerely,

Lauren Temento Evans
Associate Counsel

Encl.
cc: Service List

2021 MAR 19 PM 1:47
LA PUBLIC SERVICE
COMMISSION

**BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION**

DOCKET NO. U-35807

**CLECO POWER LLC,
EX PARTE**

In re: Application for Recovery in Rates of Certain Storm Damage Costs Incurred as a Result of Hurricanes Laura, Delta, and Zeta.

DIRECT TESTIMONY

OF

R. LANE SISUNG

**ON BEHALF OF THE
STAFF OF THE
LOUISIANA PUBLIC SERVICE COMMISSION**

MARCH 19, 2021

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I. QUALIFICATIONS AND SCOPE

Q. PLEASE STATE YOUR NAME, PLACE OF EMPLOYMENT, TITLE, AND BUSINESS ADDRESS.

A. My name is R. Lane Sisung. I am a Managing Director of United Professionals Company, LLC ("UPC"). My business address is 201 Saint Charles Avenue, Suite 4240, New Orleans, Louisiana, 70170.

Q. PLEASE DISCUSS YOUR EDUCATIONAL AND PROFESSIONAL BACKGROUND.

I hold a Bachelor of Science degree in Accounting from Louisiana State University in Baton Rouge, Louisiana, and I sat for and passed the Certified Public Accounting Examination. I attended Loyola School of Law, where I was a member of the Law Review and received my Juris Doctor. I then furthered my legal and accounting education at the University of Florida where I received a L.L.M. in Tax Law. I am a fully licensed General Securities Representative (Series 7), General Securities Principal (Series 24), Options Principal (Series 4), Financial and Operations Principal (Series 27), and Registered Investment Adviser (Series 65). I am a member of the Society of Utility Regulatory Financial Analysts where I have been qualified as a Certified Rate of Return Analyst ("CRRA"). I have over twenty-five years of experience in working on financial, regulatory, real estate, and investment transactions. My current primary endeavor is managing and providing regulatory consulting and expert witness services for UPC.

1 **Q. PLEASE BRIEFLY DESCRIBE YOUR PRIOR REGULATORY EXPERIENCE.**

2 A. I have provided consulting and expert witness services in numerous regulatory matters,
3 including rate determinations, mergers and acquisitions, prudence determinations, tax
4 matters, sale-leaseback transactions, forensic investigations, revenue requirements, storm
5 damage cost recovery, and other general rulemaking matters. RLS-001 contains an
6 illustrative list of the dockets in which I have provided services. In addition, I am also
7 currently advising the Louisiana Public Service Commission (“Commission” or “LPSC”)
8 in matters related to the participation by its investor-owned utilities in the Midcontinent
9 Independent System Operator, Inc. (“MISO”) and Southwest Power Pool, Inc. (“SPP”)
10 Regional Transmission Organizations (“RTOs”).

11 **Q. ON WHOSE BEHALF ARE YOU APPEARING IN THIS DOCKET?**

12 A. I am appearing on behalf of the Commission Staff (“Staff”).

13 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

14 A. My testimony addresses Cleco Power LLC's (“Cleco” or the “Company”) application for
15 interim recovery in rates of certain storm damage costs incurred as a result of Hurricanes
16 Laura, Delta, and Zeta, and expedited treatment (the “Application”).

17 **Q. WHAT DID YOU RELY ON IN PREPARING YOUR TESTIMONY?**

18 A. I reviewed and relied on the filed Application and supporting exhibits, including the
19 testimony of Cleco witness J. Robert Cleghorn, as well as the data provided by Cleco in
20 response to data requests propounded by Staff.

II. BACKGROUND

Q. PLEASE DESCRIBE THE STORMS THAT MADE LANDFALL DURING THE 2020 HURRICANE SEASON AND THE CUSTOMER-RELATED IMPACTS OF THOSE STORMS.

A. On August 7, 2020, Hurricane Laura (“Laura”) made landfall as a Category 4 hurricane and left greater than 140,000 Cleco customers out of power and caused estimated damage of \$178 million. On October 9, 2020, Hurricane Delta (“Delta”) made landfall as a Category 2 hurricane and left greater than 132,000 Cleco customers out of power and caused estimated damages of \$51 million. On October 28, 2020, Hurricane Zeta (“Zeta”) made landfall as a Category 2 hurricane and left greater than 73,000 Cleco customers out of power and caused estimated damages of \$6 million.¹

Q. HAS THE COMMISSION ADDRESSED THE IMPACT OF THE HURRICANES IN ANY MANNER?

A. Yes. At the Commission’s Business and Executive Session held on September 16, 2020, the Commission adopted an Order that provided:

The Hurricane destroyed more than 3,000 transmission towers and 12,000 distribution poles which resulted in a peak of over 614,000 customers losing electric service. As part of the extraordinary effort to promptly respond and restore service, Commission-jurisdictional utilities employed over 22,000 linemen and other assets from 29 other states to expedite restoration of service for Louisiana customers. In order to facilitate efforts to restore and maintain service after the extraordinary damage, I move to authorize

¹ Application, Pages 4-5.

Commission jurisdictional utilities to establish, on an as needed basis, a regulatory asset to track and defer such expenses associated with Hurricane Laura. This regulatory asset may be used for accounting purposes only and does not guarantee future recovery. Any future recovery will be subject to Commission review, whether through a securitization docket or any other docket the Commission deems necessary.²

Subsequently, at the Commission's Business and Executive Session held on November 13, 2020, the Commission voted to issue an order superseding Special Order 61-2020 which provided for the following:

...authorizing jurisdictional utilities to establish, on an as needed basis, a regulatory asset, for expenses associated with Hurricanes Laura, Delta, and Zeta. The expenses from each storm should be tracked for accounting purposes only and any future recovery is not guaranteed. Any future recovery will be subject to Commission review, whether through a securitization docket or any other docket the Commission deems necessary. Further, any future recovery would be subject to any credits for dollars collected or paid/received by other entities.³

Q. WHAT RELIEF IS REQUESTED IN THE APPLICATION?

A. Cleco has requested authorization from the Commission to address recovery of certain storm damage costs that the Company incurred in 2020 following the landfalls of Hurricane Laura, Hurricane Delta, and Hurricane Zeta (collectively, the "Hurricanes"), in two separate but related proceedings. In this "Phase I" proceeding, Cleco has requested LPSC authorization to recover what it describes as "the return on the retail jurisdictional rate base amounts of the storm restoration costs associated with the Hurricanes" (Application, P. 10).

² Special Order 61-2020.

³ Special Order 73-2020.

1 The Company calculates this amount to be \$18.9 million, annually, until the amount is
2 securitized, to be recovered on an interim basis. Cleco also seeks authorization to defer
3 additional costs to a regulatory asset for future Commission consideration in Phase II.
4 Specifically, Cleco requested authorization to:

- 5 (i) Recover interim financing costs associated with expenditures that Cleco incurred
6 to restore electric service in the Company's service territory following the landfalls
7 of the Hurricanes;
- 8 (ii) Defer to a regulatory asset (the "Regulatory Asset") the depreciation associated
9 with the capital costs that the Company incurred to restore service;
- 10 (iii) Maintain in the Regulatory Asset the balances of the operations and maintenance
11 ("O&M") expense that the Company incurred to restore service, at their full
12 balances without any amortization;
- 13 (iv) Include in the Regulatory Asset, as a component of storm restoration costs, the lost
14 contribution to fixed costs associated with the outages resulting from the
15 Hurricanes;
- 16 (v) Defer to the Regulatory Asset the parish property taxes assessed against the
17 Company's capital assets associated with the restoration efforts for the Hurricanes;
18 and
- 19 (vi) Apply the Company's remaining funded storm reserve balance of approximately
20 \$9.8 million against the portion of the distribution O&M expense included in the
21 Regulatory Asset.

1 **Q. HAS CLECO PROVIDED FURTHER GUIDANCE RELATED TO ITS**
2 **REQUESTS IN THE APPLICATION?**

3 A. Yes. Specifically, Cleco is requesting interim relief for authorization to collect \$18.9
4 million annually, until the amount is securitized, that it calculates to be the return on the
5 retail jurisdictional rate base amount of the storm restoration costs associated with the
6 Hurricanes. More generally, Cleco requests that its revenue relief be granted in a phased
7 approach. Phase I, initiated with this filing, is based upon the Company's estimated storm
8 restoration cost, with such cost subject to Commission verification in Phase II of this
9 proceeding. Cleco anticipates making its Phase II filing in the first quarter of 2021.⁴ The
10 Phase II filing will include a comprehensive and detailed description of the actual final
11 costs of the storm restoration; a request for the establishment of a restricted storm reserve;
12 and a request for the issuance by the Commission of a final rate order authorizing recovery,
13 in Cleco's LPSC jurisdictional rates, of the approved final storm restoration costs and the
14 approved final storm reserve amount.⁵ The Phase II filing will further include a request for
15 the securitization of those costs, and a request for the issuance by the Commission of a
16 final irrevocable financing order, authorizing the securitization of the approved final storm
17 restoration costs and the approved final storm reserve amount.⁶

⁴ Application, Pages 7-8.

⁵ Id., Page 8

⁶ Id.

III. DISCUSSION AND ANALYSIS

Q. WHAT IS YOUR GENERAL UNDERSTANDING OF CLECO'S PHASE I REQUEST?

A. The Application essentially makes three separate, but related requests, as follows: (1); the deferral to the Regulatory Asset of certain estimated expenses and lost revenues; (2) the application of the current remaining \$9.8 million storm reserved balance against the distribution O&M expense included in the Regulatory Asset; and (3) a request for interim collections through its jurisdictional rates of \$18.9 million annually, until the amount is securitized. I will discuss each of these requests separately below.

A. THE REGULATORY ASSET

Q. WHAT ITEMS ARE REQUESTED TO BE INCLUDED IN THE REGULATORY ASSET?

A. Cleco has requested the following items be considered for the Regulatory Asset:

- (1) The Depreciation associated with the capital costs requested for recovery.
- (2) The O&M expense incurred to restore service.
- (3) Parish property taxes assessed against the Company's capital assets associated with the restoration.
- (4) Lost sales which Cleco has fashioned as a component of storm restoration costs and titled "lost contribution to fixed costs" ("LCFC").

Q. HAS CLECO REQUESTED A SPECIFIC AMOUNT TO BE RECORDED AS A REGULATORY ASSET FOR EACH OF THESE ITEMS?

1 A. It is a little unclear. Per its Application, Cleco's total projected cost of \$201.9 million is
2 comprised of: (i) \$144.6 million of capital cost; (ii) \$86.2 million of O&M; (iii) an O&M
3 offset of \$9.8 million of funding from the storm reserve; (iv) a proposed \$12.1 million of
4 LCFC; and (v) a proposed (\$31.1) million ADIT offset. However, Cleco stated that such
5 cost would be subject to Commission verification in Phase II of this proceeding. So, the
6 amounts cited above appear to be merely estimates, subject to a final determination in
7 Phase II. However, it appears that these are amounts the Company is proposing to record
8 as a regulatory asset awaiting that final determination. In LPSC Data Request 1-1 Staff
9 requested that the Application exhibits which support these numbers be provided in Excel
10 format. The data response provided by Cleco included different numbers, apparently due
11 to updating. The total storm cost number was \$199.2 million with all of the individual
12 components having a slightly different value, other than LCFC and the Funded Storm
13 Reserve.⁷ While the specific amount of each of the components of the Regulatory Asset is
14 not yet determined, it appears as if the request is for the amounts provided in the data
15 response to be the amounts recorded in the regulatory assets.

16 **Q. IS THERE ANOTHER ISSUE ASSOCIATED WITH THE REGULATORY ASSET**
17 **THAT IS UNCLEAR?**

18 A. Yes, while there is a specific request that depreciation on the capital costs associated with
19 the recovery be included in the regulatory asset, it does not appear that there is a request

⁷ Cleco Response to LPSC Data Request 1-1.

1 for the capital costs themselves to be included in the regulatory asset, even though these
2 capital costs are proposed to be included in the final securitized amount. Accordingly, it
3 is unclear whether the capital costs associated with the Storm are to be treated as Property,
4 Plant and Equipment or as a part of a regulatory asset to be considered for recovery from
5 the proceeds of the Phase II Securitization. I do not believe that this distinction makes a
6 difference with regard to consideration of this Phase I filing. However, the Staff reserves
7 its right to revisit this issue in the yet-to-be-filed Phase II Application proceeding.

8 **Q. ARE YOU PREPARED TO AGREE WITH ANY OF THE SPECIFIC ESTIMATED**
9 **AMOUNTS PROPOSED TO BE INCLUDED IN THE REGULATORY ASSET AS**
10 **AN AMOUNT TO BE RECOVERABLE IN RATES?**

11 A. No. And as stated above, it is my understanding that the Application is not requesting that
12 the Commission agree to the individual values of any component of the regulatory asset
13 being recoverable, or the total proposed amount of the regulatory asset itself for that matter.
14 It is my understanding that they are seeking the authority to defer the amounts to a
15 regulatory asset, but that the specific amounts ultimately includable as a regulatory asset
16 and recoverable will be determined in Phase II.

17 **Q. DO YOU HAVE ANY OBJECTIONS TO ANY OF THE INDIVIDUAL ITEMS**
18 **REQUESTED TO BE INCLUDED IN THE REGULATORY ASSET?**

19 A. Only one at this time. I have no objection with the current recording of estimated amounts
20 for regulatory assets for accounting purposes with final recoverable amounts to be
21 determined in Phase II for: (i) depreciation associated with the capital costs requested for

1 recovery; (ii) the O&M expense incurred to restore service; and (iii) the parish property
2 taxes assessed against the Company's capital assets associated with the restoration.
3 However, I do object to an inclusion in the Regulatory Asset of any amounts of projected
4 lost sales, which Cleco has fashioned as a component of storm restoration expenses and
5 titled LCFC. The original Special Order 61-2020, as well as the superseding Special Order
6 73-2020, only authorized the establishment of a regulatory asset for expenses. Lost sales
7 are not "expenses" as authorized by either of the Special Orders. To the extent Cleco's
8 request for inclusion of LCFC as a regulatory asset is a request over and above what has
9 been authorized by the Special Orders, Cleco has not supported any right to have such
10 amount included as a regulatory asset. Utilities receive a return on equity for the risks they
11 incur, and revenues from sales are one of the primary risks that a utility bears. Further,
12 Cleco has merely provided a projected number for its estimate of lost sales revenue in its
13 Application and attempted to support that number in data responses with formulas which
14 arrive at those numbers by using budgeted numbers and assigning revenues received to
15 budgeted categories. The Company then quantifies the residual as lost sales due to the
16 hurricanes. Cleco has provided no evidentiary support as to why such lost sales revenues
17 should be allowed for recovery. My opposition to a recovery of lost sales revenues is also
18 supported by the fact that lost sales were not allowed for recovery in the prior storm-related
19 securitizations of Cleco for Hurricanes Katrina and Rita.⁸ It is also my understanding that

⁸ Cleco Response to LPSC Data Request 1-4.

1 Entergy Louisiana and Entergy Gulf States Louisiana also were not permitted to recover
2 for lost sales in connection with their Hurricanes Katrina and Rita storm cost dockets.

3 **Q. WHAT IS YOUR CONCLUSION RELATED TO THE COMPANY'S REQUEST**
4 **TO ESTABLISH THE REGULATORY ASSET?**

5 A. I believe that Special Order 61-2020, as revised and superseded in Special Order 73-2020,
6 already authorizes a regulatory asset for the *expenses* from each storm. Therefore, to the
7 extent that among the purposes of this Phase I Application is a request to include in the
8 Regulatory Asset allowed by those Special Order(s):

9 (i) an estimated amount for depreciation from capital costs associated with the

10 Hurricanes for accounting purposes only;

11 (ii) an estimated amount of O&M associated with the Hurricanes recovery for

12 accounting purposes only; and

13 (iii) an estimated amount of increased property taxes associated with the capital

14 replacements of the Hurricanes for accounting purposes only;

15 I concur. However, the final recoverable amount is to be determined by the Commission
16 in the as-yet-unfiled Phase II. I do not agree, however, that any estimated amount of LCFC
17 be allowed to be included in the Regulatory Asset or to be determined recoverable.

1 **B. APPLICATION OF STORM RESERVE**

2 **Q. DO YOU SUPPORT THE COMPANY’S REQUEST TO APPLY THE \$9.8**
3 **MILLION STORM RESERVE AGAINST THE O&M EXPENSE INCLUDED IN**
4 **THE REGULATORY ASSET?**

5 **A.** Not entirely. I am in support of applying the \$9.8 million storm reserve against the costs
6 associated with recovery from the Hurricanes. However, I believe it is appropriate to
7 allocate those funds as between the capital and O&M costs incurred in the restoration
8 caused by the Hurricanes based on the ratio of the incurred capital and O&M costs to the
9 total incurred costs of the storm restorations associated with the Hurricanes. This is
10 appropriate because both capital and O&M expenses were incurred as a result of the
11 Hurricanes, and no valid basis has been provided to allocate the remaining reserves only
12 against the O&M expense included in the Regulatory Asset.

13 **C. INTERIM RATE RELIEF**

14 **Q. WHAT IS THE BASIS FOR CLECO’S REQUEST FOR INTERIM**
15 **JURISDICTIONAL REVENUE RELIEF ASSOCIATED WITH THE RECOVERY**
16 **OF THE STORM COST?**

17 **A.** Cleco states that without such relief, its financial metrics will likely be adversely affected,
18 and thus likely impose significant constraints upon operations as well as capital projects.⁹

⁹ Application, Page 7.

1 **Q. HAS CLECO PROVIDED ANY EVIDENCE OF THE MAGNITUDE OF THE**
2 **STORM RESTORATION COSTS IN RELATION TO ITS NORMAL**
3 **OPERATIONS?**

4 A. In its Application, Cleco stated that its estimated \$202 million of storm costs incurred to
5 restore service after the Hurricanes represents 104% of Cleco's 2019 pre-tax income and
6 57% of its annual cash generation. Further, Cleco provides confidentially in its Exhibit C,
7 projected impacts to its financial metrics with and without the requested amount of interim
8 relief. The Company believes that interim relief will provide assistance in improving and
9 maintaining its credit metrics.

10 **Q. DO YOU BELIEVE THAT INTERIM RATE RELIEF IS IN THE PUBLIC**
11 **INTEREST?**

12 A. In this set of circumstances, I do. The magnitude of the extraordinary storm restoration
13 costs in relation to the operation and financial position of Cleco provides support for some
14 amount of requested interim rate relief.

15 **Q. DO YOU AGREE WITH THE LEVEL OF INTERIM RATE RELIEF**
16 **REQUESTED BY CLECO?**

17 A. I do not. Cleco has arrived at its requested amount of interim revenue relief by applying
18 its weighted average cost of capital ("WACC") against an estimated amount of projected
19 rate base associated with storm recovery capital replacements. I do not agree with this
20 methodology being used to determine the level of interim rate relief. This request for
21 interim rate relief is an extraordinary request to accommodate costs associated with an

1 extraordinary natural disaster that were, or should have been, prudently financed. I do not
2 agree that Cleco should be allowed to recover carrying charges at WACC.

3 **Q. DOES CLECO HAVE ACCESS TO LOW-COST DEBT TO ALLOW IT TO**
4 **FINANCE THE EXTRAORDINARY COSTS ASSOCIATED WITH THE**
5 **STORMS?**

6 A. Yes. Cleco had and continues to have access to a \$300M revolving Credit Facility that
7 currently carries an interest charge of LIBOR + 1.25%, which currently is estimated to be
8 approximately 1.40%.¹⁰ The Application proposes a Phase I and Phase II approach that
9 would provide interim rate relief as a temporary step to bridge the time between incurring
10 the storm-related expenditures and such expenditures being recovered through a
11 securitization. Accordingly, these short-term financed expenditures should be financed
12 with short-term debt to which Cleco has access. In fact, as a result of the significant
13 uncertainties that existed in the capital markets due to the COVID-19 pandemic, Cleco
14 drew on its revolving credit facility in the amount of \$150 million, in order to ensure that
15 the Company had sufficient available cash on hand to meet the Company's operating needs
16 during the pandemic.¹¹ Cleco had initially anticipated repaying the short-term debt in the
17 third quarter of 2020, as the State of Louisiana entered into Phase III of "Opening Up of
18 America Again."¹² However, the Company did not repay that balance in the third quarter

¹⁰ See Exhibit RLS-002, Cleco Responses to LPSC Data Request 1-17, 1-18 and 1-19.

¹¹ U-35806 Application, P. 3.

¹² Id.

1 and instead relied upon those funds in initially financing the storm restoration costs until,
2 in December 2020, it chose to repay \$75 million of those funds. Cleco has provided no
3 justification as to why such proceeds were repaid and not used to prudently finance the
4 storm costs with low-cost short-term debt.

5 **Q. SHOULD CLECO USE ITS LOW-COST SHORT-TERM FINANCING TO**
6 **BRIDGE THE CARRYING OF THESE COSTS UNTIL SECURITIZATION?**

7 A. Yes, it should. If Cleco has access to short term financing to help bridge the unexpected
8 costs of storm restoration which it projects to only employ until securitization, then it
9 should fully utilize that short term financing to provide the lowest costs to ratepayers until
10 securitization can provide a permanent solution that benefits utility and ratepayers. This is
11 particularly true when the current cost of that short-term debt is 1.40%.

12 **Q. DO YOU BELIEVE THAT THE APPROPRIATE CARRYING CHARGE TO BE**
13 **APPLIED IN DETERMINING CLECO'S ULTIMATE RECOVERY NEEDS TO**
14 **BE DETERMINED IN THIS PHASE I?**

15 A. I do not. Understanding the extraordinary impact that the extraordinary costs have had on
16 Cleco, I believe this Phase I should be focused on determining an amount of interim rate
17 relief that would allow Cleco to reliably maintain its operations and financial metrics while
18 providing necessary protections to ratepayers. I believe the ultimate amount of recovery,
19 including the appropriate cost of carry, should be determined in Phase II which would allow
20 the time necessary to fully vet those issues.

1 **Q. IF CLECO WERE TO INSIST ON DETERMINING THE AMOUNT OF INTERIM**
2 **RATE RELIEF UTILIZING A CARRYING CHARGE RATIONALE, BASED ON**
3 **YOUR CURRENT OPINION OF THE APPROPRIATE CARRYING CHARGE,**
4 **WHAT WOULD THE AMOUNT OF INTERIM RELIEF BE?**

5 A. Cleco is currently projecting \$200 million of recoverable costs, inclusive of its proposed
6 Regulatory Asset. However, the Staff is objecting to the recovery of any LCFC which
7 would reduce that amount to approximately \$188 million. Using a 1.4% short term cost of
8 debt would produce an estimated annual carrying charge of \$5.6 Million.

9 **Q. WHAT DO YOU RECOMMEND AS AN AMOUNT OF INTERIM RATE RELIEF?**

10 A. I recommend the Commission authorize Cleco to collect \$16 million annually, until the
11 amount is securitized, on an interim basis, provided that such amount is subject to a true-
12 up calculation. Such true-up calculation would compare the amounts collected through
13 interim relief against the final determined amount of return allowed to be collected on the
14 retail jurisdictional rate base amount of the finally approved storm restoration costs. The
15 over or under collection determined by the true-up calculation would be subtracted from
16 or added to the otherwise final determined amount of storm costs to be securitized.

17 **Q. WHY DO YOU BELIEVE THAT \$16 MILLION IS AN APPROPRIATE**
18 **AMOUNT?**

19 A. In my opinion, the goal of this storm-related interim relief should be to stabilize Cleco's
20 operations and financial metrics, provide assurance that ratepayers will ultimately pay no
21 more than prudently incurred costs at an appropriate carrying cost, and to provide a stable

1 rate path for customers. Rate increases are always difficult on customers, but I believe the
2 Commission has a history of providing requested interim rate relief, when needed, to
3 address extraordinary circumstances such as three Hurricanes impacting a utility in just
4 over two months. The Commission has recognized the extraordinary nature of the
5 circumstances with the issuance of the Special Orders authorizing the accounting for a
6 regulatory asset. Under an assumption that the authorized regulatory assets may potentially
7 lead to longer-term rate relief via securitization, I believe it is reasonable to size the interim
8 relief at a level that is securely projected to yield a rate increase that is no larger than the
9 more permanent rate increase is estimated to be. Cleco has initially projected
10 approximately \$200 million in storm costs to be recovered, however the ultimate amount
11 allowed for recovery may be a lower amount due to disallowances or other offsets that are
12 appropriate or are agreed to by the parties. Securitizations have historically had terms of
13 10 to 15 years. I believe a reasonable proxy for securitization interest rates for this purpose
14 is between 2% to 3%. In looking at these potential varying inputs to determine a potential
15 annual debt service that may occur from a securitization financing many permutations can
16 be produced. However, in reviewing many of those permutations, I am comfortable that
17 the final rate relief associated with a storm securitization financing will not likely be above
18 \$16 million annually, and therefore, I believe it is reasonable to recommend \$16 million
19 annually, until the amount is securitized, as the interim rate relief, provided the true-up
20 mechanism I discussed above is in place to ensure ratepayers ultimately only pay no more
21 than their share of prudently incurred storm recovery cost.

**Q. ARE THERE ANY OTHER REQUIREMENTS YOU WOULD PROPOSE
RELATED TO THE GRANTING OF SUCH INTERIM RATE RELIEF?**

A. Yes. Interim rate relief should only be provided if all parties are in agreement as to the issues to be finally determined in Phase II. In that regard, the following matters should be deferred to and decided upon in a Phase II storm filing to be made by Cleco:

(1) A final determination of the prudent and/or allowable costs of the storm restoration shall be determined in a Phase II proceeding.

(2) The final classification between capital costs and operating expenses shall be determined in a Phase II proceeding.

(3) The final revenue requirement associated with the allowable storm restoration cost, including the determination of a prudent cost of carry, shall be determined in a Phase II proceeding.

(4) A determination shall be made on a request for the establishment of a restricted storm reserve and the level of that reserve in a Phase II proceeding;

(5) Cleco commits to make a request for the securitization of the costs associated with the final revenue requirement associated with the Hurricanes storm restoration and any approved restricted storm reserve, such request to be decided upon in a Phase II proceeding.

Additionally, Cleco shall commit to utilize any federal funds and/or insurance proceeds it is successful in obtaining to offset the storm costs requested to be recovered from Cleco ratepayers.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

**BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION**

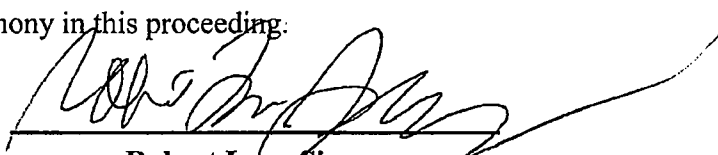
DOCKET NO. U-35807

**CLECO POWER LLC,
EX PARTE**

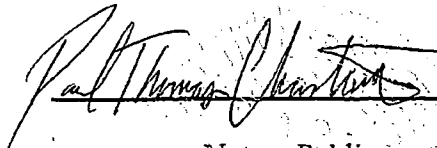
In re: Application of Cleco Power LLC for: (I) Recovery in Rates of Certain Storm Damage Costs Incurred as a Result of Hurricanes Laura, Delta and Zeta; and (II) Expedited Treatment

AFFIDAVIT

Robert Lane Sisung, being first duly sworn, deposes and says: that he is the same Robert Lane Sisung whose Testimony in Support of a Stipulated Settlement accompanies this affidavit; that Testimony in Support of a Stipulated Settlement was prepared by him or under his direction; that he is familiar with the contents thereof; that the facts and opinions set forth therein are true and correct to the best of his knowledge, information and belief; and that he does adopt the same as his sworn testimony in this proceeding.


Robert Lane Sisung

Subscribed and sworn before me on this 13 day of March, 2021.

 3 133553
34482
Notary Public

My Commission Expires: at death.

Docket No. U-35807

Exhibit RLS-001

LPSC Docket No. I-33013	Integrated Resource Planning ("IRP") Process for Southwestern Electric Power Company (SWEPCO), Pursuant to General Order dated April 20, 2012
LPSC Docket No. I-34693	Cleco Power, LLC, ex parte. In re: Request to Initiate 2017 Integrated Resource Planning ("IRP") Process Pursuant to General Order No. R-30021 (Corrected) dated April 20, 2012
LPSC Docket No. I-34694	Entergy Louisiana, LLC, ex parte. In re: Request to Initiate 2017 Integrated Resource Planning ("IRP") Process Pursuant to General Order No. R-30021 (Corrected) dated April 20, 2012
LPSC Docket No. I-34715	Integrated Resource Planning ("IRP") process for Southwest Electric Power Company (SWEPCO) pursuant to General Order dated April 20, 2012.
LPSC Docket No. R-26968	Review of the General Order Dated March 12, 1999 (Pole Attachments)
LPSC Docket No. R-32975	Examination of Long-Term Natural Gas Hedging Proposals.
LPSC Docket No. R-34026	Investigation of Double Leveraging Issues for all LPSC-Jurisdictional Utilities
LPSC Docket No. R-34029	Investigation of Tax Structure Issues for all LPSC-Jurisdictional Utilities
LPSC Docket No. R-34407	Rulemaking Docket to Consider Whether or Not the Commission Should Exercise Authority Over Future Utility Generation Deactivation and Retirement Decisions and the Rules and Procedures that Could Apply to Any Such Exercise of Authority
LPSC Docket No. R-34754	In re: Consideration of appropriate manner to flow through to ratepayers the benefits of the reduction in corporate income taxes as a result of the Tax Cuts and Jobs Act, treatment of the regulatory liability ordered by the Commission to be recorded by utilities pursuant to the Commission's Special Order No. 13-2018 and related matters.
LPSC Docket No. R-34758	Louisiana Public Service Commission, ex parte Timely Disclosure of Facts and Notices, Regarding Such Matters as MaxGen Alerts, to Commission and Commissioners, and Related Matters.
LPSC Docket No. R-34869	In re: Rules applicable to electric service providers' provision of service to load outside of its historical footprint and rates that may be offered for industrial load.
LPSC Docket No. R-34948	Rulemaking to Study the Implications of Participation of Aggregators of Retail Customers to Determine Whether, and Under What Conditions, Such Activity Should be Allowed in the Louisiana Public Service Commission's Jurisdiction

LPSC Docket No. R-35135	Rulemaking Pursuant to the General Order Dated March 7, 2019 in Docket No. R-34948 to Develop Rules Under Which Third-Party Aggregators of Retail Customers Seeking Authority to Operate will be Allowed to do Business Within the LPSC's Jurisdiction.
LPSC Docket No. R-35136	Rulemaking to Determine Need for Rate Schedules and Programs Offering Demand Response Products, Development of Such Rate Schedules and Programs, Determination of Customer Participation in Such Programs, Allocation and Recovery of Program Costs, and Whether Such Programs Shall be Mandatory or Voluntary for Utilities as set Forth in Section 3 of the Rule Adopted in the General Order Dated March 7, 2019 in Docket No. R-34948.
LPSC Docket No. R-35462	Rulemaking to Research and Evaluate Customer Centered Options for all Electric Customer Classes as well as other regulatory environments.
LPSC Docket No. S-33825	Directive to Establish a Service Quality Program (SQP) for Cleco Power, LLC
LPSC Docket No. S-34082	Entergy Louisiana, LLC Request to Close LMPS Rate Schedule to New Business
LPSC Docket No. S-34426	Status of Electric Rates in Louisiana: Where Are We and Where Are We Going?
LPSC Docket No. T-34959	Pecten Midstream LLC Request to (i) Increase Rates for Transportation Service of Petroleum on its Delta Pipeline System, (ii) Revise Tariff No. 2.2.0, (iii) Reserve Right for Interim Rate Relief, and (iv) Expedited Consideration
LPSC Docket No. U-31894	Application of Entergy Louisiana, LLC for Approval to Securitize Investment Recovery Costs Related to the Little Gypsy Unit 3 Repowering Project Authorizing the Company to Finance its Investment Cost Pursuant to Act 988.
LPSC Docket No. U-32138	Wastewater Treatment Systems & Operations, LLC: Request for an increase in wastewater rates.
LPSC Docket No. U-32538	Joint Application of Entergy Louisiana, LLC, Entergy Gulf States Louisiana, L.L.C., ITC Holdings Corp., et. al for Approval of Change of Ownership of Electric Transmission Business, for Certain Recovery Adjustments, and for related Relief
LPSC Docket No. U-32631	Application of Cleco Power LLC for: (i) public interest finding in favor of the transfer of functional control of certain transmission assets to the Midwest Independent Transmission System Operator, Inc.
LPSC Docket No. U-32675	Entergy Louisiana, LLC and Entergy Gulf States Louisiana, LLC., ex parte. Joint implementation filing and request for associated approvals addressing certain implementation, integration, and other issues regarding EGSL and ELL joining the Midwest Transmission System Operator, Inc. Regional

	Transmission Organization, as determined by the LPSC in Order No. U-32148 to be in the public interest subject to certain contingencies and the satisfaction of conditions.
LPSC Docket No. U-32707	Application of Entergy Gulf States, Louisiana, L.L.C. for authority to Change Rates, Approval of Formula Rate Plan and for Related Relief
LPSC Docket No. U-32708	Application of Entergy Louisiana, LLC for authority to Change Rates, Approval of Formula Rate Plan and for Related Relief
LPSC Docket No. U-33244	Potential Business Combination of Entergy Louisiana, LLC and Entergy Gulf States Louisiana L.L.C.
LPSC Docket No. U-33434	Joint Application of Cleco Power, LLC and Cleco Partners L.P. for : (i) Authorization of the Change of Ownership and Control of Cleco Power LLC and (ii) Expedited Treatment
LPSC Docket No. U-33510	Application for Entergy Gulf States Louisiana, L.L.C. For Approval To Purchase Power Blocks Three and Four of the Union Power Station and Request for Timely Treatment and Cost Recovery
LPSC Docket No. U-33605	Joint Application of Entergy Gulf States Louisiana L.L.C. and Entergy Louisiana LLC for Certification of the Louisiana Economic Transmission Project in Accordance with Louisiana Public Service Commission General Order Dated October 10, 2013
LPSC Docket No. U-33645	Application of Entergy Gulf States Louisiana L.L.C. for Certification of the Lake Charles Transmission Project in Accordance with Louisiana Public Service Commission General Order Dated October 10, 2013
LPSC Docket No. U-33782	Entergy Louisiana, LLC and Entergy Gulf States Louisiana L.L.C. In Re: Test Year 2014 Formula Rate Plan Filing
LPSC Docket No. U-33848	Cleco Power LLC Formula Rate Plan June 2015 Monitoring Report
LPSC Docket No. U-33925	In re: Atmos Entergy Trans Louisiana Rate Stabilization Clause ("RSC") Cost of Service Schedules and Workpapers Test Year Ending September 30, 2015
LPSC Docket No. U-33950	Compliance Submission Regarding Deactivation of Little Gypsy 1, Ninemile 3, and Willow Glen 2 and 4, as required by Order No. U-33510
LPSC Docket No. U-33974	Entergy Gulf States Louisiana, L.L.C. Test Year 2015 Rate Stabilization Plan Filing
LPSC Docket No. U-33983	In Re: Motion for Extension of Entergy Louisiana, LLC's Gas Rate Stabilization Plan
LPSC Docket No. U-34028	Atmos Energy Corporation 2015 Rate Stabilization Clause filing for Louisiana Gas Service Rate Division
LPSC Docket No. U-34081	Entergy Louisiana, LLC Test Year 2015 Formula Rate Plan Filing

LPSC Docket No. U-34289	Cleco Power LLC Formula Rate Plan – June 2016 Monitoring Report and pursuant to U-32507 Prudence Review of Cleco’s Installation of MATS Emissions Control Equipment at Dolet hills Power Station, Rodemacher Power Station Unit No. 2, and Madison Unit No. 3
LPSC Docket No. U-34317	Application of Entergy Louisiana, LLC for Authorization to Extend the Midcontinent Independent System Operating Cost Recovery Mechanism
LPSC Docket No. U-34332	Review of Special Order 01-2001 to Determine if it Remains in the Best Interest of Louisiana Ratepayers
LPSC Docket No. U-34343	In re: Atmos Entergy Trans Louisiana Rate Stabilization Clause (“RSC”) Cost of Service Schedules and Workpapers Test Year Ending September 30, 2016
LPSC Docket No. U-34354	Southwestern Electric Power Company’s Request for Certification of Long-Term Natural Gas Contract
LPSC Docket No. U-34376	Entergy Louisiana, LLC ex parte. IN Re: 2016 Rate Stabilization Plan Filing
LPSC Docket No. U-34424	Atmos Energy Corporation 2015 Rate Stabilization Clause filing for Louisiana Gas Service Rate Division
LPSC Docket No. U-34445	Entergy Louisiana, LLC’s Application for Authorization to Recover Gas Storm Deferred Operations and Maintenance Expense Resulting from the August 2016 Flood
LPSC Docket No. U-34447	Application of Entergy Louisiana, LLC Regarding Continued Participation in the Midcontinent Independent System Operator, Inc. Regional Transmission Organization
LPSC Docket No. U-34475	Entergy Louisiana, LLC Test Year 2015 Formula Rate Plan Filing
LPSC Docket No. U-34501	Application of Cleco Power LLC Regarding the Costs and Benefits of Continued Participation in the Midcontinent Independent System Operator, Inc. Regional Transmission Organization
LPSC Docket No. U-34617	Application of Cleco Power LLC requesting Commission consideration of a Proposed Physical Bilateral Hedge Program, pursuant to General Order R-32975
LPSC Docket No. U-34619	In re: Application of Southwestern Electric Power Company (SWEPCO) for Expedited Certification and Approval of the Acquisition of Certain Renewable Resources and the Construction of a Generation Tie Pursuant to the 1983 and/or I 994 General Orders
LPSC Docket No. U-34687	Cleco Power LLC Formula Rate Plan- June 2017 Monitoring Report
LPSC Docket No. U-34735	In Re: Application of Entergy Louisiana, LLC For Approval of Natural Gas Cost Stabilization Pilot Program, Transaction Parameters, and Other Relief.

LPSC Docket No. U-34742	Community Utilities of Louisiana Inc. and Utilities, Inc. of Louisiana - Request for Statewide Consolidation of Assets, Request for Uniform Rate Structure, Request for the Establishment of Formula Rate Plan, and Application for Adjustment in Retail Rates Pursuant to the Global Settlement Agreement Contained in LPSC Order Nos. U-34206 and U-34287, as well as Reservation of Rights to Request Interim Rates
LPSC Docket No. U-34744	In re: Annual Evaluation Report for Entergy Louisiana, LLC for the test year ended September 30, 2017.
LPSC Docket No. U-34951	Entergy Louisiana, LLC's Formula Rate Plan Annual Evaluation Reports for Test Years Ending December 31, 2017, 2018 and 2019.
LPSC Docket No. U-34794	In Re: Application of Cleco Corporate Holdings LLC and Cleco Power LLC for (i) Authorizations, Waivers, and Regulatory Interpretations of Certain Provisions of LPSC Order No. U-33434-A; (i) Authorization for Cleco Corporate Holdings, LLC to Pledge its Ownership Interest in Cleco Power LLC; and (iii) Expedited Treatment.
LPSC Docket No. U-35049	Cleco Power LLC, LPSC Docket U-35049, In Re: June 2018 Monitoring Report - Application of Cleco Power LLC for: (i) Authorization to Implement Rate Reductions resulting from the Tax Cuts and Jobs Act of 2017; (ii) Authorization to Modify Certain Tariffs in connection with such Rate Reductions; (iii) Authorization to Implement Residential Base Revenue Decoupling; and (iv) Expedited Treatment
LPSC Docket No. U-35078	Application of Entergy Louisiana, LLC for Certification of the Waterford to Churchill Transmission Project in Accordance with Louisiana Public Service Commission General Order Dated October 10, 2013
LPSC Docket No. U-35106	Re: Docket U-35106, Atmos Energy Corporation, ex parte, In re: 2018 Rate Stabilization Clause Annual Filing for Trails Louisiana Gas Division
LPSC Docket No. U-35130	Entergy Louisiana, LLC Request to Terminate, or in the Alternative Modify, the Fuel Tracking Mechanism-A Request Initially Included in an April 2, 2018 Compliance Filing in Docket No. U-33244 Pursuant to Order U-33244-A (LPSC Docket No. U-35130)
LPSC Docket No. U-35153	Utilities Inc. of Louisiana – 2018 Formula Rate Plan Annual Report
LPSC Docket No. U-35205	Entergy Louisiana, LLC Test Year 2017 Formula Rate Plan Filing: LPSC Docket No. U-35205
LPSC Docket No. U-35299	Application of Cleco Power LLC for (1) Implementation of Changes in Rates to be Effective July 1, 2020; and (2) Extension of Existing Formula Rate Plan

LPSC Docket No. U-35324	Application of Southwestern Electric Power Company (SWEPCO) for Certification and Approval of the Acquisition of Certain Renewable Resources in Accordance with the MBM Order and the 1983 and 1994 General Orders.
LPSC Docket No. U-35350	Application of Entergy Louisiana, LLC for approval of a Change in Funding for Decommissioning Trusts for River Bend and Waterford 3 Nuclear Facilities
LPSC Docket No. U-35370	Entergy Louisiana, LLC's Motion for Extension of Entergy Louisiana, LLC's Gas Rate Stabilization Plan
LPSC Docket No. U-35385	Application of Entergy Louisiana, LLC for Authorization to Implement an Experimental Interruptible Option, Rider EIO and Related Relief
LPSC Docket No. U-35407	Cleco Power LLC Formula Rate Plan-June 2019 Monitoring Report
LPSC Docket No. U-35488	Entergy Louisiana, LLC Test Year 2019 Gas Rate Stabilization Plan Filing
LPSC Docket No. U-35558	Utilities, Inc. of Louisiana – 2019 Formula Rate Plan Annual Report
LPSC Docket No. U-35565	Entergy Louisiana, LLC Application of Entergy Louisiana, LLC for Extension and Modification of Formula Rate Plan
LPSC Docket No. U-35581	Entergy Louisiana, LLC Application of Entergy Louisiana, LLC for Extension and Modification of Formula Rate Plan
LPSC Docket No. U-35753	Joint Application for (I) Authorization to close the Oxbow Mine; and (II) Authorization to include and defer certain accelerated mine closing costs in fuel and related ratemaking treatments.
LPSC Docket No. U-35806	Request for Recovery of Lost Revenues Related to LPSC Special Order Nos. 22-2020, 28-2020, and 43-2020, and Request for Accounting Order
LPSC Docket No. U-35807	Application of Cleco Power LLC for: (I) Recovery in Rates of Certain Storm Damage Costs Incurred as a Result of Hurricanes Laura, Delta and Zeta; and (II) Expedited Treatment
LPSC Docket No. U-35862	In re: Entergy Louisiana, L.L.C. Test Year 2020 Rate Stabilization Plan Filing
LPSC Docket No. X-34324	Audit of Purchased Gas Adjustment Filings for Trans Louisiana Gas Company and Louisiana Gas Service Company (Regulatory Divisions of Atmos Energy Corporation) for the period of April 2014 through March 2016
LPSC Docket No. X-34341	Audit of Fuel Adjustment Clause Filing for Entergy Louisiana LLC for the Period of January 2014 through December 2015.
LPSC Docket No. X-34345	Investigation of the Meter Reading, Billing, Collection and Customer-Service practices of the Greater Ouachita Water Company and through its operating contractor Severn Trent Environmental Services, for the year 2016
LPSC Docket No. X-35071	In re: Investigation of Entergy Services, LLC

LPSC Docket No. X-35085	Southwestern Electric Power Company Request for Proposals for up to 1,200 MW of Wind Energy Resources
LPSC Docket No. X-35119	Southwestern Electric Power Company, ex parte. Synopsis: Notice of Intent to Conduct Request for Proposals for Solar Resources in Accordance with Commission General Order R-26172, Subdocket C, the Market Based Mechanism ("MBM Order")
LPSC Docket No. X-35500	Notice of Intent of Jefferson Davis Electric Cooperative Inc. (JDEC) and Dixie Electric Membership Corporation to conduct 2020 Request for Proposals for Long Term Power Purchase Contracts and/or Generating Capacity Pursuant to the Commission's Market Based Mechanism General Order.
LPSC Docket No. X-35508	Audit of Federal Environmental Adjustment Clause Filings for Southwestern Electric Power Company for the Period of January 2018 Through December 2019.
LPSC Docket No. X-35511	Audit of Federal Environmental Adjustment Clause Filings for Cleco Power, LLC for the Period of January 2018 Through December 2019.
LPSC Docket No. X-35741	Concordia Electric Cooperative, Inc. ("Concordia"), Pointe Coupee Electric Membership Corporation ("PC Electric"), and Southwest Louisiana Electric Membership Corporation ("SLEMCO") Request for Proposals for Power Purchase Contracts and/or Generating Capacity Pursuant to the Commission's Market Based Mechanism Order
FERC Docket No. EC12-145; EL12-107; ER12-2681	FERC Approval of OATT ITC Transaction
FERC Docket No. ER12-2682	Module B-1 to MISO OATT for ITC Transaction
FERC Docket No. ER12-2683	Entergy Replacement Tariff-ITC Transaction
FERC Docket No. ER12-2693	Cancellation of MSS-2 Agreement
FERC Docket No. ER 13-252	ESI Transmission-Industrial Load
FERC Docket No. ER13-288	Transmission Monitoring Services
FERC Docket No. ER13-782	ITC Related ratemaking treatment for pension and OPEB
FERC Docket No. ER13-948	ITC Related MISO OATT
FERC Docket No. ES13-5	ITC Related Debt Authorizations
FERC Docket No. ES13-6	ITC Related Debt Authorizations
FERC Docket No. EC 15-98	Acquisition of Union FERC Docket
FERC Docket No. EC15-117; FERC Docket No. EC15-47	Entergy Business Combination FERC Docket
FERC Docket No. EC18-63	Joint Application for Order Authorizing Disposition of Jurisdictional Facilities Under Section 203 of the Federal Power Act of the Cleco and NRG Applicants
FERC Docket No. EC19-18	Entergy Transmission Control Centers
FERC Docket No. EL 14-12	Complaint Challenging MISO ROE
FERC Docket No. EL 15-75	City of Alexandria ROE adder

FERC Docket No. EL11-66, EL13-33, EL14-86, & EL16-64	Martha Coakley, et. al. v. Bangor Hyrdo-Electric, Briefing Order
FERC Docket No. EL13-88	NIPSCO Seam Protocols for Economic Projects
FERC Docket No. EL14-21; EL11-34, ER14-1174	SPP/MISO JOA Dispute
FERC Docket No. EL15-71; EL15-72; EL15-70	Challenge to MISO PRA results
FERC Docket No. EL15-77	Application of Attachment FF-6 charges
FERC Docket No. EL17-2219; EL17-93	System Energy Resources, Inc. submits tariff filing per 35.1: UPSA Amendment to be effective 10/1/2017 (Depreciation and Decommissioning Fund)
FERC Docket No. EL-18-142	Re: Arkansas Public Service Commission and Mississippi Public Service Commission v. System Energy Resources, Inc., Docket No. EL17-41-001 and Louisiana Public Service Commission v. System Energy Resources, Inc., et al., Docket No. EL18-142 -000 (Consolidated) (Cost of Capital)
FERC Docket No. EL18-152	In the Matter of Louisiana Public Service Commission v. System Energy Resources, Inc. and Entergy Services, Inc. (Termination of Sale/Leaseback and Inclusion of FIN48 ADIT in Rate Base)
FERC Docket No. EL18-204	In the Matter of Louisiana Public Service Commission v. System Energy Resources, Inc. SERI Capital Structure. Mr. Sisung provided an affidavit in this docket.
FERC Docket No. EL17-41; EL18-142	SISUNG SERI ROE) Mr. Sisung provided testimony in this docket.
FERC Docket No. ER 19-1503	OATT-CIAC and ADIT issues
FERC Docket No. ER14-1736	Cost Recovery related to SPP tariff: Application for cost recovery procedures to ensure that SPP's charges under JOA Section 5.2, pursuant to which MISO is required to reserve and pay for transmission service for any flow exceeding MISO's physical contract path capacity of approximately 1,000 megawatt ("MW"), can be properly recovered from MISO's customers.
FERC Docket No. ER15-1776	Modification of emergency pricing: MISO proposed an Emergency Offer Floor to assign Proxy Offers for Emergency resources.
FERC Docket No. ER15-1922	Change of Responsibility Ratio-Entergy Business Comb
FERC Docket No. ER16-227 / ER17-1777	MISO Entergy OATT-Depreciation Rates
FERC Docket No. ER16-488 / ER16-490	MISO/PJM JOA and MEP: PJM and MISO proposal to revise the criteria for Interregional Market Efficiency Projects of the PJM-MISO JOA to eliminate the \$20 million project cost threshold.
FERC Docket No. ER17-1368	Cleco Power, LLC System Support Resource ("SSR") Payment for Teche Power Station Unit 3

FERC Docket No. ER17-2030; ER17-2029; ER17-2031; ER17-2034	Transmission Control Center Reimbursement Agreement Filing; (Related FERC Dockets ER17-2029, ER17- 2031, ER17-2033, ER17-2034) Mr. Sisung provided an affidavit in this matter.
FERC Docket No. ER18-1182	System Energy Resources, Inc. submits tariff filing per 35.13(a)(2)(iii: UPSA Amendment to Reflect Tax Cuts and Jobs Act of 2017 to be effective 6/1/2018 (SERI TCJA Compliance) Mr. Sisung submitted testimony for this docket.
FERC Docket No. ER18-1247	Entergy Louisiana, LLC submits tariff filing per 35.13(a)(2)(iii: EAI et al Unit Power Sales and Designated Power Purchase Tariff Amendment to be effective 6/1/2018 (MSS-4 TCJA Compliance)
FERC Docket No. ER18-1260	Midcontinent Independent System Operator, Inc. submits tariff filing per 35.13(a)(2)(iii: 2018-03-30 Entergy Att O Revisions Re Tax Rate Change to be effective 6/1/2018
FERC Docket No. ER18-1498	Pass through of MISO Settlement charges: ESI proposal to modify the MSS-4 Replacement Tariff allow for the pass through of all MISO Settlement Statement charges and credits that are relevant to the costs of each Designated Generating Unit, whether or not the DGU is producing energy in a particular hour
FERC Docket No. ER18-1513	OPEB: Request by EOCs for acceptance of their actual 2017 PBOP costs for use in their MISO Attachment O transmission formula rate templates effective as of June 1, 2018.
FERC Docket No. ER18-1721	MISO-Entergy TCJA in Attachment O
FERC Docket No. ER18-2243	Southwest Power Pool, Inc. submits tariff filing per 35.13(a)(2)(iii: Morgan Transformer Project Cost Allocation (Part 1) to be effective 10/16/2018
FERC Docket No. ER18-445	Entergy Services, Inc. submits tariff filing per 35.13(a)(2)(iii: Entergy Services, Inc., Amended Service Agreements to be effective 2/12/2018 (Asset Management Agreement)
FERC Docket No. ER19-1124; ER19-1125	MISO Regional Cost Allocation
FERC Docket No. ER19-1156	MISO Interregional Cost Allocation Filing
FERC Docket No. ER19-211	Transmission Control Centers
FERC Docket No. ER19-79	MISO-LS Power Complaint
FERC Docket No. ER20-1472	Entergy Services, LLC submitted proposed changes to the Entergy Operating Companies transmission formula rate templates under MISO Attachment O The purposed to allow for the inclusion of prepaid and accrued pension costs in rate base
FERC Docket No. ER20-1449	Entergy Services LLC submitted for filing proposed revisions to the transmission formula rate templates of the Entergy Operating Companies under Attachment O of the MISO Tariff
FERC Docket No. ER20-1723	MISO ISO Agreement revisions in the instant filing. The transmittal letter containing the MISO Tariff revisions, which

	is being filed simultaneously, contains the justification for both the Tariff and ISO Agreement revisions.
FERC Docket No. EL20-1724	MISO Cost Allocation Filing
FERC Docket No. EL20-42	Pursuant to Rule 207 of the Federal Energy Regulatory Commission's Rules of Practice and Procedure, the New England Ratepayers Association files this Petition for Declaratory Order requesting that the Commission declare that there is exclusive federal jurisdiction over wholesale energy sales from generation sources located on the customer side of the retail meter, and order that the rates for such sales be priced in accordance with the Public Utility Regulatory Policies Act of 1978 or the Federal Power Act, as applicable.
FERC Docket No. ER20-857	MISO Cost Allocation Filing
FERC Docket No. ER20-858	Proposed Revisions to ISO Agreement to Accompany Proposed Revisions to Attachment FF and New Attachments FF-7 and FF-8 to Expand and Clarify Economic Project Selection and Cost Allocation.
FERC Docket No. EL20-19	Complaint against the Midcontinent Independent System Operator, Inc. concerning existing provisions in the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff that provide for the allocation of costs for Baseline Reliability Projects.
FERC Docket No. ER20-862	MISO Interregional Cost Allocation Filing
FERC Docket No. EL19-90; 91 & 92	On October 17, 2019, the FERC issued an Order Instituting Section 206 Proceedings to consider how the exemption for immediate need reliability projects that the Commission allowed to Order No. 1000's requirement to eliminate provisions in Commission jurisdictional tariffs a federal right of first refusal for an incumbent transmission developer with respect to transmission facilities selected in a regional transmission plan for purposes of cost allocation is being implemented.
FERC Docket No. ER20-42-000	MISO proposed revisions to its Open Access Transmission, Energy and Operating Reserve Markets Tariff regarding the market procurement of Short-Term Reserve. The Short-Term Reserve product shall be provided by Resources capable of being deployed within thirty (30) minutes to address certain local, sub-regional and market-wide reliability needs.
GPSC Docket No. 43453	Georgia Public Service Commission Pole Attachment Order Docket

Docket No. U-35807

Exhibit RLS-002

BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION
DOCKET NO. U-35807

In re: Application of Cleco Power LLC for (I) Recovery in Rates of Certain Storm Damage Costs Incurred as a Result of Hurricanes Laura, Delta and Zeta; and (II) Expedited Treatment

**RESPONSE TO LPSC STAFF'S FIRST SET OF DATA REQUESTS
TO CLECO POWER LLC**

DATA REQUEST LPSC 1-1

Please provide all workpapers and calculations supporting the December 4, 2020 Application of Cleco Power in Docket No. U-35807.

PREPARER: Christina McDowell, Director – Regulatory Filings

RESPONSE TO DATA REQUEST LPSC 1-1

Please see the following attachments for workpapers and calculations supporting the December 4, 2020 Application of Cleco Power in LPSC Docket No. U-35807 which have been updated with Storm Cost as of December 31, 2020:

- LPSC 1-1 Attachment A – Exhibit D to Application;
- LPSC 1-1 Attachment B – Exhibit E to Application; and
- LPSC 1-1 Attachment C – Exhibit F to Application.

BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION
DOCKET NO. U-35807

In re: Application of Cleco Power LLC for (I) Recovery in Rates of Certain Storm Damage Costs Incurred as a Result of Hurricanes Laura, Delta and Zeta; and (II) Expedited Treatment

**RESPONSE TO LPSC STAFF'S FIRST SET OF DATA REQUESTS
TO CLECO POWER LLC**

DATA REQUEST LPSC 1-4

Please state whether Cleco Power was allowed to recover any LCFC or lost revenues associated with Hurricanes Katrina/ Rita, and if so, please provide the authorization for such recovery and support for the amount allowed for recovery.

PREPARER: Christina McDowell, Director – Regulatory Filings

RESPONSE TO DATA REQUEST LPSC 1-4

No, Cleco Power did not seek recovery of any LCFC or lost revenues associated with Hurricanes Katrina/Rita.

BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION
DOCKET NO. U-35807

In re: Application of Cleco Power LLC for (I) Recovery in Rates of Certain Storm Damage Costs Incurred as a Result of Hurricanes Laura, Delta and Zeta; and (II) Expedited Treatment

**RESPONSE TO LPSC STAFF'S FIRST SET OF DATA REQUESTS
TO CLECO POWER LLC**

DATA REQUEST LPSC 1-17

Please confirm that prior to the onset of the Covid-19 pandemic, Cleco Power had a short-term revolving credit facility available to it in the amount of \$150,000,000.

PREPARER: Vincent Sipowicz, Treasurer

RESPONSE TO DATA REQUEST LPSC 1-17

Prior to the onset of the COVID-19 pandemic, Cleco Power had a \$300 million revolving credit facility.

BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION
DOCKET NO. U-35807

In re: Application of Cleco Power LLC for (I) Recovery in Rates of Certain Storm Damage Costs Incurred as a Result of Hurricanes Laura, Delta and Zeta; and (II) Expedited Treatment

**RESPONSE TO LPSC STAFF'S FIRST SET OF DATA REQUESTS
TO CLECO POWER LLC**

DATA REQUEST LPSC 1-18

Please provide a copy of that short-term credit facility. Please explain in detail how the interest rate is set or calculated for each drawdown on that short-term credit facility.

PREPARER: Vincent Sipowicz, Treasurer

RESPONSE TO DATA REQUEST LPSC 1-18

Upon giving the administration agent notice to draw funds under the revolving credit facility, Cleco Power must state the desired borrowing amount, the borrowing type (Eurodollar or Base Rate), the effective date of the borrowing, and the length of interest period (e.g., one week, one month, etc.). Cleco Power typically opts for Eurodollar borrowings because they are based on the LIBOR rate and are generally less costly than Base Rate borrowings, which are based on the prime rate. The LIBOR rate applicable to the stated term is determined two days before the effective borrowing date, and the rate Cleco Power pays is this LIBOR rate plus a set margin. The margin depends on Cleco Power's credit ratings and is currently 1.25%. Prior to the expiry of the selected interest period, Cleco Power has the option to pay down the borrowing in whole or in part, or roll it forward at a new rate. The interest rates on borrowings rolled over are determined in the same manner as an initial borrowing. Please see LPSC 1-18 Attachment A for a copy of the short-term credit facility.

BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION
DOCKET NO. U-35807

In re: Application of Cleco Power LLC for (I) Recovery in Rates of Certain Storm Damage Costs Incurred as a Result of Hurricanes Laura, Delta and Zeta; and (II) Expedited Treatment

**RESPONSE TO LPSC STAFF'S FIRST SET OF DATA REQUESTS
TO CLECO POWER LLC**

DATA REQUEST LPSC 1-19

Please verify that Cleco Power utilized that \$150 million short-term credit facility to at least partially fund the costs to restore service following the landfalls of Hurricanes Laura, Delta and Zeta. Please provide an accounting for each draw on the short-term credit facility, the interest rate charged, the use of the funds, and whether any of those funds have been repaid.

PREPARER: Vincent Sipowicz, Treasurer

RESPONSE TO DATA REQUEST LPSC 1-19

The \$150 million drawn on the Cleco Power revolving credit facility in March 2020 remained on the balance sheet as cash until approximately mid-December. That is, until that time, the amount of cash at Cleco Power exceeded the \$150 million drawings. In December 2020, \$75 million of this draw was repaid, leaving a \$75 million balance on December 31, 2020, which was used to partially fund storm costs. The all-in rate on the drawings as of December 31, 2020 was 1.40%.

**Service List for U-35807
as of 3/19/2021**

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Craig Greene

Mike Francis

Foster L. Campbell

LPSC Staff Counsel

Lauren Evans, LPSC Staff Attorney

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