

BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION

DOCKET NO. U-37963

CLECO POWER LLC AND PINE JV HOLDINGS LLC
EX PARTE

In re: Joint Application of Cleco Power LLC and Pine JV Holdings LLC for: (i) Authorization for the Change of Ownership and Control of Cleco Power LLC; and (ii) Expedited Treatment.

UNCONTESTED PROPOSED STIPULATED SETTLEMENT

This Uncontested Proposed Stipulated Settlement (this "Settlement") is entered into by and among Cleco Power LLC ("Cleco Power") and Pine JV Holdings, LLC ("Pine JV Holdings") (Cleco Power and Pine JV Holdings are hereinafter referred to collectively as the "Joint Applicants") and the Louisiana Public Service Commission Staff ("Commission Staff"), and is not opposed by Packaging Corporation of America, the Alliance for Affordable Energy, and the Sierra Club (collectively, the "Intervenors"), in connection with the Joint Applicant's *Joint Application for: (I) Authorization for the Change of Ownership and Control of Cleco Power LLC; and (II) Expedited Treatment* (the "Application"). The Joint Applicants, the Commission Staff, and the Intervenors are sometimes referred to herein collectively as the "Parties."

I. BACKGROUND AND PROCEDURAL HISTORY

The Joint Applicants filed the Application on June 16, 2026, and the Application was noticed in the Louisiana Public Service Commission's ("LPSC" or the "Commission") *Bulletin No. 1378*, issued June 18, 2026. Timely interventions were filed by each of the Intervenors.

The Joint Applicants filed the Application in accordance with the requirements of LPSC General Order dated March 18, 1994 (the "1994 General Order").[1] In the Application, the Joint Applicants have requested Commission authorization of the change of ownership and control of Cleco Power. In short, pursuant to the change of ownership and control transaction described in the Application (the "Transaction"), Pine JV Holdings will acquire from Cleco Partners L.P. 100% of the ownership interest of Cleco Group LLC, which currently holds 100% of the ownership interest of Cleco Corporate Holdings LLC ("Cleco Corporate Holdings"), which in turn currently holds 100% of the ownership interest of Cleco Power. In the Application, the Joint Applicants provided a demonstration that the proposed Transaction satisfies the 18-factor public interest test set forth in the 1994 General Order. Further, the Application included a set of regulatory commitments that the Joint Applicants proposed be carried forward from Cleco Power's prior change of ownership and control proceeding[2] should the Commission authorize the change of ownership and control of Cleco Power requested by the Joint Applicants in this proceeding. Such proposed regulatory commitments were substantially based upon the regulatory commitments that the Commission authorized in LPSC Order No. U-33434-A, issued April 7, 2016. The Application was supported by the Direct Testimonies of William Fontenont, President and Chief Executive Officer of Cleco Corporate Holdings LLC, Kristin Guillory, Chief Financial Officer of Cleco Corporate Holdings, and Mark Kleehammer, General Counsel and Chief Regulatory Officer of Cleco Corporate Holdings, on behalf of Cleco Power, and Rob Kupchak, Senior Managing Director at Stonepeak Partners LP ("Stonepeak"), and the Head of Core and Head of Power &

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[1] *In re: Commission Approval Required of Sales, Leases, Mergers, Consolidations, Stock Transfers, and All Other Changes of Ownership or Control of Public Utilities Subject to Commission Jurisdiction, issued March 18, 1994.*

[2] LPSC Docket No. U-33434, Cleco Power LLC, ex parte. *In re: Joint Application of Cleco Power LLC and Cleco Partners L.P. for: (I) Authorization for the Change of Ownership and Control of Cleco Power LLC; and (II) Expedited Treatment.*

Utilities (Americas) at Stonepeak and Jeff Baudier, Senior Managing Director at Bernhard Capital Partners Management, LP ("BCP"), on behalf of Pine JV Holdings (collectively, the "Joint Applicants' Supporting Testimony").

Subsequent to the filing of the Application, the Commission Staff conducted extensive and thorough discovery, both formal and informal. On October 23, 2026, the Commission Staff filed its Direct Testimony.[3] In the Commission Staff's Direct Testimony, the Commission Staff provided a comprehensive review and evaluation of the Joint Applicants' Application, Joint Applicants' Supporting Testimony, and Joint Applicants' discovery responses. Further, the Commission Staff recommended a number of revisions to the regulatory commitments proposed by the Joint Applicants in the Application. The Joint Applicants and the Commission Staff thereafter conducted discussions and negotiations regarding the Application and, particularly, the proposed regulatory commitments.

The Joint Applicants and the Commission Staff have achieved consensus regarding the issues presented by the Joint Applicant's Application. Accordingly, subject to the terms and conditions specified in this Settlement, and to the reservation of rights by the Parties as described below, this Settlement resolves all of the issues in this proceeding. The Joint Applicants and the Commission Staff agree that this Settlement is in the public interest, is reasonable in light of the record, is consistent with law, and should be authorized by the Commission, subject to the terms and conditions hereof. The Joint Applicants and the Commission Staff accordingly agree as follows:

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[3] See *Direct Testimony of R. Lane Sisung on behalf of the Staff of the Louisiana Public Service Commission, dated October 23, 2026*, and *Direct Testimony of John E. Mayeaux on behalf of the Louisiana Public Service Commission Staff, dated October 23, 2026.*

II. SETTLEMENT

A. PUBLIC INTEREST DETERMINATION; REGULATORY COMMITMENTS; NO OPPOSITION

1. Public Interest Determination.

Subject to the terms and conditions of this Settlement, the Joint Applicants and the Commission Staff agree that the proposed Transaction for the change of ownership and control of Cleco Power satisfies the 18-factor test specified in the 1994 General Order, is in the public interest, and should be authorized by the Commission. The Intervenors each express no opposition to the proposed Transaction.

2. Regulatory Commitments.

The Joint Applicants and the Commission Staff have agreed upon a set of regulatory commitments that would be effective immediately upon the closing of the proposed Transaction (the "New Regulatory Commitments"), should the Commission determine that the proposed Transaction is in the public interest. A copy of the New Regulatory Commitments is attached hereto as Exhibit A. A redline of the New Regulatory Commitments, marked to show the revisions against the regulatory commitments proposed by the Joint Applicants in the Application, is attached hereto as Exhibit B. The Joint Applicants and the Commission Staff agree that the New Regulatory Commitments are in the public interest, should be authorized by the Commission, and, if the Commission authorizes the Transaction, should be attached to the Commission's authorizing order. The Intervenors each express no opposition to the New Regulatory Commitments.

3. No Opposition to this Settlement.

Subject to the terms and conditions of this Settlement and the reservation of rights described in Section III(B) below, each Intervenor acknowledges and agrees that it has no opposition to this Settlement.

III. GENERAL PROVISIONS

A. The Commission order issued in this proceeding shall be effective immediately upon its date of issuance.

B. Except as specifically stated herein, this Settlement shall have no precedential effect in any other proceeding and shall be without prejudice to the right of any party to take any position in future proceedings or appeals therefrom. The terms of this Settlement may not be used either as an admission of any sort or as evidence in any proceeding whatsoever, except to approve or enforce the terms of this Settlement.

C. This Settlement will be effective upon authorization by the Commission. The Parties agree to request Commission authorization of this Settlement at the November 18, 2026, Business & Executive Meeting.

Signature page follows

This Settlement is made and entered into effective as of the 12th day of November 2026.

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Date: 11/11/2026
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Date: 11/12/2026
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By: _____

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Date: 11/12/26

REPRESENTING PINE JV HOLDINGS LLC

THE PARTIES LISTED BELOW EITHER SUPPORT OR EXPRESS NO OPPOSITION TO THIS UNCONTESTED PROPOSED STIPULATED SETTLEMENT:

By: Carrie R. Tournillon/ DTP
Carrie R. Tournillon (Bar Roll No. 30093)

Date: 11/12/2026
REPRESENTING:
PACKAGING CORPORATION OF AMERICA
NO OPPOSITION

By: _____
Logan Atkinson-Burke

Date: November 11, 2026
REPRESENTING:
THE ALLIANCE FOR AFFORDABLE ENERGY
NO OPPOSITION

By: _____
Kristin Henry

Date: _____
REPRESENTING:
SIERRA CLUB
NO OPPOSITION

THE PARTIES LISTED BELOW EITHER SUPPORT OR EXPRESS NO OPPOSITION TO THIS UNCONTESTED PROPOSED STIPULATED SETTLEMENT:

By: _____
Carrie R. Tournillon (Bar Roll No. 30093)

Date: _____
REPRESENTING:
PACKAGING CORPORATION OF AMERICA
NO OPPOSITION

By: _____
Logan Atkinson-Burke

Date: _____
REPRESENTING:
THE ALLIANCE FOR AFFORDABLE ENERGY
NO OPPOSITION

By: _____
Joshua Smith

Date: 11/11/2026
REPRESENTING:
SIERRA CLUB
NO OPPOSITION

EXHIBIT RLS-015

STAFF'S PROPOSED REVISIONS TO REGULATORY COMMITMENTS



REGULATORY COMMITMENTS

Enforcement and Compliance

1. Cleco Power LLC ("Cleco Power"), as an electric public utility, will remain jurisdictional to the Louisiana Public Service Commission ("LPSC" or "Commission"), as it is now. Each of the New Owners requesting approval of the LPSC to purchase all of the ownership interests of Cleco Group LLC ("Cleco Group"), being Pine JV Holdings LLC, Pine JV Aggregator LP, SP Pine Upper Holdings LP and Pine Utilities Holdco, LP, for the sole purpose of holding the ownership interests, indirectly, in Pine JV Holdings LLC (each, a "New Owner" and, collectively, the "New Owners") as well as Cleco Power, Cleco Corporate Holdings LLC ("Cleco Corporate Holdings"), Cleco Group and New Owners agree to fully and in good faith support the implementation of all commitments herein of Cleco Corporate Holdings and Cleco Power and more specifically are obligated to take all steps necessary to allow Cleco Power and Cleco Corporate Holdings to fully comply with each of these commitments and to that end, to act consistently with, facilitate, and not interfere with the implementation of all commitments herein of Cleco Corporate Holdings and Cleco Power. Nothing herein, however, will serve to create Commission jurisdiction over Cleco Corporate Holdings, Cleco Group, or any of the New Owners, except to enforce the obligations as agreed to herein. Notwithstanding the foregoing, each of Cleco Power, Cleco Corporate Holdings, Cleco Group, and each New Owner agrees, to the extent this set of regulatory commitments creates an obligation as part of a regulatory commitment, and one or more of them is in breach thereof, that the Commission may seek to compel specific performance of said obligation or otherwise utilize injunctive relief against such particular obligor(s) who undertook said obligation before the Commission, the FERC, or a court of competent jurisdiction. Each of Cleco Power, Cleco Corporate Holdings, Cleco Group, and each New Owner agrees that in seeking to invoke the use of specific performance or injunctive relief, the Commission will not be required to demonstrate: 1) that irreparable harm, loss or damage will be suffered, absent the issuance of the injunction; 2) the lack of an adequate remedy at law or in damages; 3) that injunctive relief is necessary in the public interest; or 4) that the balance of harm favors the Commission. Further, each of Cleco Power, Cleco Corporate Holdings, Cleco Group, and each New Owner agrees, to the extent this set of regulatory commitments creates an obligation as part of a regulatory commitment, and one or more of them is in breach thereof, that it waives any objection based upon the Commission's lack of jurisdiction over it to the Commission's seeking such specific performance or injunctive relief. Further, Cleco Power, Cleco Corporate Holdings, Cleco Group and each New Owner consents to jurisdiction and venue in Louisiana State Court to the extent necessary to enforce the regulatory commitments via specific performance or injunction. Each of Cleco Power, Cleco Corporate Holdings, Cleco Group, and each New Owner, in connection with such requested specific performance or injunctive relief, retains the right to demonstrate that it has not committed to an obligation as part of a regulatory commitment or that it is not in breach of such obligation.

2. Cleco Power acknowledges that all existing orders issued by the Commission with respect to Cleco Power or its predecessors will remain in effect, and are not modified or otherwise affected by the Transaction or any order of the Commission authorizing the Transaction, except and unless specifically and expressly provided in the Commission's final order authorizing the Transaction.

3. Cleco Power will continue to comply with all Commission-issued orders and rules applicable to Cleco Power. Cleco Power will comply with all applicable Commission orders and rules issued in

the future. Cleco Power agrees that it will not contest the Commission's jurisdiction over its retail rates and provision of service. Cleco Power, whenever and wherever appropriate, will make timely and compliant filings with the Commission in accordance with the Commission's rules and orders applicable to Cleco Power. Cleco Power's obligations in these regards are in no way diminished by the Transaction or any order of the Commission authorizing the Transaction. Cleco Power's compliance obligations before the Commission are subject to Cleco Power's full procedural rights before the Commission and rights of judicial review.

4. Cleco Power acknowledges that its Commission jurisdictional rates are specified in the overall retail rate-setting determinations, including Order No. U-36923, issued July 17, 2024, as well as Cleco Power's Third Amended Formula Rate Plan ("FRP") effective for the periods July 1, 2025 through June 30, 2026 and July 1, 2026 through June 30, 2027. Cleco Power will continue to comply with all requirements and obligations of the Commission's rate-setting orders. Accordingly, Cleco Power shall continue to make annual rate filings pursuant to the current Formula Rate Plan. Cleco Power also acknowledges that certain of its fuel and fuel-related costs are recoverable under its Fuel Adjustment Clause pursuant to the Commission's FAC General Order of November 6, 1997. Cleco Power also specifically commits not to apply to adjust its compliance obligations under that general order, except as already permitted in the general order, including but not limited to its Subsections IV(M) (Exceptions) and IV(N) (Treatment of Exceptions or Uncertainties). Unless expressly resolved in these commitments, no ratemaking issues are resolved herein and the parties reserve their rights with respect to such ratemaking issues in any future proceedings before the Commission.

5. Neither Cleco Power, Cleco Corporate Holdings nor Cleco Group will advocate for a higher cost of debt or equity capital as compared to what Cleco Power's cost of debt or equity would have been absent the Transaction.

Organizational and Operational Continuities

6. Cleco Power and Cleco Corporate Holdings will both remain Louisiana entities and both shall have their corporate headquarters remain in Pineville, Louisiana. Should Cleco Power or Cleco Corporate Holdings seek to relocate its corporate headquarters outside of Pineville, Louisiana, it will provide the Commission with a minimum of eighteen (18) months' notice. Cleco Power and Cleco Corporate Holdings are prohibited from relocating their corporate headquarters outside of Pineville, Louisiana, without formal Commission approval (i.e., by a majority vote of the Commission).

7. Cleco Power and Cleco Corporate Holdings, as the parent company of Cleco Support Group, will maintain staffing and presence in the communities in which Cleco Power operates at levels sufficient to maintain the provision of safe and reliable service and efficient operations.

The New Owners, Cleco Group LLC, and Cleco Corporate Holdings agree to support and ensure Cleco Power's compliance with a Commission-approved Service Quality Program ("SQP") for at least five (5) years following closing of the Transaction. The terms and conditions of that program shall be established by the Commission in its order in Docket No. U-37969.

Until the SQP established by the Commission in Docket No. U-37969 becomes effective, Cleco Power shall maintain and comply with the Service Quality Program incorporated as Attachment B to Order No. U-33434-A, issued April 7, 2016, including its attached exhibits and any subsequent

modifications expressly authorized by the Commission. Notwithstanding expiration of that program's original term, its requirements shall remain binding during this interim period. The filing or pendency of a proposed replacement or amendment shall not alter these interim obligations.

The SQP , or any modifications or replacement authorized by the Commission in Docket No. U-37969, will remain in effect for five (5) years after the closing of the Transaction; provided, however, that the ten (10) year terms specified in Commitment 8 and Commitment 11 will survive beyond the five (5) year initial term of the SQP. Prior to the expiration of the five (5) year term of the SQP, a new five (5) year SQP must be negotiated and submitted to the Commission for approval.

8. With respect to all employees (approximately 1,200 in total), including those employees covered under the SQP, Cleco Power and Cleco Support Group will maintain employee headcount, salaries, and benefits substantially consistent with or higher than current levels in the aggregate across Cleco Power and Cleco Support Group for at least ten (10) years following closing of the Transaction. Employee headcounts may not drop more than two (2) percent from current levels, (including the benchmarks described in the SQP). The commitment to maintain headcounts does not mean that any particular individual is guaranteed to keep his or her job. Cleco Power and Cleco Support Group have the right to expect their employees to continue to operate according to the highest standards. Cleco Power and Cleco Support Group retain the right to terminate employees without cause or for cause. To the extent that Cleco Power seeks to permanently eliminate any employee positions (i.e., not individuals) or functions or seeks to permanently outsource or automate any functions beyond the threshold specified above within that ten (10) year period, the proposed change must be submitted to the Commission at least 120 days in advance of the proposed change; provided, however, that the foregoing requirement shall not apply to, and shall not impair, Cleco Power's ability to utilize the netting mechanism established and defined in Article XII of the SQP. Such notification shall include the proposed date of the change, the reasons for the change, the expected cost savings from the change, the manner in which those cost savings will be flowed through to ratepayers, the relocation of the impacted employees, if any, and the anticipated impact on Cleco Power's reliability and quality of service. No such change shall be made without formal Commission authorization (i.e., by a majority vote of the Commission).

9. In the event Cleco proposes any change in the organizational structure of Cleco's field personnel workforce, resulting in a permanent reduction of the total number of field personnel workforce below the baseline set forth in the SQP, (including, but not limited to, reduced employee levels attributable to layoffs, outsourcing and/or additional reliance on contract personnel), Cleco shall make a filing with the Commission at least 120 days in advance of the proposed change, describing all proposed changes, the reasons for said modifications or reduction, the expected cost savings from such a change and the manner in which those cost savings will be flowed through to ratepayers. No such change shall be made without affirmative Commission approval. This does not preclude Cleco from "netting" positions. "Netting" is defined as eliminating one employee position for efficiency purposes and filling a comparable position in another area of the Company to meet a specific need. Upon receipt of the filing, the Commission may take all appropriate actions to ensure that proposed management or employee changes do not adversely affect the provision, reliability, and cost of service to Louisiana customers. If retail access is mandated by the Commission, or through action by the Federal Energy Regulatory Commission or federal or state legislation, the Company must submit any proposed management changes to the Commission no less than 120 days in advance of the effective date of such changes.

10. As part of the Transaction, Cleco Power intends to retain current senior management to the extent those individuals agree to that retention. This commitment will not limit the ability of Cleco Power, subject to the provisions of the SQP, to determine its organizational structure and select and retain personnel best able to meet Cleco Power's needs over time.

11. There will be no adverse material change in Cleco Power's pension plans or pension design or in current benefits for retiree medical plan participants for at least ten (10) years.

12. Cleco Power and Cleco Corporate Holdings, as the parent company of Cleco Support Group, will maintain or increase the existing level of corporate contributions and community support in Louisiana, which may include the establishment of a charitable foundation to make charitable contributions within Louisiana consistent with Cleco Power's and Cleco Corporate Holdings's current practices.

13. Cleco Power and Cleco Corporate Holdings, as the parent company of Cleco Support Group, will maintain a level of economic development funding of no less than $760,000 annually for Louisiana state and local organizations for at least five (5) years following the closing of the Transaction. In addition, Cleco Corporate Holdings and Cleco Power shall make a one-time contribution in an amount of $10 million to a fund to be administered by the Louisiana Department of Economic Development, or other agency of the state of Louisiana, or such other public interest entity acceptable to the Commission, for the purpose of financially supporting capital costs of economic development projects located within Cleco Power's service area. The one-time contribution shall not count toward the annual funding minimum required by this commitment.

14. Cleco Power commits to continue the reliability and quality of service measures currently in place for Cleco Power or as may be modified in this or in any other future Commission proceeding. To this end, Cleco Power will maintain its customer call center in Pineville, Louisiana for a minimum of five (5) years and also will maintain management of generation, transmission, distribution, retail sales, and storm restoration in Louisiana. If Cleco Power determines that a call center is no longer the most efficient means to handle communications with its customers, and Cleco Power desires to replace the current call center with some other system, then Cleco Power must file with the Commission, at least six (6) months prior to the date of any such proposed change, a detailed description of the proposed system, the reasons the proposed system is believed to be more efficient than the call center, the net difference in cost of the proposed system, and the anticipated impact on Cleco Power's ability to receive, process, and address customer communications. The Commission will utilize its best efforts to rule within 120 days of such a filing, on whether Cleco Power may replace the call center with the new system; provided, however, that the foregoing requirement shall not apply to, and shall not impair, Cleco Power from "netting" positions as defined in Commitment No. 9. Further, Cleco Power will maintain or improve its current capital investment, operating and maintenance and procurement practices. Also, Cleco Power's current pole replacement and vegetation management practices will be continued or improved in order to maintain service reliability. Cleco Power will continue to actively participate in national and regional forums regarding best utility practices in all significant areas of Cleco Power's operations and incorporate such best utility practices as determined to be reasonably appropriate by Cleco Power, subject to any Commission review allowed by law. In addition, Cleco Power will comply with the SQP, including ongoing adjustments pursuant to the provisions of this paragraph as may be made appropriate under the SQP.

15. Cleco Power commits to maintain its existing (or a comparable), voluntary low-income assistance program, i.e., its Cleco Alternative Rate for Electricity (CARE), for a minimum of five (5) years following the closing of the Transaction.

Officers and Directors

16. For a minimum of five (5) years from the close of the Transaction, Cleco Group's chief executive officer, senior management responsible for Cleco Power's operations (e.g., generation, distribution, transmission, regulatory and commercial), and senior management of corporate support functions (e.g., financial, human resources, and legal) will have their principal places of residence in Louisiana.

17. (a) A minimum of four (4) directors of Cleco Group's board will have their principal places of residence in Louisiana, with one (1) of those four (4) being the chairman and one (1) of those four (4) being the chief executive officer.[1] The chief executive officer of Cleco Group will also serve on the boards of Cleco Corporate Holdings and Cleco Power. The affirmative vote of at least one of the Louisiana resident directors, except the Chief Executive Officer of Cleco Power, shall be required for all resolutions of the boards of Cleco Group, Cleco Corporate Holdings or Cleco Power to be effective. The votes of the individual directors on all resolutions adopted by such boards shall be recorded and such voting records shall be available on request to the Commission.

(b) Subject to general supervision of the board of directors, including the New Owners' directors and Louisiana resident directors, Cleco Power's senior management shall have full authority to manage the daily operations of Cleco Power in full accordance with its commitments and obligations herein and with its public service obligations generally, and specifically with respect to the management of storm and other emergency responses and related service restorations.

Economic and Financial

18. Cleco Power will not seek, nor will the Commission authorize recovery of any Transaction-related costs or costs incurred after the Transaction closes that are caused or required by the Transaction, whether internal or external and which would be in addition to those costs that would be borne by Cleco Power absent the Transaction. These include costs incurred in connection with seeking approvals from the Commission and/or any other regulatory, governmental or quasi-governmental authority for the Transaction. Without limitation, there will be no rate recovery, directly or indirectly, by Cleco Power of legal and financial advisory fees associated with the Transaction, no rate recovery of the acquisition premium, no rate recovery of regulatory costs, and no rate recovery of any executive change-of-control or severance compensation of any kind, including medical obligations, as a result of the Transaction.

19. Cleco Power will issue and maintain its own debt and preferred stock (if any) pursuant to the Commission's existing blanket financing authorization for Cleco Power or pursuant to any supplementary or superseding financing authorizations by the Commission.

1 For purposes of this regulatory commitment no. 17, each of the resident directors, other than the CEO, shall be an individual who (i) is not a representative of or advisor to Cleco Power, Cleco Corporate Holdings LLC, Cleco Group, the Joint Applicants, or any affiliate of any of the foregoing named entities; (ii) is not, and has not been within the last three (3) years, an employee of any of the foregoing named entities or any of their affiliates; and (iii) has no ownership interest in any of the foregoing named entities or any of their affiliates.

20. Cleco Power commits to maintain investment grade credit ratings with two (2) of Moody's Investors Service, Standard & Poor's Ratings Services, or Fitch Ratings and, further, will seek to improve such credit ratings over time. Nothing in these commitments will limit the Commission's authority to set rates or establish conditions to protect ratepayers from the consequences of any potential credit downgrades resulting from the Transaction, and Cleco Power commits to hold ratepayers harmless from any increase in the cost of debt to Cleco Power caused by such potential credit downgrades. Cleco Power shall provide notice to the Commission of any changes to the credit rating of Cleco Power within five (5) business days of Cleco Power's receipt of notice of such change to the credit rating.

21. Cleco Power is not requesting in this proceeding a determination of the prudence, just and reasonable character, rate or ratemaking treatment, or public interest of the investments, expenditures or actions referenced in these regulatory commitments (but for the Transaction, itself), and the parties in appropriate proceedings may take such positions regarding the prudence, just and reasonable character, rate or ratemaking treatment, or public interest of the investments, expenditures or actions as they deem appropriate. However, to the extent that the Commission does make determinations regarding certain Transaction-related issues (e.g., the requirement that all costs of the Transaction must be borne by shareholders, not ratepayers), those determinations are final and determinative in future proceedings.

22. Cleco Power shall use alternative financing strategies pursuant to Act 64 and or Act 55 to address substantial storm damage (and reserves) unless it is demonstrated to the satisfaction of the Commission that another methodology of financing storm damages and reserves is a less costly option.

23. New Owners shall obtain an opinion letter that the Transaction: (a) would not cause Cleco to be in violation of Commission Order No. U-35807-A (Hurricanes Laura, Delta and Zeta and Winter Storms Uri and Viola); (b) would not cause Cleco to be in violation of Act 64 of the Louisiana Legislature of 2006; (c) would not cause Cleco Power to be in violation of Commission Order No. U-35807-B; and (d) would not jeopardize any terms of the bonds sold pursuant to Commission Order No. U-35807-B. Further, Cleco Power will obtain an opinion letter that the Transaction: (a) would not cause Cleco to be in violation of Commission Order No. U-37213 (Dolet Hills Power Station and Associated Mines); (b) would not cause Cleco to be in violation of the Louisiana Electric Utility Energy Transaction Securitization Act (La. R.S. 45:1271-1281); and (c) would not jeopardize any terms of the bonds sold pursuant to Commission Order No. U-37213.

Ring-Fencing and Inter-Affiliate Accounting and Conduct

24. Cleco Power will maintain separate books, records, and documents so as to provide an audit trail to the Commission for all affiliate transactions of Cleco Power and all activities of Cleco Power that may result in affiliate costs that may be allocable to Cleco Power. Any affiliate transactions of Cleco Power, and all activities of Cleco Power, that may result in affiliate costs should be adequately documented and performed to comply with the Commission's affiliate rules made applicable to Cleco Power in the Commission's Red Simpson[2] order.

[2] Red Simpson, Inc. v. Cleco Corporation, Order No. U-24064, dated Nov. 20, 2000 ("Red Simpson").

25. Cleco Power will provide the Commission access to Cleco Power's and Cleco Corporate Holdings's books, records, and documents, as well as their employees, officers and directors (collectively "personnel"), as well as any other information required to be accessed by the Commission to verify or examine affiliate transactions of Cleco Power and all activities of Cleco Power that may result in affiliate costs that may be allocable to Cleco Power. That access will remain available for the Commission to fulfill all of its jurisdictional responsibilities over Cleco Power's rates, charges, service quality and reliability. The Transaction will not result in reduced access by the Commission to Cleco Power's or Cleco Corporate Holdings's books, records, documents and personnel, including but not limited to Cleco Power's and Cleco Corporate Holdings's books, records and documents describing any affiliate transactions regarding Cleco Power and any activities of Cleco Power that may result in the allocation of affiliate costs to Cleco Power. The Transaction and resulting corporate structure will not be used by Cleco Power as a basis to oppose requests for such books, records, documents or personnel of Cleco Corporate Holdings or Cleco Power made by the Commission or its Staff.

26. Subject to an appropriate confidentiality agreement, Cleco Power will provide the Commission with access to written information provided by Cleco Power, Cleco Corporate Holdings or Cleco Group to credit rating agencies that pertains to Cleco Power or Cleco Corporate Holdings.

27. Cleco Power agrees (i) to maintain the Commission-approved, generic cost allocation methodologies used to allocate affiliate-related costs to Cleco Power; (ii) to comply with the Commission's requirements governing affiliate transactions in the Red Simpson[3] order governing Cleco Power; (iii) that there will be no cross-subsidization by Cleco Power Commission-jurisdictional customers of unregulated activities, or of the activities of any affiliate, parent, or subsidiary entity; and (iv) to abide by all lawfully adopted Commission requirements regarding the treatment of costs associated with affiliate transactions and the costs of unregulated activities.

28. Cleco Power will not loan or pledge utility assets to Cleco Corporate Holdings, or any of its other subsidiaries or affiliates, without prior Commission approval; there will be no recourse to Cleco Power assets as collateral or security for debt issued by Cleco Corporate Holdings, without Commission prior authorization.

29. Cleco Power shall not issue any security for or become liable for another entity's obligations, without the Commission's prior authorization. Cleco Power's jurisdictional rates shall not include any obligations arising from any non-Cleco Power business activity of Cleco Corporate Holdings or Cleco Group, without the Commission's prior authorization, and Cleco Power's customers shall be held harmless for ratemaking purposes from such non-Cleco Power business activity.

30. Cleco Power will notify the Commission, in advance, of any proposed change in Cleco Power's corporate and affiliate cost allocation methodologies. Those changes shall not be effective without prior Commission approval.

31. Cleco Power will bear the burden of proof in any general rate case, FRP or other proceeding, that any intercorporate and/or affiliate cost allocation methodology it proposes is reasonable for ratemaking purposes. Cleco Power acknowledges and will not contest the Commission's authority to disallow, for retail ratemaking purposes, unsupported, unreasonable, or misallocated costs,

[3] *Id.*

imprudently incurred costs, or any costs unrelated to the provision of retail electric service in Louisiana from any source, including any affiliates, to Cleco Power's regulated utility operations.

32. Cleco Power will adopt measures providing for separate financial and accounting treatment for any non-LPSC jurisdictional business activity.

33. Cleco Power's jurisdictional rates shall not include any costs arising from any obligations of the New Owners, Cleco Group, or Cleco Corporate Holdings engaging in the permitted lines of business listed in Commitment No. 54, without the Commission's prior authorization. In any proceeding before the Commission involving rates of Cleco Power, the fair rate of return for Cleco Power will be determined without regard to any adverse consequences that are attributable to such listed lines of business, and Cleco Power's customers shall be held harmless for ratemaking purposes from the liabilities of such listed business activities. Any new subsidiary will be established as a subsidiary of either the New Owners, Cleco Group, or Cleco Corporate Holdings, rather than as a subsidiary of Cleco Power, unless the Commission authorizes otherwise. Measures providing for separate financial and accounting treatment will be established for each such subsidiary.

34. The New Owners also agree to notify the Commission of any material change in the administration, management or condition of either Cleco Power's or Cleco Corporate Holdings's books and records within ten days prior to such event.

35. The New Owners, Cleco Group, and Cleco Power will notify the Commission subsequent to Cleco Group's board approval and as soon as practicable following any public announcement of any acquisition of a regulated or unregulated business representing 5% or more of the capital of Cleco Group.

36. Cleco Power, Cleco Corporate Holdings, and Cleco Group will not assert in any future proceedings, that, by virtue of the Transaction and the resulting corporate structure, the Commission is without jurisdiction over any transaction that results in a change of control of Cleco Power.

37. At least one (1) director of Cleco Power will be an independent director who is not a member, officer, or employee of Cleco Power, the New Owners, or any of their affiliates and whose affirmative approval must be obtained for Cleco Power to initiate bankruptcy proceedings ("special independent director"). The organizational documents of Cleco Power will not permit Cleco Power, without the unanimous consent of all its directors, including the special independent director, to consent to the institution of bankruptcy proceedings or the inclusion of Cleco Power in bankruptcy proceedings.

38. The New Owners agree to implement the ring-fencing and corporate governance measures set out above at the closing of the Transaction for the purpose of providing protections to customers. Compliance with said implementation shall be reported to the Commission, as provided in Commitment No. 59, below. The New Owners represent that they have no intent to petition the Commission to change the ring-fencing and corporate governance measure. New Owners may seek the Commission's consideration and prior authorization to revise any ring-fencing provision, and would have the burden of proof in demonstrating the public interest would be served in any such revision. In addition, the New Owners agree that the Commission at any time may initiate its own review or investigation regarding ring-fencing measures and order modifications that it deems to be appropriate, in the public interest and the best interests of Cleco Power customers.

39. Cleco Corporate Holdings shall not engage in any material internal corporate reorganization relating to Cleco Corporate Holdings or Cleco Power, without 90 days prior written notification to the Commission. Such notification shall include: (a) an officer's certificate from an officer of Cleco Corporate Holdings and an officer's certificate from an officer of Cleco Power that the reorganization does not materially impact the effectiveness of Cleco Power's existing ring-fencing; and (b) either (i) an opinion of outside counsel to Cleco Corporate Holdings and Cleco Power confirming that the reorganization does not alter the conclusion expressed by such counsel in the non-consolidation opinion previously delivered with respect to the Transaction or (ii) a description by such counsel of the changes to such reorganization that would be required to permit such counsel to deliver the opinion described in the preceding clause (b)(i) and a written commitment from Cleco Corporate Holdings to take all such steps (and, thereafter, delivery by such counsel of an opinion of the type described in clause (b)(i)). In addition, Cleco Power will not object and will cooperate if the Commission opens an investigation examining the internal reorganization. The New Owners shall not materially alter the ring-fencing plan adopted in this proceeding, without first obtaining an authorization-order from the Commission.

40. At the time the Proposed Transaction is approved, and every year thereafter, the New Owners shall provide the Commission with a certificate from an officer of Cleco Power certifying: (a) Cleco Power shall maintain the requisite legal separateness in the corporate reorganization structure; (b) the organization structure serves important business purposes for Cleco Power; and (c) Cleco Power acknowledges that subsequent creditors of Cleco Corporate Holdings and Cleco Power may rely upon the separateness of Cleco Corporate Holdings and Cleco Power and would be significantly harmed in the event separateness is not maintained and a substantive consolidation of Cleco Corporate Holdings or Cleco Power were to occur.

41. The New Owners agree that nothing in the Commission's Order approving the Transaction limits the Commission's general supervisory authority over Cleco Power or Cleco Corporate Holdings in the future to enforce the regulatory commitments herein or its ability to initiate further supervisory proceedings over Cleco Power or Cleco Corporate Holdings if and when appropriate to enforce the regulatory commitments herein. Should the Commission approve the New Owners' Proposed Transaction, its Order doing so should state "Nothing in this Order should be read as: 1) a decision not to exercise in the future (a) our jurisdiction over Cleco Power or (b) our supervisory authority over Cleco Corporate Holdings as provided herein; or 2) a decision that we will not initiate further supervisory proceedings over Cleco Power or Cleco Corporate Holdings, if and when appropriate."

42. Within thirty (30) days of any Commission Order approving the Transaction, Cleco Power will submit to the Commission a copy of the form of Cleco Power's non-consolidation opinion which concludes, subject to customary assumptions and exceptions, that the ring-fencing provisions herein (and such other ring-fencing provisions as may be required for purposes of receiving a non-consolidation opinion) are sufficient such that a bankruptcy court would not order the substantive consolidation of the assets and liabilities of Cleco Power with those of Cleco Corporate Holdings. At the same time, Cleco Corporate Holdings will file an affidavit with the Commission stating that neither Cleco Corporate Holdings, nor any of its subsidiaries, will seek to include Cleco Power in a bankruptcy, without the unanimous consent of Cleco Power's board of directors including the special independent director referenced in paragraph 37, above. Any Commission Order approving the Transaction shall be contingent upon the timely receipt of the non-consolidation opinion and the affidavit described in this paragraph.

43. If the ring-fencing provisions proposed under the New Owners' Proposed Transaction are found to be insufficient to obtain a non-consolidation opinion, Cleco Corporate Holdings and Cleco Power agree to promptly undertake the following actions: (1) Notify the Commission of this inability to obtain a non-consolidation opinion and (2) Propose and implement, upon Commission approval, such additional ring-fencing provisions around Cleco Power as are sufficient to obtain a non-consolidation opinion subject to customary assumptions and exceptions.

44. The New Owners will file with the Commission an annual compliance report with respect to the ring-fencing and other requirements.

45. Cleco Power pledges that it will not, absent prior Commission approval, transfer its existing or to be acquired or built generation or bulk transmission facilities to any third party or any affiliate, parent or subsidiary entity, except pursuant to the Commission's March 18, 1994 General Order. This pledge applies to any transfer of generation or bulk transmission assets from Cleco Power or from a subsidiary of Cleco Power.

Capital Structure and Distributions

46. As part of the Commission's consideration of the Transaction, Cleco Power will provide the Commission with a copy of the form of non-consolidation opinion described in paragraph 42 above. As of the closing of the Transaction, Cleco Power will have a common equity ratio of not less than fifty-two (52) percent, except to the extent such ratio may be changed in the normal and ordinary business course of Cleco Power's financing activities, as may be authorized under Cleco Power's blanket financing authority, as granted by the Commission. At all times thereafter, Cleco Power will have a common equity ratio of not less than forty-eight (48) percent, except to the extent a lower common equity ratio is established for ratemaking purposes by the Commission. To the extent Cleco Power's common equity ratio is less than forty-eight (48) percent, the remedy shall be the distribution (defined for purposes of these regulatory commitments as any payment of dividends or return of capital, other than for expenses) restrictions in Commitment No. 47 until such time Cleco Power's common equity ratio is equal to or greater than forty-eight (48) percent. Cleco Power acknowledges the Commission's authority to establish a capital structure for ratemaking purposes only, that is different from Cleco Power's actual capital structure. Cleco Corporate Holdings represents that it is not prohibited from issuing new equity to third parties; and the Transaction documents will not be amended to prohibit Cleco Corporate Holdings from issuing new equity to third parties (including public markets). The New Owners intend to manage Cleco Power in the normal and ordinary course of business such that the Cleco Power common equity ratio would be no less than the common equity ratio established for ratemaking purposes by the Commission.

47. Cleco Power shall not declare or make any distribution, unless on the date of such distribution:

(a) Cleco Power's corporate credit/issuer rating is at least investment grade with two (2) of Moody's Investors Service, Standard & Poor's Ratings Services or Fitch Ratings; and

(b) the Cleco Power common equity ratio, after giving effect to such distribution, would not be less than forty-eight (48) percent, or any lower common equity ratio as may be established for ratemaking purposes by the Commission.

However, if either condition (a) or (b) is not satisfied, Cleco Power shall be permitted to declare and make distributions in an amount sufficient (x) to service debt at Cleco Corporate Holdings provided such distribution by Cleco Power shall exclude any amounts required to service debt and satisfy financial covenants on the debt of Cleco Corporate Holdings funding investments outside of Cleco Power as measured on a proportionate basis in relation to the amount of Total Property, Plant and Equipment, Net ("PP&E") on Cleco Corporate Holdings's balance sheet that are not Cleco Power PP&E to the total amount of PP&E on Cleco Corporate Holdings's balance sheet, provided the excluded amounts do not include any non-recourse debt issued by Cleco Corporate Holdings, and (y) to satisfy financial covenants in the independent third-party credit facilities of Cleco Corporate Holdings, if Cleco Power satisfies, on the date of such distribution, conditions (c) and (d) below:

(c) Cleco Power's corporate credit/issuer rating is at least investment grade with one or more of Moody's Investors Service, Standard & Poor's Ratings Services or Fitch Ratings; and

(d) the Cleco Power common equity ratio, after giving effect to such distribution, is less than forty-eight (48) percent, or to the extent a lower common equity ratio is established for ratemaking purposes by the Commission such lower common equity ratio, and not less than forty (40) percent, or to the extent a lower common equity ratio is established for ratemaking purposes by the Commission such lower common equity ratio.

If Cleco Power is downgraded below investment grade with Moody's Investors Service, Standard & Poor's Ratings Services and Fitch Ratings but the Cleco Power common equity ratio, after giving effect to such distribution, is not less than forty-five (45) percent, or to the extent a lower common equity ratio is established for ratemaking purposes by the Commission such lower common equity ratio, Cleco Power shall be permitted, for a maximum period of nine months to declare and distribute an amount sufficient (x) to service debt at Cleco Corporate Holdings, provided such distributions by Cleco Power shall exclude any amounts require to service debt and satisfy financial covenants on the debt of Cleco Corporate Holdings funding investments outside of Cleco Power as measured on a proportionate basis in relation to the amount of PP&E on Cleco Corporate Holdings's balance sheet that are not Cleco Power PP&E to the total amount of PP&E on Cleco Corporate Holdings's balance sheet, provided the excluded amounts do not include any non-recourse debt issues by Cleco Corporate Holdings, and (y) to satisfy financial covenants in the independent third-party credit facilities of Cleco Corporate Holdings.

If (x) Cleco Power's corporate credit/issuer rating is subsequently upgraded to at least investment grade with two (2) of Moody's Investors Service, Standard & Poor's Ratings Services or Fitch Ratings, and (y) the Cleco Power common equity ratio would subsequently, on the date of such distribution after giving effect to such distribution, not be less than forty-eight (48) percent, or to the extent a lower common equity ratio is established for ratemaking purposes by the Commission such lower common equity ratio, Cleco Power shall not be subject to any distribution restriction pursuant to this commitment.

If (x) Cleco Power's corporate credit/issuer rating is subsequently upgraded to at least investment grade with one (1) of Moody's Investors Service, Standard & Poor's Ratings Services or Fitch Ratings, and (y) the Cleco Power common equity ratio would subsequently, on the date of such distribution after giving effect to such distribution, not be less than forty (40) percent, or to the extent a lower common equity ratio is established for ratemaking purposes by the Commission such

lower common equity ratio, Cleco Power shall be permitted to declare or make distributions pursuant to this commitment.

Cleco Corporate Holdings may not declare or make any distribution, unless, on the date of such distribution:

(i) Cleco Corporate Holdings's corporate credit/issuer rating is at least investment grade with one or more of Moody's Investors Service, Standard & Poor's Ratings Services or Fitch Ratings; and

(ii) the ratio of Cleco Corporate Holdings debt to EBITDA (on a consolidated basis) for the most recently ended four fiscal quarter period prior to such date is equal to or less than 6.50 to 1.00; and

(iii) the Cleco Power common equity ratio is no less than forty-eight (48) percent, or to the extent a lower common equity ratio is established for ratemaking purposes by the Commission such lower common equity ratio; and

(iv) Cleco Power maintains investment grade credit ratings with two (2) of Moody's Investors Service, Standard & Poor's Ratings Services or Fitch Ratings.

Further, until such time conditions (i), (ii), (iii) and (iv) are satisfied, the New Owners, Cleco Group, and Cleco Corporate Holdings shall not acquire or invest in any new business, other than those businesses then currently owned or operated by them or their respective subsidiaries.

If Cleco Power or Cleco Corporate Holdings seek to make any distribution outside of those authorized above, Cleco Power and Cleco Corporate Holdings shall file a petition with the Commission to show cause why (x) Cleco Power should be permitted to make any distribution to Cleco Corporate Holdings in excess of such amount and/or (y) Cleco Corporate Holdings should be permitted to make any distribution to Cleco Group. It is the expectation of the New Owners that the Commission within sixty (60) days after Cleco Power's and Cleco Corporate Holdings's filing of such petition will issue an order granting or denying such petition. In considering such petition, due consideration shall be given to the reasons for the petition (e.g., required storm relief) and to the financial performance and credit rating of Cleco Power and to whether Cleco Power has, and is expected to achieve, financial metrics that fall within the ranges used by Moody's Investors Service, Standard & Poor's Ratings Services, or Fitch Ratings for investment grade-rated utility companies and any changes in such ranges since the date of closing of the Transaction; provided that nothing in this commitment shall prohibit the parties from advancing any arguments regarding any other factors the Commission should consider.

(e) Cleco Power shall provide rate credits for the period of time Cleco Power's actual common equity ratio is more than three (3) percent lower than the common equity ratio established for ratemaking purposes by the Commission. The rate credits shall be equal to the difference between the revenue requirement of Cleco Power, using such lower actual common equity ratio, and the revenue requirement of Cleco Power, using the common equity ratio that is three (3) percent lower than the common equity ratio established for ratemaking purposes, for such period of time that such lower actual common equity ratio exists.

48. Cleco Group shall not issue any debt to any party other than to the New Owners without the Commission's prior authorization.

49. Cleco Corporate Holdings commits to maintain an investment grade credit rating with one or more of Moody's Investors Service, Standard & Poor's Ratings Services, or Fitch Ratings at the closing of the Transaction. The New Owners agree to apply good faith efforts, after closing, such that Cleco Corporate Holdings will maintain an investment grade credit rating with one of Moody's Investors Service, Standard & Poor's Ratings Services, or Fitch Ratings. Further, Cleco Corporate Holdings shall be prohibited from incurring additional long-term debt, excluding non-recourse debt or refinancing debt the principal amount of which does not exceed the principal amount of the refinanced debt, unless, after giving effect to such incurrence, the ratio of Cleco Corporate Holdings debt to EBITDA (on a consolidated basis and excluding non-recourse debt) for the most recently ended four (4) fiscal quarter period at the time of such incurrence is equal to or less than 6.00 to 1.00.

50. New Owners acknowledge that the cost of borrowing at Cleco Corporate Holdings will not impact Cleco Power's cost of debt or equity capital for ratemaking purposes and further commit to not assert otherwise in a rate proceeding.

51. The objective of New Owners and Cleco Corporate Holdings is to obtain change of control consents or waivers to permit the notes issued by Cleco Corporate Holdings to remain outstanding after giving effect to the closing of the Transaction, or if not, to finance any required purchase or redemption of such notes as a result of the closing of the Transaction using a backstop term loan borrowed by Cleco Corporate Holdings. If a backstop term loan is used for these purposes, Cleco Corporate Holdings will refinance the backstop term loan using medium-term and/or long-term financing staggered such that no more than forty (40) percent of the total debt issued to refinance the backstop term loan have their maturity date be within a twenty-four month period. By the date of the borrowing of the backstop term loan (if ever), the New Owners and Cleco Corporate Holdings shall have developed and submitted to the Commission a plan to achieve such objective, subject to market conditions at the time or times the plan is intended to be implemented. New Owners and Cleco Corporate Holdings will maintain records of their activities and results in implementing said plan and such records shall be available to the Commission, subject to agreed upon confidentiality, and provided further that the New Owners and Cleco Corporate Holdings hall report to the Commission their progress in implementing the refinancing plan every six months after the closing date of the Transaction until the backstop term loan is refinanced, subject to confidentiality protections for such reports. New Owners shall bear any future costs associated with the interest rate risk attributable to such refinancing. See also Commitment No. 50.

52. The New Owners shall file into the record of this proceeding the terms and conditions of any related party debt involving Cleco Power or Cleco Corporate Holdings involved in the Transaction. If the Commission authorizes the Transaction, the New Owners may not close the Transaction, without submitting a compliance filing to the Commission certifying that said related party debt of the Transaction has undergone no material adverse change to the borrower thereunder relative to the stated terms and conditions of said related party debt that were before the Commission when it authorized the Transaction.

53. New Owners represent that neither Cleco Group, Cleco Corporate Holdings nor Cleco Power is prohibited from issuing new equity to third parties. New Owners will not amend any of the Agreements of these entities or other transaction documents to prohibit these entities from issuing

new equity to third parties (including public markets). If Cleco Group makes a new equity issuance for the purpose of (i) contributing the proceeds thereof (through its relevant subsidiaries) to Cleco Corporate Holdings or Cleco Power, or (ii) applying the proceeds thereof toward the purchase from Cleco Power of hybrid securities that are permitted to be issued under the transaction documents, the proceeds of any such new equity issuances by Cleco Group shall be used for such purpose. If Cleco Corporate Holdings makes a new equity issuance for the purpose of (i) contributing the proceeds thereof (through its relevant subsidiaries) to Cleco Power, or (ii) applying the proceeds thereof toward the purchase from Cleco Power of hybrid securities that are permitted to be issued under the transaction documents, the proceeds of any such new equity issuances by Cleco Corporate Holdings shall be used for such purpose. New Owners will provide an annual certificate of an officer of Cleco Group, Cleco Corporate Holdings and Cleco Power certifying that neither Cleco Group, Cleco Corporate Holdings, nor Cleco Power is prohibited from undertaking the transactions described above.

54. Cleco Power will not operate or own any business other than those businesses currently owned or operated by Cleco Power, without prior Commission approval. The New Owners, Cleco Group, and Cleco Corporate Holdings will not operate or own any business other than those businesses currently owned or operated by Cleco Corporate Holdings, without at least sixty (60) days' prior notice to the Commission of the material aspects thereof, subject to the Commission's rules protecting the confidentiality of such notification-information.

55. New Owners, Cleco Group, and Cleco Corporate Holdings may invest in the business lines of utilities, electric power, energy, and related business lines that support the economic development of Cleco Power's service area, provided that the book value of such investments shall not at any point in time exceed 20% of the rate base of Cleco Power, as set forth in Cleco Power's most recent rate case at the time of calculation, without prior LPSC authorization.

56. New Owners commit that all current and future debt issued by Cleco Corporate Holdings or Cleco Power for the purpose of financing capital expenditures will by their terms limit the use of such funds only for financing Cleco Power capital expenditures, unless the Commission approves otherwise. Quarterly officer certificates under each of the credit facilities of Cleco Corporate Holdings and Cleco Power will be filed with the Commission and served upon the Commission Staff and Intervenors in this Docket, subject to agreed-upon confidentiality provisions.

57. Nothing in these commitments will limit the Commission's authority to set rates or establish conditions to protect ratepayers from any adverse impacts that may be caused by a change in the capital structure of Cleco Power as a result of the Transaction.

Changes of Control

58. (a) Cleco Power acknowledges that it is obligated by, and commits to comply in the future with, all requirements of the Louisiana Commission's March 18, 1994 General Order (as it may be amended from time to time). Specifically, and without limiting the Commission's authority or the requirements of the Commission's March 18, 1994 General Order (as it may be amended from time to time), Cleco Power commits that it will seek prior Commission authorization for any transfers of direct or indirect ownership and/or control of Cleco Power in accordance with that General Order.

(b) Cleco Corporate Holdings, Cleco Group and the New Owners acknowledge that they are obligated by, and commit to comply in the future with, all requirements of the Louisiana Commission's March 18, 1994 General Order (as it may be amended from time to time). Specifically, and without limiting the Commission's authority or the requirements of the Commission's March 18, 1994 General Order (as it may be amended from time to time), Cleco Corporate Holdings, Cleco Group and the New Owners commit that they will seek prior Commission authorization for any transfers of direct or indirect ownership and/or control of Cleco Power in accordance with that General Order.

59. Nothing following in this commitment amends or limits the commitments and obligations specified in commitment 58, above. Each of Cleco Power, Cleco Corporate Holdings, Cleco Group, and the New Owners, despite not being utilities or common carriers subject to the direct jurisdiction of the Commission, commit that Cleco Power will seek prior Commission approval any of the following, whether or not the proposed action changes ultimate control of Cleco Power:

a. Replacement of Pine JV Aggregator GP LLC as the general partner of Pine JV Aggregator LP, or a change that causes Pine JV Aggregator GP LLC to cease being controlled by the Stonepeak and BCP associated entities identified in the ownership and governance arrangements approved by the Commission, as required below by this commitment.

b. Replacement of a general partner or manager through which Stonepeak or BCP exercises control over its interests in Pine JV Aggregator LP or Pine JV Aggregator GP LLC, or a change that causes such general partner or manager to cease being controlled by the applicable sponsor.

c. A change that causes the Stonepeak associated entities collectively to cease holding a majority of the ownership interests or voting power in Pine JV Aggregator LP or Pine JV Aggregator GP LLC, or that causes either sponsor's associated entities collectively to cease holding any ownership interest in Pine JV Aggregator GP LLC.

d. A reduction or elimination of either sponsor's rights, as established in the ownership and governance arrangements approved by the Commission, to appoint managers or directors, exercise voting power, or approve reserved matters at Pine JV Aggregator GP LLC, Pine JV Aggregator LP, or any entity below Pine JV Aggregator LP in Cleco Power's ownership chain. This requirement includes changes accomplished through amendments to governing documents or changes in the size or composition of a governing board.

e. A change that causes Pine JV Aggregator LP, Pine JV Holdings LLC, Cleco Group, or Cleco Corporate Holdings to cease owning 100% of its immediate subsidiary in the ownership chain leading to Cleco Power.

These requirements apply to transfers, issuances, redemptions, dilution, reorganizations, amendments, and other arrangements having any of the effects described above, whether accomplished directly or indirectly.

Further the New Owners, Cleco Group, Cleco Corporate Holdings and Cleco Power commit: that any proposed change in the control or proportionate ownership of the New Owners, Cleco Group, Cleco Corporate Holdings, and Cleco Power shall provide that the proposed transferee of such control shall accept and be subject to the ongoing and applicable commitments within these Regulatory Commitments; and acknowledge that any such proposed change in control is subject to

the prior authorization of the Commission. In addition, each of the New Owners severally commit to seek the prior authorization of the Commission in connection with any change of control in any of them.

The final ownership and governance arrangements approved by the Commission shall identify the entities, ownership interests, voting rights, board-appointment rights, and reserved approval rights to which this commitment applies. The New Owners, Cleco Group, Cleco Corporate Holdings LLC, and Cleco Power shall provide the final governing documents and a schedule identifying those rights for Commission review before closing. Any material departure from the arrangements approved by the Commission shall require prior Commission approval.

Reporting

60. By each October 31 of each calendar year for the next five (5) calendar years (inclusive of the current calendar year), Cleco Power will file a report with the Commission regarding the implementation of these regulatory commitments as of June 30 of that same year; provided that, with respect to the first report, if Commission approval is obtained after June 30, Cleco Power shall file the first report by October 31 of the following calendar year. The report, at a minimum, will provide a description of the performance of each of the commitments and the cost of service savings Cleco Power asserts are Transaction-related. If any commitment is not being met, relative to the specific terms of the commitment, the report will provide proposed corrective measures and target dates for completion of such measures. Cleco Power and the Commission Staff, shall draft a plan setting forth the specifics of what is to be contained in the annual reports as well as the supporting information to be submitted. Cleco Power will publicly file in this docket at the Commission all non-confidential portions of the report. Confidential portions of the report will be filed with the Commission under seal, subject to the confidentiality provisions contained in the Commission's Rules of Practice and Procedure.

61. Nothing in these regulatory commitments will be interpreted as a waiver of Cleco Power's rights to request confidential treatment for information that is the subject of any of the commitments.

62. Cleco Corporate Holdings and Cleco Power commit to file all SEC financial reports consistent with the obligations of a public debt issuer, including Forms 10-K, 10-Q, and 8K, and provide copies to the Commission as soon as they are filed.

63. Cleco Group commits to provide the Commission with audited financial reports within 120 days of the close of Cleco Group's fiscal year. Such financial reports shall include consolidating balance sheets, income statements, and statements of cash flow showing transactions among the entities within Cleco Group. In addition, and upon request of the Commission, Cleco Group shall provide the Commission with a copy of its annual federal income tax return. Further, Cleco Group commits to provide the Commission with the following upstream financial information, which the New Owners agree to supply or obtain for that purpose:

a. Annual audited financial statements for Pine JV Holdings LLC and Pine JV Aggregator LP.

b. For each of Stonepeak and BCP, an annual summary of financial information for each principal sponsor-managed investment fund providing capital for the acquisition or continued ownership of the Cleco investment. For purposes of this requirement, a principal investment fund means the pooled investment fund through which the sponsor makes its investment, rather than an

intermediate holding company, general partner, management entity, blocker entity, or separate co-investment vehicle. The summary shall identify the reporting fund and include its assets, liabilities, partners' capital or net assets, and results of operations.

c. The annual report of Stonepeak Partners LP and Bernhard Capital Partners Management, LP, if prepared. If either organization does not prepare an annual report, Cleco Group shall affirmatively disclose that fact.

d. A schedule identifying indebtedness secured by direct or indirect ownership interests in Cleco Group or its subsidiaries, the borrower and lender, the amount outstanding, and the ownership interests pledged.

If an entity required to provide audited financial statements under subpart (a) does not ordinarily prepare such statements, Cleco Group shall provide that entity's annual balance sheet, income statement, and statement of cash flows, certified by an authorized financial officer.

The information shall be provided within sixty (60) days after issuance. Before closing, Cleco Group shall file the legal names of the entities subject to these reporting requirements and identify the principal investment fund or funds associated with each sponsor. Cleco Group shall update that identification whenever the reporting entities change. Identification of the reporting entities shall not require separate Commission approval and shall not alter the reporting requirements established by this commitment.

64. Cleco Power and Cleco Corporate Holdings, to the extent practical, will continue to comply with the requirements applicable to a registrant under NYSE rules Cleco Power and Cleco Corporate Holdings shall continue to comply with the post-closing reporting and governance undertakings expressly identified in the "Cleco's Proposed Compliance" column of the updated analysis submitted pursuant to Commitment 65 of Order No. U-33434-A in the April 19, 2016 compliance filing in Docket No. U-33434, except as otherwise expressly authorized by the Commission. For purposes of this commitment, references in that analysis to Cleco Corporation shall refer to Cleco Corporate Holdings. The identified analysis shall be attached to and incorporated into the Commission's order approving this Transaction.

65. New Owners commit to the following post-closing commitments with respect to the Sarbanes-Oxley Act for both Cleco Power and Cleco Corporate Holdings:

a. Section 201 guidance on the use of outside auditors,

b. Section 202 pre-approval requirements with respect to the engagement and compensation of auditors, Section 203 requirements with respect to audit partner rotation,

c. Section 204 guidance with respect to the requirements of auditor reports to audit committees,

d. Section 206 guidance with respect to auditor conflicts of interest,

e. Section 301 requirements with respect to audit committee requirements,

f. Section 302 requirements with respect to corporate responsibility for financial reports,

g. Section 401 requirements with respect to the form and content of periodic and annual reports,

h. Section 403 requirements with respect to disclosures of certain transactions involving management and shareholders,

i. Section 404 requirements with respect to management assessment of internal controls,

j. Section 406 requirements with respect to the code of ethics for senior financial officers,

k. Section 407 requirements with respect to disclosure of audit committee financial expert, and

l. Section 906 requirements with respect to corporate responsibility for financial statements.

66. Cleco Power will continue to meet all applicable FERC reporting requirements, including annual reports (FERC Form 1) and quarterly reports (FERC Form 3-Q), after closing of the Transaction and provide copies to the Commission as soon as they are filed.

67. Cleco Power will provide to the Commission and its counsel and consultants copies of all Transaction-related filings made with other federal or state regulatory agencies (e.g., the Securities and Exchange Commission, the FERC, etc.), as soon as those filings are made. Cleco Power will provide to the Commission and its counsel copies of all Transaction-related orders of those regulatory agencies as soon as they are received by Cleco Power.

68. The Commission order approving the Transaction shall be expressly made effective upon its issuance.

Additional Commitments

69. Cleco Power, Cleco Corporate Holdings, and Cleco Group will undertake all actions necessary to ensure that the low cost financing obtained pursuant to Commission Orders U-35807-B and U-37213 is not jeopardized. In that regard, Cleco Power, Cleco Corporate Holdings and Cleco Group will undertake all actions necessary to ensure that Cleco Power remains in compliance with: (a) Commission Order No. U-35807-A (Hurricanes Laura, Delta and Zeta and Winter Storms Uri and Viola); (b) all provisions of Act 64 of the Louisiana Legislature of 2006; and (c) Commission Order No. U-35807-B. Further, Cleco Power, Cleco Corporate Holdings and Cleco Group will do the same concerning: (a) Commission Order No. U-37213 (Dolet Hills Power Station and Associated Mines); and (b) all provisions of the Louisiana Electric Utility Energy Transaction Securitization Act (La. R.S. 45:1271-1281).

70. Cleco Power will continue to abide by all of its obligations as part owner of the now-retired Dolet Hills Power Station located in DeSoto Parish as well as its obligations regarding the remediation of the associated Dolet Hills and Oxbow Mines.

71. Cleco Power will continue to abide by all of its obligations in connection with its ownership and operation of the Acadia One generating unit as well as its 50% interest in the common facilities of Acadia Energy Center.

72. Cleco Power will continue to honor and abide by all of its obligations associated with its various franchise agreements and to assume and abide by all of the health safety and other permits it must obtain and keep current as required by state, parish and local laws, ordinances and regulations.

73. Cleco Power will continue to abide by all of its obligations in connection with joining and being a member of the Midcontinent Independent System Operator as contained in Commission Order Nos. U-32631 (July 12, 2013), U-32839 (December 13, 2013), and U-34501 (June 30, 2020) and as otherwise ordered by the Commission.

74. Sponsor-Related Affiliate Transactions.

For purposes of these Regulatory Commitments and the application of the Commission's affiliate-transaction protections, a "Covered Entity" means Stonepeak, BCP, each New Owner, and any entity other than Cleco Power and its subsidiaries, that (i) is directly or indirectly controlled or managed by Stonepeak, BCP, any New Owner, or any of their controlled or managed investment funds or entities or (ii) is at least twenty (20) percent owned, directly or indirectly and in the aggregate, by those parties, measured by equity ownership or rights to profits. Control and management mean decision-making authority over an entity's operations, investments, or policies, whether exercised through ownership, contractual rights, appointment rights, or otherwise; advice alone is insufficient to establish either. An investment below the twenty (20) percent threshold does not, by itself, establish coverage where no qualifying control or management relationship exists. Covered Entities include investment funds, co-investment vehicles, portfolio companies, and joint ventures meeting this definition.

Transactions between Cleco Power and a Covered Entity shall be treated as affiliate transactions for purposes of these Regulatory Commitments and the Commission's applicable affiliate rules and orders, regardless of whether the Covered Entity otherwise satisfies a definition of affiliate. This requirement includes transactions conducted through an intermediary or project entity where a Covered Entity participates in the arrangement or receives compensation attributable to it.

The New Owners shall provide Cleco Power with current information sufficient to identify Covered Entities involved in transactions or continuing agreements with Cleco Power. Cleco Power shall disclose each such entity and the ownership, investment, or management relationship giving rise to its coverage in the notices and filings required by this commitment and in an annual filing updating that information. The annual filing shall supplement, and shall not replace, the transaction-specific notices required by this commitment.

Cleco Power shall provide written notice to the Commission within (30) days after entering into a binding agreement for a transaction covered by the commitment, including a binding commitment of fund assets or services. Notice shall identify the parties and their relationships; describe the transaction, its purpose, and material economic terms; identify any utility contributions, obligations, guarantees, or other financial support; and explain the affiliate pricing, procurement, allocation, and other protections proposed to apply. The notice requirement applies to purchases and sales of goods or services, construction, fuel and transportation arrangements, financing, leases, asset transfers, electric-service arrangements, joint ventures, and material amendments to such arrangements. The agreement's effectiveness need not be deferred solely to provide notice under this commitment. Any separate requirement for prior Commission approval remains fully applicable. Any alternative notice procedure or exception shall require express Commission authorization.

Covered transactions shall comply with the Commission's applicable affiliate pricing, competitive-procurement, cost-allocation, accounting, and cross-subsidization requirements, including applicable requirements of Order No. U-24064, the Commission's Market Based Mechanisms

General Order, and other governing orders. Existing exceptions under the Commission's affiliate rules shall remain applicable only to the requirements those exceptions expressly address. Ordinary purchases or sales of products or services solely under an applicable Commission-approved tariff are exempt from the transaction-notice and annual disclosure requirements of this commitment. This exception applies only to the tariffed service itself and does not exempt a separate construction, financing, lease, asset-transfer, or other non-tariffed arrangement with the same counterparty. Access to relevant records and all otherwise applicable Commission approval and filing requirements, including those governing changes to rate schedules and special rate contracts, remain intact. Any requested departure from an otherwise applicable requirement shall be expressly identified and submitted for Commission approval.

Cleco Power shall maintain records sufficient to substantiate the transaction's pricing, underlying costs, allocations, affiliate compensation, financing charges, and utility contributions, as relevant to the transaction, and to demonstrate that costs or compensation are not duplicated. For new agreements entered into after closing with a counterparty that is then a Covered Entity, the New Owners and Cleco Power shall secure the contractual rights necessary to provide the Commission and its authorized representatives access to relevant supporting records held by Covered Entities, intermediaries, and project entities. For agreements in effect at closing and agreements with counterparties that subsequently become Covered Entities, the New Owners and Cleco Power shall use commercially reasonable efforts to obtain any additional contractual access rights necessary for that purpose. Cleco Power shall disclose any material limitation on access, describe its efforts to obtain access, and provide available alternative support in the applicable notice or inventory filing or, if discovered later, promptly after discovery. New agreements and material amendments, renewals, or extensions negotiated after the counterparty becomes a Covered Entity shall include the required access rights for the new or amended obligations. These provisions do not excuse any existing access obligation. Cleco Power shall retain the burden of supporting any amounts proposed for recovery from customers, and inability to obtain records shall not create a presumption of prudence or recoverability or limit the Commission's authority to disallow unsupported costs.

Notice, disclosure, or access to an agreement under this commitment does not constitute approval . Neither the Commission nor Staff is required by this commitment to review, respond to, or object to a disclosed transaction within any specified period. Neither notice nor the absence of a response constitutes approval, acquiescence, a determination of prudence, or an entitlement to cost recovery. Nothing in this commitment replaces any separate approval requirement or constitutes approval of a future project, procurement classification, financing arrangement, accounting treatment, valuation method, prudence determination, or cost recovery. Cleco Power's burden to support the transaction and any requested recovery remains unchanged, and the Commission's authority to review and disallow costs remains unaffected.

The New Owners, Cleco Group, Cleco Corporate Holdings, and Cleco Power agree to support and ensure compliance with this commitment as applicable to the obligations undertaken by each of them. Existing covered agreements in effect at closing, other than ordinary tariffed service exempted above, shall be identified in a filing made within sixty (60) days after closing, including their counterparties, sponsor relationships, principal terms, and remaining obligations. Identification of an existing agreement shall not constitute approval or ratification of that agreement.

If a counterparty to an existing Cleco Power agreement becomes a Covered Entity after closing, the New Owners shall promptly inform Cleco Power, and Cleco Power shall notify the Commission

within thirty (30) days after the relationship arises. The notice shall identify the relationship, the existing agreement, its principal terms, and its remaining obligations. Ordinary tariffed service exempted above is not subject to this notice requirement. The absence of a new agreement or amendment shall not exempt the continuing arrangement from the applicable affiliate protections or the record-access requirements of this commitment, subject to the provisions above for obtaining additional contractual access rights. A subsequent affiliation shall not, by itself, establish that an agreement was imprudent or change treatment previously authorized by the Commission; nor shall it create a presumption that the agreement was entered into at arm's-length market terms. The Commission retains its otherwise applicable authority to review the agreement, continuing charges, and proposed recovery of costs, subject to governing law and prior orders.

This commitment supplements, and does not limit, the protections and obligations in Commitments 24 through 45 or any other applicable Commission rule, order, or Regulatory Commitment.