LOUISIANA PUBLIC SERVICE COMMISSION

ORDER NUMBER U-38035

CLECO POWER LLC, EX PARTE.

Docket No. U-38035, In re: Application of Cleco Power LLC for authorization of certain contracts, including a site specific contract, as well as certification of transmission interconnection, new generation, and associated waivers for a large load customer pursuant to the Commission's Lightning Initiative.

(Decided at the September 16, 2026 Business and Executive Session.)

I. OVERVIEW AND PROCEDURAL HISTORY

On July 1, 2026, Cleco Power LLC ("Cleco" or the "Company") filed its application for authorization of certain contracts and certification of transmission interconnection, new generation, and associated waivers for a large load customer (the "Application"). The Application was filed pursuant to the Louisiana Public Service Commission's ("Commission" or "LPSC") Lightning Directive, adopted at the December 17, 2025 Business and Executive Session. The Lightning Directive provided for certain waivers of the Commission's Market Based Mechanism Order ("MBM Order")[1] for a proposed capacity addition where certain factors are demonstrated. The Lightning Directive also directed Staff to take reasonable steps to ensure that the applications filed under the directive are reviewed and processed on a timely basis, with the objective of the Commission being able to vote within 8 months of an application.

The Application was noticed in the Commission's Official Bulletin #1380 dated July 17, 2026. Interventions were filed by Pelican Power LLC, Packaging Corporation of America, the Alliance for Affordable Energy, Sierra Club, Southern Renewable Energy Association, and International Paper Company, and interested party status was granted to Cabot Corporation, Entergy Louisiana, LLC, and Southwestern Electric Power Company (together, with Staff and the Company, "the Parties").

The Application sought, among other things, Commission certification of a new combined cycle gas turbine ("CCGT") generation resource and confirmation of regulatory treatment applicable to certain transmission interconnection facilities necessary to reliably

[1] General Order dated October 14, 2024 (R-34247). In re: Rulemaking to consider changes to Commission General Order dated October 29, 2008 (Docket No. R-26172 Subdocket C) ("Market Based Mechanisms Order") to incorporate formal complaint procedures. This Order combines, amends, and supersedes previous General Orders in dockets: R-36172-C, R-34003, R-35462, and R-34247. This Order also amends and supersedes General Order dated October 29, 2008.

serve Cleco Power's existing customers and a new customer, Applied Digital Corporation (the "Customer"), and the Customer's hyperscale data center project that will be located in Rapides Parish, Louisiana (the "Project"). The Project's load is expected to be approximately 430 megawatts by 2028, representing a substantial, long-term addition to Cleco Power's retail load, for which the Company proposes to provide electrical service pursuant to an Electric Service Agreement ("ESA").

In its Application, Cleco asserted that it's Application meets the Lightning Amendment's criteria for timely review and processing.[2] Cleco also requested timely treatment as the Company has entered into a Capacity Agreement with Tenaska Frontier Partners, Ltd. ("Tenaska Agreement"), to support the Project before new, long-term generation can be constructed and placed in service and to support the Company's resource adequacy obligations. The Tenaska Agreement term runs from the effective date through May 31, 2037, covering 10 MISO Planning Years, beginning with the 2027-2028 Planning Year starting June 1, 2027. Thus, per the terms of the Tenaska Agreement, Cleco contends that it is critical for the Company to obtain timely approval of the Application, including the Tenaska Agreement, no later than the Commission's March 2027 Business and Executive meeting.

After much discussion, the Parties convened at a status conference held on August 25, 2026 to present a proposed procedural schedule to the Administrative Law Judge ("ALJ"). The Parties and the ALJ were unable to set a procedural schedule due to the expedited timeframe needed to meet both the Lightning Initiative and the Tenaska Agreement, while allowing enough time for the ALJ to make a formal recommendation.

On September 1, 2026, the Cleco filed its *Motion Pursuant to Rule 57 for Procedural Directive* ("Motion") wherein the Company requested the Commission exercise its original and primary jurisdiction, pursuant to Rule 57 of the Commission's Rules of Practice and Procedure, and issue an Order directing the Administrative Hearings Division to adopt a procedural schedule in this matter to ensure that the Application be reviewed and processed on a timely basis and to facilitate Commission vote on the Application's requests within eight (8) months of the Application's filing, or at the March 2027 Business and Executive Session. Cleco Power further requested the Commission issue an Order directing the Administrative Hearings

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[2] Direct testimony of Cleco Power witness D. Andrew Owens at p. 10, line 14 – page 12, line 11.

Division to serve as hearing examiner and compile a complete evidentiary record of this proceeding, without the issuance of a formal recommendation, for the Commission's *de novo* consideration.

Due to the Parties' inability to set a procedural schedule, Staff did not oppose the Motion.

II. COMMISSION JURISDICTION

The jurisdiction of the Commission is set forth by constitutional and statutory provisions. The Louisiana Constitution, Article IV, Section 21, provides:

> The Commission shall regulate all common carriers and public utilities and have such other regulatory authority as provided by law. It shall adopt and enforce reasonable rules, regulations, and procedures necessary for the discharge of its duties, and shall have other powers and perform other duties as provided by law.

III. COMMISSION CONSIDERATION

The matter was considered at the Commission's September 16, 2026 Business and Executive Session. On motion of Chairman Skrmetta, seconded by Vice Chairman Coussan, and unanimously adopted, the Commission voted to exercise its original and primary jurisdiction pursuant to Rule 57.

After discussion,[3] on motion of Commissioner Francis, seconded by Chairman Skrmetta, and unanimously adopted, the Commission voted to direct the Administrative Hearings Division to establish a procedural schedule in LPSC Docket No. U-38035 that provides for Commission consideration of the Application no later than the March 2027 Business and Executive Session; and direct the Administrative Hearings Division to serve as hearing examiner and compile a complete evidentiary record for the Commission's *de novo* consideration, without the issuance of a formal recommendation from the presiding Administrative Law Judge.

THEREFORE, IT IS ORDERED:

1. The Administrative Hearings Division shall establish a procedural schedule in LPSC Docket No. U-38035 that provides for Commission consideration of the Application no later than the March 2027 Business and Executive Session.

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[3] The Parties did not voice opposition during the discussion at the B&E.

2. The Administrative Hearings Division shall serve as hearing examiner and compile a complete evidentiary record for the Commission's *de novo* consideration, without the issuance of a formal recommendation from the presiding Administrative Law Judge.

BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA
October 15, 2026

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