phelps

NATHAN G. HUNTWORK
Partner
(504) 584-9203
nathan.huntwork@phelps.com

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LA Public Service Commission

Phelps Dunbar LLP
Canal Place
365 Canal Street
Suite 2000
New Orleans, LA 70130
504 566 1311

July 1, 2026

12922-0592

VIA HAND DELIVERY

REDACTED

Mr. Brandon M. Frey
Executive Secretary
Louisiana Public Service Commission
Galvez Building, 12th Floor
602 North Fifth Street
Baton Rouge, LA 70802

ROUTE TO 15days ROUTE FROM
DEPT. Bulletin DATE 7/6 DEPT.
DEPT. DATE DEPT.

Re: LPSC Docket No. U-_____, Application of Cleco Power LLC for Authorization of: (I) Site Specific Contract for Large Load Customer; (II) Bridge Capacity Contract; (III) Construction of New Transmission Interconnection; (IV) Construction of New Generation; (V) Associated Waivers; and (VI) Expedited Treatment.

Dear Mr. Frey:

On behalf of Cleco Power LLC ("Cleco Power"), enclosed for filing are one (1) original and three (3) copies of the public, redacted version of the captioned Application and of the following items of supporting testimony:

(1) The Direct Testimony of William Fontenot on behalf of Cleco Power LLC, dated July 1, 2026;

(2) The Direct Testimony of Austin T. Finn on behalf of Cleco Power LLC, dated July 1, 2026;

(3) The Direct Testimony of Vincent M. Sipowicz on behalf of Cleco Power LLC, dated July 1, 2026;

(4) The Direct Testimony of Christina C. McDowell on behalf of Cleco Power LLC, dated July 1, 2026;

(5) The Direct Testimony of D. Andrew Owens on behalf of Cleco Power LLC, dated July 1, 2026.

(6) The Direct Testimony of Richard Leon Sharp on behalf of Cleco Power, dated July 1, 2026;

(7) The Direct Testimony of Robert Breedlove on behalf of Cleco Power LLC, dated July 1, 2026;

(8) The Direct Testimony of Jonathan E. Long on behalf of Cleco Power LLC, dated July 1, 2026;

(9) The Direct Testimony of Christopher Thibodeaux on behalf of Cleco Power LLC, dated July 1, 2026;

(10) The Direct Testimony of Shannon Jenkins on behalf of Cleco Power LLC, dated July 1, 2026; and

Also enclosed herewith in sealed envelopes marked "CONFIDENTIAL" are an original and three (3) copies of the confidential version of the Application and supporting testimony. These documents contain trade secret, proprietary, and other confidential information, and we request that they be treated as exempt from public disclosure pursuant to Rule 12.1 of the Commission's Rules of Practice and Procedure.

Because Cleco Power is requesting expedited treatment, we also request that the Commission publish notice of this filing in the Commission's next Official Bulletin and provide for a 15-day period for interventions into this proceeding.

Please return one (1) date-stamped copy of each of the foregoing items to us. If you have any questions, or require any additional information whatsoever, please do not hesitate to contact us, as counsel for Cleco Power.

Respectfully submitted,

Nathan G. Huntwork
Counsel for Cleco Power LLC

Enclosures

cc: Mark Kleehammer (via e-mail)
Christina C. McDowell (via e-mail)

<u>Counsel for Cleco Power LLC</u>
Daniel T. Pancamo (Phelps Dunbar, L.L.P.)
Collin Buisson (Phelps Dunbar, L.L.P.)
Taylor J. Boudreaux (Phelps Dunbar, L.L.P.)

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LA Public Service Commission

BEFORE THE LOUISIANA PUBLIC SERVICE COMMISSION

IN RE: APPLICATION OF CLECO POWER LLC FOR AUTHORIZATION OF: (I) SITE SPECIFIC CONTRACT FOR LARGE LOAD CUSTOMER; (II) BRIDGE CAPACITY CONTRACT; (III) CONSTRUCTION OF NEW TRANSMISSION INTERCONNECTION; (IV) CONSTRUCTION OF NEW GENERATION; (V) ASSOCIATED WAIVERS; AND (VI) EXPEDITED TREATMENT.	)	DOCKET NO. U-______

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I. INTRODUCTION AND SUMMARY

NOW BEFORE THE COMMISSION COMES Cleco Power LLC ("Cleco Power" or the "Company"), which hereby requests that the Louisiana Public Service Commission ("LPSC" or the "Commission") grant the following authorizations, determinations, or findings: (i) approval of an Electric Service Agreement ("ESA") with Applied Digital Corporation (the "Customer"); (ii) approval to enter into an agreement for capacity with Tenaska Frontier Partners, Ltd.[1] (the "Capacity Agreement"); (iii) confirmation of the regulatory treatment applicable to certain transmission interconnection facilities; (iv) certification of a new combined cycle gas turbine ("CCGT") generation resource necessary to reliably serve Cleco Power's existing customers and the Customer's new hyperscale data center project that will be located in Rapides Parish, Louisiana (the "Project"); (v) approval of related ratemaking and accounting treatment; and (vi) expedited treatment. The foregoing requests are addressed more fully in this application (the "Application") and in comprehensive detail in the supporting testimony of Cleco Power's witnesses in this proceeding.

The Project represents a substantial new load in Cleco Power's service territory and provides an opportunity to efficiently utilize, modernize, and strengthen the Company's system. Serving a customer of this scale requires careful coordination across transmission, generation, ratemaking, and contractual frameworks to ensure that Cleco Power can continue to provide reliable service and to fully protect existing customers. The Project's load is expected to be approximately 430 megawatts ("MW") by 2028, representing a substantial, long-term addition to Cleco Power's retail load. Cleco Power proposes to provide electric service pursuant to an ESA, supported by related agreements that together allocate to the Customer the incremental costs and

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[1] Tenaska Frontier Partners, Ltd. is also referred to as "Tenaska".

risks directly related to the Project. The Company will also implement a combination of near-term bridge capacity (*i.e.*, the Capacity Agreement) and long-term infrastructure development, including construction of a new combined cycle gas turbine ("CCGT") generator, together with associated transmission and interconnection facilities, to ensure that Cleco Power can provide reliable service to its existing and future customers and meet the Commission's and Midcontinent Independent System Operator, Inc. ("MISO") resource adequacy requirements.

In short, Cleco Power is requesting that the Commission authorize a comprehensive package of agreements and investments needed to reliably serve Cleco Power's customers, including the Project, while strengthening the Company's long-term resource portfolio for the benefit of all of the Company's customers. Cleco Power's service to the new Customer will dramatically reduce the costs borne by other customers related to a new generation resource that is needed regardless of the new Customer's load; absent the new Customer, the Company's other customers would bear the entirety of such costs.

Cleco Power's requests in this proceeding are supported by the direct testimony of the following witnesses, each addressing the topics summarized below:

- William Fontenot: addresses Cleco Power's operations and strategic objectives, placing the Project within the Company's broader vision and business plan;
- Austin T. Finn: addresses the Project, the ESA and related agreements, and the economic analyses demonstrating benefits to existing customers;
- Vincent M. Sipowicz: addresses financial risk mitigation measures, credit support arrangements, and the impacts on Cleco Power's financial profile;

- Christina C. McDowell: addresses the revenue requirement for the new CCGT generator, the proposed revenue deferral framework that will significantly mitigate rate impacts upon Cleco Power's other customers, and other ratemaking treatments;
- D. Andrew Owens: addresses applicable LPSC General Orders and policies, the public interest analysis, and the specific regulatory approvals being requested;
- Richard Leon Sharp: addresses long-term resource planning, the Capacity Agreement, and the need for new dispatchable generation;
- Robert Breedlove: addresses the existing generation fleet, the proposed CCGT generator, the procurement and construction strategy, and project monitoring;
- Jonathan E. Long: addresses the current state of the power generation market and the challenges facing utilities developing new generation;
- Christopher Thibodeaux: addresses Cleco Power's transmission system, transmission planning, and MISO processes;
- Shannon Jenkins: addresses the transmission interconnection facilities for the Project, including scope, schedule, and cost.

II.PROJECT BACKGROUND

This Application arises from the development of the Project, a hyperscale data center facility located in Rapides Parish, Louisiana. The Project will require substantial, continuous electric service upon commencement of operations and, once fully operational, will represent the largest single load ever served by Cleco Power. The Project is expected to begin taking permanent service in mid-year 2027 and to ramp to full capacity in 2028.

The Project presents a significant opportunity for economic development and long-term growth in Cleco Power's service territory and the State of Louisiana. The Customer's $3.6 billion investment, combined with Cleco Power's planned investments in new transmission and generation infrastructure, will inject billions of dollars into central Louisiana's economy and create a meaningful, lasting tax base that supports local schools, parish services, and state programs. Construction activity is expected to peak at roughly 1,000 jobs, followed by 200 permanent positions at the data center, plus more than 200 indirect jobs at nearby businesses, restaurants, and service providers. The Project could also catalyze long-term economic activity in Rapides Parish by anchoring a digital infrastructure cluster that can attract suppliers, contractors, and complementary investment for years to come.

The Project is being advanced pursuant to a comprehensive contractual and proposed regulatory framework. Applied Digital Corporation, as Customer, will be Cleco Power's direct retail customer under the ESA. The Project facility will be utilized by a subsidiary of a hyperscaler (the "Offtaker"), who will occupy and use the data center pursuant to a separate agreement with the Customer. The hyperscaler parent of the Offtaker provides an important financial backstop through a Parent Guaranty that becomes operative under the circumstances described in the supporting agreements. Together, the ESA between Cleco Power and the Customer, the Direct Agreement and the Assignment and Amendment of the Electric Service Agreement ("Assignment and Amendment of ESA") each among Cleco Power, the Customer, and the Offtaker, along with the Parent Guaranty, collectively form an integrated and carefully negotiated structure designed to ensure continuity of service, continuity of payment obligations, and robust financial protection for both Cleco Power and its customers. The foregoing documents are described more fully below.

The Project is also expected to generate substantial public interest benefits. It represents a major investment in central Louisiana, supports state economic development objectives, and is anticipated to create meaningful construction and permanent employment opportunities. In addition, the revenues associated with serving the Project are expected to contribute significantly to shared system costs that otherwise would be borne entirely by existing customers. Thus, Cleco Power's service to the Project will produce meaningful benefits for existing customers while protecting them from Project-specific risks and costs.

The Company's proposed approach is structured around three related objectives. First, Cleco Power must be able to serve existing customers and the Project reliably, both during the ramp-up period and over the long term. This requires new transmission facilities, interim capacity arrangements, and development of new generation to address aging generators in the Company's supply portfolio. Second, existing customers must be protected from costs and risks that are properly attributable to the Project. The ESA and related agreements accomplish that objective by assigning Project-specific incremental costs to the Customer, requiring direct funding of interconnection facilities, establishing cost-recovery mechanisms for capacity-related obligations, and incorporating substantial financial protections. Third, the relief requested must be considered as a single, integrated package because the ESA, transmission facilities, interim capacity arrangement, new generation resource, ratemaking treatment, and related approvals are interdependent. Partial approval would undermine the structure of the transaction and could jeopardize the Company's ability to serve its customers, including the Project, reliably and prudently.

For the reasons set forth in this Application and the accompanying testimony, Cleco Power respectfully submits that its requested relief is reasonable, necessary, and in the public interest.

III. DESCRIPTION OF CLECO POWER

Cleco Power is a Louisiana limited liability company, and a wholly-owned subsidiary of Cleco Corporate Holdings LLC, also a Louisiana limited liability company. Cleco Power generates, transmits, and delivers electricity to approximately 298,000 customers located in three, non-contiguous service territories. Together, these service territories comprise four service districts throughout the State of Louisiana and include part of 24 of the 64 parishes in Louisiana. A significant portion of Cleco Power's service territory is located in the central part of Louisiana, with an additional area located north of New Orleans, commonly referred to as Northlake. Cleco Power is a member of MISO. Cleco Power also owns and operates the following generating units and power stations, either in full ownership or in co-ownership: Nesbitt Unit 1; Rodemacher Unit 2; Madison Unit 3; Acadia Power Station Power Block 1; Coughlin Power Station; Teche Unit 4; and the St. Mary Clean Energy Center.

IV. COMMUNICATIONS

Cleco Power requests that communications concerning this Application be directed to:

Mark Kleehammer
General Counsel & Chief Regulatory Officer
Cleco Power LLC
2030 Donahue Ferry Road
Pineville, Louisiana 71360
Phone: 318-484-7675
Email: mark.kleehammer@cleco.com

Christina C. McDowell
Director – Regulatory Filings
2030 Donahue Ferry Road
Pineville, Louisiana 71360
Phone: 318-484-4923
Email: christina.mcdowell@cleco.com

&

Nathan G. Huntwork
Daniel T. Pancamo
Collin Buisson
Taylor J. Boudreaux
Phelps Dunbar LLP
365 Canal Street, Suite 2000
New Orleans, Louisiana 70130
Phone: (504) 566-1311
Fax: (504) 568-9130
Email: nathan.huntwork@phelps.com
dan.pancamo@phelps.com
collin.buisson@phelps.com
taylor.boudreaux@phelps.com

V. TRANSACTION STRUCTURE AND KEY AGREEMENTS

As described in comprehensive detail in the direct testimony of Cleco Power witnesses Austin T. Finn and Vincent M. Sipowicz, Cleco Power's service to the Project is governed by a set of interrelated agreements that were carefully negotiated and executed contemporaneously and are intended to operate together as a single, integrated framework. These agreements establish the terms under which electric service will be provided, define the allocation of costs and risks among the parties, and incorporate multiple layers of financial protection to help ensure that the Company and its existing customers are insulated from Project-related risks. The principal agreements are (i) the ESA between Cleco Power and the Customer, (ii) the Direct Agreement and the Assignment and Amendment of ESA each among Cleco Power, the Customer, and the Offtaker, and (iii) the Parent Guaranty.

Under the ESA, Cleco Power will provide electric service to the Project over a 15-year initial term, during which the Customer will be responsible for funding all interconnection facilities through Contribution in Aid of Construction ("CIAC") payments, and the Customer agrees to take or pay for electric service under defined terms and conditions. The ESA establishes the key commercial and operational elements of the relationship, including contract demand levels,

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billing arrangements, minimum payment obligations, and service commencement. While service is generally provided pursuant to the Company's existing Large Power Service ("LPS") rate schedule and applicable riders, the ESA includes certain limited modifications that reflect the size, characteristics, and long-term nature of the Project. Those modifications cause the ESA to be submitted for Commission approval as a "Site Specific Contract," as further described, below.

The ESA also includes provisions that require the Customer to bear the costs directly attributable to serving the Project. These include the cost of transmission and distribution facilities needed to interconnect and serve the Project, capacity-related costs incurred through the Capacity Agreement, and certain other obligations. The ESA also includes minimum billing provisions, termination provisions, credit support requirements, and risk-sharing mechanisms designed to protect both Cleco Power and its customers.

The Direct Agreement provides an additional layer of protection by establishing a contractual relationship among Cleco Power, the Customer, and the Offtaker that becomes effective upon the occurrence of specified triggering events. These triggering events include circumstances such as a failure to pay amounts due under the ESA, the existence of a right to terminate the ESA, or certain insolvency-related developments. Upon the occurrence of such an event, Cleco Power is entitled to provide notice to both the Customer and Offtaker, and Offtaker is provided an opportunity to cure the triggering event or assume responsibility for the obligations under the ESA. This structure ensures that Cleco Power is not solely dependent on a single counterparty and that payment obligations can continue to be performed even if the Customer encounters financial or operational difficulties.

Closely tied to the Direct Agreement is the Assignment and Amendment of the ESA, which establishes the mechanism by which the ESA may be transferred from the Customer to Offtaker upon the occurrence of an assignment triggering event. Under this agreement, the assignment occurs automatically and without the need for further action by the parties once the specified conditions are satisfied. The Offtaker would then step into the role of the Customer under the ESA and assume the obligations associated with that agreement, thereby ensuring continuity of service and continuity of payment obligations. Importantly, the Customer is not released from its obligations by virtue of this assignment and remains liable in accordance with the terms of the agreements, providing an additional layer of protection.

The Parent Guaranty by the Offtaker's creditworthy, hyperscaler parent further strengthens this framework by supplying significant credit support for the obligations assumed by the Offtaker following an assignment. The Parent Guaranty is a springing guaranty and becomes effective automatically upon the occurrence of an assignment triggering event and obligates the guarantor to stand behind the payment obligations of the Offtaker arising under the ESA. This Parent Guaranty provides Cleco Power with a direct and enforceable right of payment from a financially-sound and creditworthy entity and significantly reduces the risk that the Company or its customers could be exposed to the risk of non-payment. The result is a transaction structure in which payment obligations are continuous, enforceable, and supported by multiple layers of protection, and in which the risks associated with serving the Project are borne by the parties advancing the Project rather than by Cleco Power's existing customers.

VI. TRANSMISSION INFRASTRUCTURE AND INTERCONNECTION

Cleco Power will construct new transmission, distribution, substation, and related facilities in the vicinity of the Project to interconnect to and serve it. These facilities are necessary because the Company's existing system does not currently have sufficient local transmission capability to serve the Project's full load while maintaining reliable service to existing customers under applicable planning standards and good utility practice.

The required transmission projects include construction of a new substation on the Project's premises, upgrades to existing substations, and improvements to transmission lines serving the area. The facilities are designed to provide reliable service to the Project, support voltage and operational stability, and integrate the Project into the Company's existing transmission network in a manner that protects reliability for all customers. Cleco Power's transmission planning analysis considered applicable North American Electric Reliability Corporation standards, MISO planning processes, and Cleco Power's own engineering and operational criteria.

The direct interconnection facilities required to serve the Project will be funded entirely by the Customer through CIAC payments. As a result, the costs of those Project-specific facilities will not be recovered from Cleco Power's existing retail customers or other users of the Company's transmission system. This treatment is consistent with cost causation principles and with the contractual structure of the ESA.

In this regard, the Company is seeking a Commission determination confirming the regulatory treatment of the Project transmission facilities under the Commission's Transmission Siting Order,[2] including confirmation that the facilities qualify for an applicable exemption or, to the extent necessary, authorization or a waiver. Because the facilities are being constructed to serve a specifically identified customer and are funded by that customer, the Company maintains that authorization under the Transmission Siting Order is not required.

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[2] LPSC General Order 09-10-2024 (R-36199) (September 10, 2024) in Docket No. R-36199; *In re: Review and Possible Modification of the Commission's General Order dated October 10, 2013 Governing Transmission Certification and General Siting* (the "Transmission Siting Order").

VII. REGULATORY FRAMEWORK AND COMPLIANCE WITH COMMISSION GENERAL ORDERS

As described in the direct testimony of Company witness D. Andrew Owens, Cleco Power's Application is consistent with and satisfies the requirements of the Commission's applicable General Orders. The Company's proposal complies with the Commission's Electric Utility Tariff Filings Order[3] by presenting the ESA for approval as a Site Specific Contract, including those provisions that deviate from otherwise applicable tariff requirements. Cleco Power also addresses the requirements of the Commission's Transmission Siting Order by demonstrating that the transmission and interconnection facilities to be constructed for the Project qualify for exemption as customer-specific facilities funded entirely by the Customer, or, in the alternative, warrant authorization or a waiver. In addition, the Company submits that the proposed resource additions and associated contractual arrangements are consistent with the Commission's long-standing requirements governing generation certification and prudent utility planning.

The Company further requests certain waivers and exemptions to align Commission policy with current market conditions. As Mr. Owens explains, the Company requests a determination that the proposed CCGT generator as presented in the Application satisfies the requirements for exemption from, or waiver of, the Commission's Market Based Mechanisms Order,[4] given the demonstrated need for timely resource development and the impracticality of traditional procurement under prevailing market conditions. As reflected in the Commission's recent

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[3] LPSC General Order 7/1/2019 in Docket No. R-34738; *In re: Proceeding to Establish Rules Regarding Electric Utility Tariff Filings and Related Review, Including Site Specific Rate Filings.*

[4] LPSC General Order (February 16, 2004) as amended most recently by the October 14, 2024 General Order No. R-34247; *In re: Development of Market-Based Mechanisms to Evaluate Proposals to Construct or Acquire Generating Capacity to Meeting Native Load, Supplements the September 20, 1983 General Order*; the "MBM Order."

Lightning Directive,[5] the Commission has recognized the need for timely and flexible regulatory action in connection with large load additions, including the ability to accelerate review processes, support near-term capacity solutions, and ensure that utilities can respond to substantial new demands on their systems without unnecessary procedural delay. Taken together, these requested approvals, waivers, and determinations are consistent with prior Commission guidance concerning large load additions and are necessary to enable the Company to provide reliable service to its customers, including the Project, while protecting existing customers and advancing the public interest.

VIII. RESOURCE PLANNING, INTERIM CAPACITY, AND NEW GENERATION

As discussed in comprehensive detail in the direct testimony of Cleco Power witness Richard Leon Sharp, Cleco Power's long-term resource planning, including the Interim Integrated Resource Plan filed September 5, 2025, in LPSC Docket No. I-37725 (the "Interim IRP"),[6] demonstrates that the Company requires additional dispatchable generation to reliably service its existing and future customers, including the Project. Aging generation resources, expected retirements, evolving environmental requirements, regional capacity market conditions, and MISO resource adequacy obligations all support the need for new long-term generation capacity. The Project reinforces that need, but it does not create the need on its own.

To support the Project during the period before new generation can be constructed and placed in service, Cleco Power has entered into the Capacity Agreement. This arrangement provides bridge capacity that supports the Company's resource adequacy obligations. Under the

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[5] *See* LPSC Minutes from December 17, 2025, Open Session, at p. 6, available at https://www.lpsc.louisiana.gov/docs/minutes/Dec_17_2025_Min.pdf (the "Lightning Directive").

[6] Cleco Power's Interim IRP has been consolidated into LPSC Docket No. I-37765.

ESA, the Customer is responsible for the costs of the Capacity Agreement, thereby ensuring that other customers are not required to bear costs incurred to support the Project's near-term capacity requirements.

For the long term, Cleco Power proposes to construct a new CCGT generator, representing a significant long-term investment in dispatchable capacity in the Company's service territory. The proposed CCGT generator is an efficient, dispatchable resource capable of providing baseload and load-following service. It will serve as a system resource, not a resource dedicated solely to the Project. The CCGT generator will support Cleco Power's entire system, help address projected generation unit retirements and resource adequacy needs, and provide reliable energy and capacity over its expected 30-year operating life. The CCGT generator is required regardless of the Project, but Cleco Power's service to the Project will greatly reduce the amount of CCGT generator-related costs borne by Cleco Power's other customers. Please refer to the direct testimony of Cleco Power witness Robert Breedlove for a comprehensive discussion of the CCGT generator, its estimated costs, and schedule.

Cleco Power also commits to providing ongoing reporting to the Commission to ensure transparency and oversight throughout the construction of the CCGT generator. The Company's proposed reporting commitments include periodic construction monitoring reports addressing progress on the transmission interconnection facilities and the proposed CCGT generator, containing updates on schedule, major milestones, and any material changes in scope or cost estimates. In addition, the Company will provide annual reporting regarding the Project once it begins to take service, including information concerning load levels, operational performance, and the continued implementation of the contractual and ratemaking mechanisms approved in this proceeding. These reporting commitments are designed to provide the Commission and Staff with appropriate visibility into construction activities, while also ensuring that the ESA and related agreements are implemented in a manner consistent with the approvals granted and the public interest.

IX. CURRENT MARKET CONDITIONS AND PROCUREMENT APPROACH

The Company's approach to developing the proposed CCGT generator reflects current conditions in the market for new generation facilities. Company witness Jonathan E. Long demonstrates that the market for gas-fired generation has changed materially in recent years. Demand for new dispatchable generation has increased rapidly, driven in part by large load growth and broader industry trends. At the same time, manufacturing capacity for major equipment, availability of engineering and construction resources, and willingness of contractors to assume traditional price and schedule risks have become constrained.

These conditions make it impractical to rely on traditional Request for Proposals ("RFP") processes or to expect fixed pricing and date-certain commitments at this stage of development. Instead, the Company is pursuing a development strategy that includes selection of major equipment, reservation of manufacturing capacity, continued refinement of cost and schedule, and later engagement with engineering, procurement, and construction contractors. This approach constitutes prudent utility practice under current market realities.

The Company's proposal also aligns with the Commission's recent policy direction regarding large load additions and expedited resource approvals. The Project requires timely action, and the record demonstrates that requiring a traditional market test under current conditions would likely introduce substantial delay, increase cost, and provide minimal competitive benefit. The Company therefore requests that the Commission find that the applicable requirements for an exemption from the MBM Order have been satisfied, or otherwise grant appropriate waivers, as allowed through mechanisms such as the Lightning Directive. The Company's proposal is consistent with that directive, as it seeks to balance the Commission's traditional regulatory requirements with the practical realities of evolving market conditions and the need to secure reliable capacity within constrained timelines.

X. RATEMAKING AND ACCOUNTING TREATMENT

Cleco Power also requests approval of ratemaking and accounting treatment necessary to recover certain costs and to protect customers. The Company's proposed treatment recognizes the timing differences between the commencement of service to the Project, the receipt of revenues associated with that service, and the later in-service date of the proposed CCGT generator. Without appropriate treatment, those timing differences could create unnecessary rate volatility and distort the Company's cost-of-service results.

The Company proposes to defer certain revenues associated with the Project and later return those deferred amounts to customers in a manner that helps mitigate the rate impact associated with the proposed CCGT generator when it enters service. This treatment allows the revenues received during the construction period to support the Company's financial profile and capital investment needs, while ensuring that customers receive the benefit of those revenues when the corresponding generation investment is reflected in rates.

The Company also requests approval of cost recovery of the prudently incurred costs of the proposed CCGT generator and related facilities through applicable current or successor rate mechanisms, including the proposed Additional Capacity Cost Recovery ("AACR") mechanism contained in Cleco Power's proposed 2027 Formula Rate Plan (the "2027 FRP"). Details regarding Cleco Power's proposed 2027 FRP, including the ACCR mechanism, as well as a copy of the proposed 2027 FRP, itself, can be found in Cleco Power's recent rate case filing.[7] The Company further requests appropriate treatment of fuel costs, costs associated with any long term service agreement for the CCGT generator, and eligible environmental costs through existing adjustment clauses or other approved mechanisms, as applicable. These requests are addressed in more detail in the supporting testimony and are necessary to ensure that the Company can finance, construct, operate, and maintain the resources needed to serve customers reliably.

XI. CUSTOMER PROTECTION AND RISK ALLOCATION

As described above, the ESA and related agreements are designed to help ensure that all incremental costs directly attributable to serving the Project are borne solely by the Customer and are not shifted to other retail customers. In addition, the agreements include minimum payment obligations designed to ensure that the Project contributes significantly to the recovery of overall system costs even under reduced utilization scenarios.

Equally important, the agreements incorporate multiple layers of financial protection that address potential downside scenarios. These include provisions requiring payment upon cancellation or early termination, collateral and credit support requirements, the ability to transition contractual obligations to Offtaker, and the Parent Guaranty. As reflected in the direct testimony of both Mr. Sipowicz and Mr. Finn, these layered protections, encompassing collateral, contractual remedies, assignment provisions, and guaranty support, operate together to help ensure that Cleco Power will recover costs incurred to serve the Project under a wide range of potential scenarios.

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[7] Cleco Power filed its most recent rate case on June 23, 2026. Cleco Power anticipates that the rate case will be noticed in the Commission's July 2, 2026 Bulletin.

The Company's analyses further demonstrate that the Project is expected to benefit existing customers. Mr. Finn has quantified the amount of this benefit in his direct testimony. The Project will contribute to recovery of shared system costs and will help spread fixed costs across a larger base. It will also contribute to riders and other mechanisms that otherwise would be supported entirely by existing customers. The supporting testimony demonstrates that even under conservative scenarios, including reduced utilization assumptions, the revenues associated with the Project exceed the incremental costs of serving the Project.

XII. REQUEST FOR EXPEDITED TREATMENT

Cleco Power respectfully requests expedited treatment of this Application. The Project is subject to significant development and service timing requirements, and the Company must coordinate regulatory approvals, transmission construction, capacity planning, equipment procurement, and generation development. Timely Commission action is necessary to preserve the benefits of the Project, maintain the effectiveness of the contractual framework, and allow the Company to proceed with necessary planning and execution activities.

The Company requests that the Commission establish a procedural schedule that allows for a final decision no later than the Commission's March 2027 Business and Executive Session, with the Commission's order to be effective immediately upon issuance.

XIII. CLECO POWER'S REQUESTS TO THE COMMISSION

WHEREFORE, for the foregoing reasons and as more fully described in the testimony and exhibits submitted in this proceeding, Cleco Power respectfully requests that the Commission grant the following approvals and determinations:

1. A determination that the Company has satisfied the requirements of the 1983 General Order as it applies to the Capacity Agreement and the proposed CCGT generator.

2. Authorization of the Capacity Agreement and its prudently incurred costs as being reasonable, serving the public convenience and necessity, and in the public interest.
3. Authorization of construction of the proposed new CCGT generator as being reasonable, serving the public convenience and necessity, and in the public interest.
4. A determination that the prudently incurred construction and on-going non-fuel costs of the new CCGT generator will be recoverable in the Company's pending 2027 FRP (if approved) and the proposed ACCR mechanism (if approved), or via the Company's base rates, should the pending 2027 FRP or a similar framework not be in place at the time the CCGT generator enters service.
5. A determination that the prudently incurred fuel and eligible variable costs of the new CCGT generator will be recoverable via the Company's fuel adjustment clause and any eligible emission allowance costs will be recoverable via the Company's environmental adjustment clause.
6. Authorization of a depreciable life of 30 years for the new CCGT generator for ratemaking purposes.
7. Authorization of the Company's proposed quarterly monitoring plan.
8. A determination that the Application along with the ESA and its terms satisfy the Lightning Amendment requirements and, as such, exempt the Company from the MBM Order and its requirements for a formal RFP, including waiving any provisions that apply to self-build or utility-owned resources.
9. A determination that the Company has satisfied the requirements for an exemption from the Transmission Siting Order for the transmission interconnection to serve the

Customer and the related costs under Paragraph VIII(f), or, in the alternative, authorization under or a waiver of the Transmission Siting Order.

10. A determination that the Company has satisfied the requirements for an exemption from the Transmission Siting Order for the substation needed to connect the proposed CCGT generator and the related costs under Paragraph VIII(a), or, in the alternative, authorization under or a waiver of the Transmission Siting Order.
11. A determination that the Company has satisfied the requirements of the Industrial Load Rule.
12. A determination that the Company has provided sufficient evidence to address each of the elements included in the Large Load Additions Non-Binding Guidelines.
13. Authorization of the Company's proposal to submit an annual report to the Commission covering the Customer's actual versus forecasted load and related matters beginning July 2027 and ending the year after the new CCGT generator enters service.
14. A determination that the Company has satisfied the requirements of the Electric Utility Tariff Filings Order and that the ESA, as a site specific contract under that order, including the 15-year term for the ESA, is authorized as reasonable, necessary, and in the public interest.
15. Authorization of the extension provisions of the ESA such that the Company would not have to seek approval under the Electric Utility Tariff Filings Order for an automatic extension of the ESA after the initial 15-year term ends.
16. A determination that the Company is authorized to implement its proposed revenue deferral and accounting treatment.

17. The issuance of an order in this proceeding containing the forgoing authorizations and determinations no later than March 31, 2027, and that such order is by its express terms effective immediately upon issuance.

18. Any other authorizations or waivers necessary for Cleco Power to effectuate the proposals in the Application.

Respectfully submitted,

Cleco Power LLC

By: Nathan G. Huntwork (Bar Roll No. 31789)
Daniel T. Pancamo (Bar Roll No. 19726)
Collin Buisson (Bar Roll No. 38146)
Taylor J. Boudreaux (Bar Roll No. 37042)
Phelps Dunbar LLP
365 Canal Street, Suite 2000
New Orleans, Louisiana 70130-6534
Telephone: (504) 566-1311
Fax: (504) 568-9130
Email: nathan.huntwork@phelps.com
dan.pancamo@phelps.com
collin.buisson@phelps..com
taylor.boudreaux@phelps.com

Exhibits
1. Direct Testimony of William Fontenot
2. Direct Testimony of Austin T. Finn
3. Direct Testimony of Vincent M. Sipowicz
4. Direct Testimony of Christina C. McDowell
5. Direct Testimony of D. Andrew Owens
6. Direct Testimony of Richard Leon Sharp
7. Direct Testimony of Robert Breedlove
8. Direct Testimony of Jonathan E. Long
9. Direct Testimony of Christopher Thibodeaux
10. Direct Testimony of Shannon Jenkins