

LOUISIANA PUBLIC SERVICE COMMISSION
MINUTES FROM MARCH 28, 2016
SPECIAL SESSION

MINUTES OF MARCH 28, 2016 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN BATON ROUGE, LOUISIANA. PRESENT WERE CHAIRMAN CLYDE HOLLOWAY, VICE CHAIRMAN SCOTT ANGELLE, COMMISSIONER FOSTER CAMPBELL, COMMISSIONER LAMBERT BOISSIERE, COMMISSIONER ERIC SKRMETTA AND EXECUTIVE SECRETARY EVE KAHAO GONZALEZ.

Open Session of March 28, 2016, convening at 1:00 P.M., and adjourning at 7:15 P.M., Natchez Room, 602 N. 5th Street, 1st Floor, Baton Rouge, Louisiana, with the above-named members of the Commission and Executive Secretary Eve Kahao Gonzalez.

Ex. 1	<p>U-33434 - Cleco Power LLC, ex parte. In re: Joint Application of Cleco Power LLC and Cleco Partners L.P. for: (1) Authorization for the Change of Ownership and Control of Cleco Power LLC and (ii) Expedited Treatment.</p> <p>In re: Discussion and possible vote on Motion for Rehearing.</p>
	<p>Commissioner Skrmetta moved to grant the motion for rehearing. The motion was seconded by Commissioner Campbell. Chairman Holloway made a substitute motion to deny the request for rehearing. That motion was seconded by Commissioner Boissiere with opposition by Commissioner Skrmetta and objection by Commissioner Campbell.</p> <p>After hearing oral argument on the motion for rehearing, a vote was taken on the substitute motion to deny the request for rehearing. That motion failed 2-3 with Vice Chairman Angelle, Commissioner Campbell and Commissioner Skrmetta opposing. The original motion to grant the rehearing was then re-urged without opposition.</p> <p>Upon rehearing and after lengthy discussion,</p> <p>On Motion of Commissioner Skrmetta, seconded by Commissioner Campbell, with Vice Chairman Angelle and Commissioner Boissiere concurring, and Chairman Holloway dissenting, the following Motion was adopted by a 4-1 vote:</p> <p>Based upon our reconsideration of the entire record in this proceeding, including the Joint Applicants' proposed set of regulatory commitments dated March 28, 2016, with the additional commitment that Cleco will file a full rate case in June, 2019; Cleco will not request any increase in base rates prior to June 2019 with any change in rates to be implemented in 2020. Cleco will continue to make annual filings pursuant to the current Formula Rate Plan with the potential for rate decreases through and including the 2019 Formula Rate Plan Filing. Additional commitments by the Applicants shall include:</p> <ul style="list-style-type: none"> • \$136 million in net present value credits shall be deposited in an escrow account upon the issuance of the LPSC Order approving the transaction. • No new debt will be incurred to fund the additional rate credits. • The Commission will determine how to flow \$136 million in net present value rate credits back to residential and small commercial customers. Staff is to report to the Commission on alternatives at the April 28, 2016 Business & Executive Session. • Staff is directed to return to the Commission at the April 28, 2016 Business and Executive Session with recommendations concerning allocations of any rate credits to industrial customers. • The generic dockets regarding tax and double-leveraging will go forward pursuant to Commissioner Angelle's directives at the February 2016 Business & Executive Session and the Applicants will abide by the results of these dockets. • Cleco Power shall not claim that its policies on the tax structure and double-leveraging issues are entitled to any sort of grandfathered status. • There shall be an extension to 10 years for the employee/retiree commitments that will be adopted. • The remainder of Cleco Partners/Cleco Power commitments shall stay in place, including all new commitments offered since the February 24, 2016 Business and executive Session including: \$6 million in charitable contributions, \$7 million in

	<p>additional economic development dollars, and the offer for Louisiana governmental pension funds to invest in up to 10% of Cleco Partners for 1 year at the same price.</p> <p>The escrow of \$136 million shall be funded promptly after the closing of the transaction and all of these commitments are effective immediately.</p>
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On motion of Commissioner Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to adjourn.

MEETING ADJOURNED

The next Business and Executive Session will be held on Thursday, April 28, 2016 at 9:00 a.m. in Baton Rouge, Louisiana.