

# **PUBLIC NOTICE**

## **(GRID RESILIENCE)**

NOTICE is hereby given, pursuant to Article IV, Section 21(D) (1) of the Louisiana Constitution, that on December 30, 2024, Cleco Power LLC ("Cleco Power"), an electric public utility supplying retail electric service to approximately 295,000 customers in twenty-four (24) parishes in the State of Louisiana through its retail business and supplying wholesale power in the State of Louisiana, filed with the Louisiana Public Service Commission (the "LPSC"), its Application for: (I) Authorization of Phase I of the Comprehensive Hardening Plan; (II) Related Rate Recovery; and (III) Expedited Treatment (the "Application"). The Application requests LPSC authorization of Phase I of the Cleco Power Comprehensive Hardening Plan ("Resilience Plan"), which includes approximately \$257.6 million in resilience projects proposed to be implemented in the first five (5) years (2026-2030) of the Resilience Plan, and the proposed Grid Resilience Cost Recovery Rider ("Grid Resilience Rider" or "Rider"). The Resilience Plan is a multi-year plan of capital projects intended to enhance the resiliency of Cleco Power's transmission and distribution infrastructure by reducing future restoration costs and outage impacts to Cleco Power's customers and communities. Cleco Power's Resilience Plan will not result in a change in rates unless approved by the LPSC and implemented by Cleco Power. The twenty-four parishes in which Cleco Power provides service are: Acadia, Allen, Avoyelles, Beauregard, Calcasieu, Catahoula, Desoto, Evangeline, Grant, Iberia, Jefferson Davis, Lasalle, Natchitoches, Rapides, Red River, Sabine, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Vermilion, Vernon, and Washington.

Cleco Power also seeks approval of the Grid Resilience Rider to permit timely recovery of the Resilience Plan's revenue requirement. The proposed Rider would accomplish contemporaneous recovery of Resilience Plan costs through a forward-looking rate that would also include a true-up after a prudence review.

Cleco Power also requests authorization to create a regulatory asset for the remaining net book value associated with assets that must be retired and replaced with new assets as part of the Resilience Plan. Cleco Power would include the regulatory asset in rate base and amortize such retired plant costs at a rate consistent with the associated depreciation expense effective in Cleco Power's most recent rate case (see LPSC Docket No. U-36923). With this ratemaking treatment, customers would not see an incremental increase in base rates while Cleco Power recovers its prudently incurred resilience costs through the Grid Resilience Rider, all else being equal.

Lastly, Cleco Power requests LPSC acknowledgement of Cleco Power's seeking a waiver from the Federal Energy Regulatory Commission ("FERC") to allow Cleco Power to capitalize certain one-time asset transfer costs incurred in conjunction with its Resilience Plan that would otherwise be expensed in the year the work was performed, as required by the FERC Uniform System of Accounts. This waiver would reduce the Resilience Plan's immediate bill impacts to customers.

Notice of Cleco Power's Application will be published in the January 17, 2025, Official Bulletin of the LPSC. The proposed rate change will affect all parishes served by Cleco Power.

Cleco Power's Application (including its proposed rate schedules) may be viewed in the Office of the LPSC in Baton Rouge, Louisiana and on the LPSC's website ([www.lpsc.louisiana.gov](http://www.lpsc.louisiana.gov)). Additionally, the LPSC may be contacted regarding questions or comments at (800) 256-2397.

The Daily Iberian:

Jan. 4, 2025

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