



Cleco Power LLC

Interconnection Facilities Study

Project 013108-01

February 20, 2009

Introduction

The terms used within this Interconnection Facilities Study with initial capitalization shall have the meanings in Cleco Power's Open Access Transmission Tariff (OATT) and associated Large Generator Interconnection Procedures (LGIP). This Interconnection Facilities Study is based on the Interconnection Customer's (Customer) request for interconnection near Baldwin, Louisiana, in St. Mary Parish on Transmission Provider's Transmission System at the Teche 138kV substation.

At the request of Customer, Cleco Power LLC (Cleco) performed an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement, and construction work needed to implement the conclusions of the Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Large Generating Facility described below to the Cleco Transmission System.

A new service interconnection will be to connect one new GE 6B Simple Cycle Combustion Turbine. The new incremental capacity from the Customer will total 35.6 MW (Summer Net) and 43.1 MW (Winter Net) of new generating capacity.

The generator step-up transformer (GSU) back-feed date proposed by the Customer is June 2010.

The results of this Interconnection Facilities Study Report are based on information provided by Customer. If the actual equipment installed differs from that information or the assumptions made, the results outlined in this report are subject to change.

It should be noted that carrying out the upgrades identified in this report does not guarantee transmission service for the customer. Transmission Service should be requested through OASIS and the request will be granted on a first-come, first-served basis.

System Impact Study Conclusions

Based on the results of the System Impact Study dated October 2008 the new generation at the Customer's plant will NOT require mandatory Network Upgrades within the Transmission System for power flow, Dynamic Stability, or Short Circuit conditions.

The metering, protection, and miscellaneous equipment necessary for physical interconnection are delineated in subsequent sections of this document.

Facility Study Results

Cleco's Interconnection Facilities

Cleco's Interconnection Facilities are facilities and equipment owned, controlled, and operated by Cleco that must be constructed to facilitate the Customer's request. These facilities are funded by the Customer. A single line diagram of these facilities is shown in Attachment A. Cleco's Interconnection Facilities are located between the transmission substation and the Point of Change of Ownership.

Teche 138kV Transmission Substation Connection

A circuit breaker terminal will be added to the transmission substation to facilitate the generator step-up transformer connection. Two CCVT's will be installed on the generator side of the 138kV breaker for synchronization. Metering will be done at 138kV using the existing 138kV West bus PTs and the metering CTs to be installed in the new circuit breaker.

The Customer's final electrical arrangement drawings are, at present, not available; therefore, the design of the Cleco Interconnection Facilities is based on certain assumptions. The final designs will be completed after the Customer's design documents are made available.

Assumption 1 – A single span of strung bus will connect the existing substation to the GSU. Additional 138kV line work may be necessary depending upon the location of the GSU and surrounding equipment.

Assumption 2 – Two 138kV CCVT's have been estimated as stated above. Once the customer's synchronization design is finalized and has been reviewed and approved by Cleco, the need for these might be eliminated.

There will be an incremental adjustment to the cost estimate for any final design changes.

Customer's Interconnection Facilities

Customer's Interconnection Facilities shall mean all facilities and equipment that are located between the Generating Facility and the Point of Change of Ownership. They are owned, constructed, installed, and maintained by the Customer or his assignee including, but are not limited to, the following equipment at the Customer's plant site:

All apparatus, controls, voltage regulation and relaying required for proper syncing, operation, and protection of the generator, GSU, overhead line from the 138kv breaker to the GSU, and Cleco's Transmission System. The Point

of Change of Ownership is anticipated to be the generator side of the 138kV breaker disconnect switch located on the generator side of the 138kV breaker.

Cleco has no obligation regarding these facilities other than reviewing designs to ensure they meet the standards of Good Utility Practice and will properly interface with Cleco's Transmission System. The Customer shall inform Cleco at least 48 hours prior to all acceptance testing as Cleco may wish to witness the tests.

Cost

For the purpose of this Interconnection Facilities Study, and subsequently the Standard Large Generator Interconnection Agreement, the customer shall acknowledge in writing and agree that the cost listed hereafter is only an estimate with a tolerance of +/- 10% as requested in the Interconnection Facilities Study Agreement executed on August 29, 2008. Cleco stipulates that the estimates quoted herein are as accurate as possible considering the information available. The Customer shall agree to and shall reimburse Cleco for all actual costs incurred to facilitate this interconnection, including any applicable taxes associated with construction of the Cleco Interconnection Facilities. The Customer shall protect, indemnify and hold Cleco harmless from the cost consequences of any current tax liability imposed as the result of payments or property transfers made by the Customer to Cleco (tax gross up).

The estimated cost of Cleco's Interconnection Facilities, excluding tax gross up, is \$781,000.

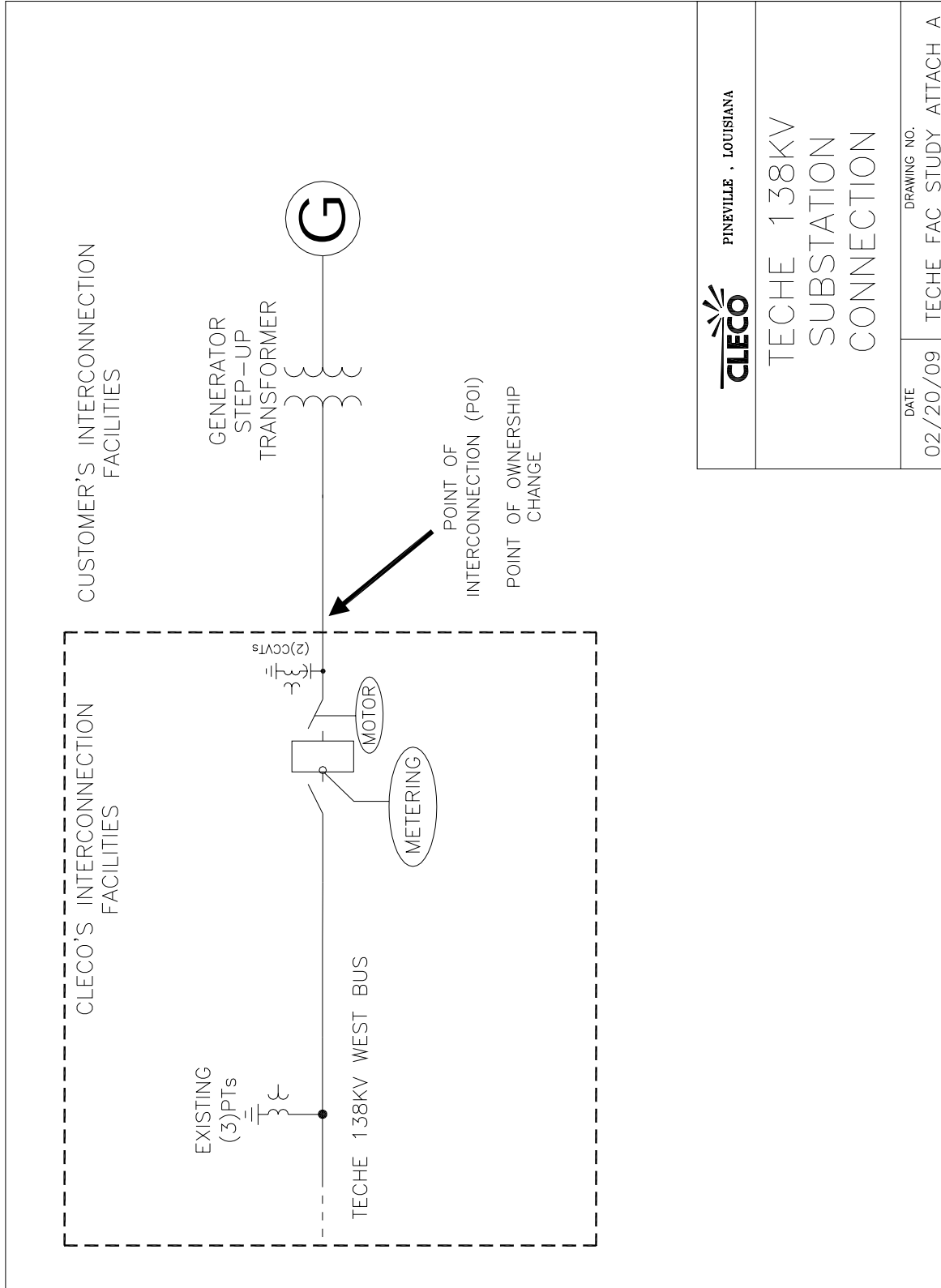
Schedule

Cleco and the Customer shall negotiate in good faith concerning a schedule for the construction of Cleco's Interconnection Facilities.

The anticipated lead time needed by Cleco to energize the facility after the Standard Large Generator Interconnection Agreement is executed between Cleco and the Customer is twelve months.

The lead time does not include any allowance for possible delays due to outage conflicts during construction, conflict with construction during the summer peak, engineering and construction manpower constraints, etc.

Attachment A



 PINEVILLE · LOUISIANA				
TECHE 138KV SUBSTATION CONNECTION				
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