RESPONSE TO LOUISIANA PUBLIC SERVICE COMMISSION

REQUEST FOR PROPOSALS 15-18

FOR

INDEPENDENT TECHNICAL CONSULTANT

IN

Re: RFP 15-18 Docket No. U-33848 Cleco Power LLC, ex parte. In re: Formula Rate Plan-June 2015 Monitoring Report

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SUBMITTAL DATE:

JANUARY 19, 2015

SUBMITTAL TIME:

12:00 P.M.

PREPARED AND SUBMITTED BY:

THE SISUNG GROUP
FOR
UNITED PROFESSIONALS COMPANY
201 ST. CHARLES, AVE., STE. 4240
NEW ORLEANS, LOUISIANA 70170-1048

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Appendix A: Resumes of the Professionals Assigned to RFP 15-18

A. EXECUTIVE SUMMARY

United Professionals Company ("UPC"), a member of the Sisung Group, is pleased to submit its response to the Louisiana Public Service Commission's ("LPSC" or "Commission") Request for Proposals 15-18 for an Independent Technical Regulatory Consultant ("RFP"). UPC is a New Orleans, Louisiana-based financial advisory and consulting company. As a Louisiana-based regulatory consulting firm, our awareness of, and concern over, the importance of the issues presented in Docket No. U-33848 cannot be overstated. For this reason, we hope to have the opportunity to serve the LPSC on *Docket No. U-33848 Cleco Power LLC, ex parte. In re: Formula Rate Plan-June 2015 Monitoring Report* (hereinafter, "this Docket") by assisting the Commission's Legal, Audit and Economics Division's Staff ("Staff") in analyzing Cleco's Annual Report filing and determining if the filing complies with Rider FRP, as well as whether any rate adjustments are necessary pursuant to the terms of the Rider FRP and attachments.

UPC has built a team of legal, regulatory, utility finance and economics professionals, the members of which were specifically selected for their ability to serve the needs of the LPSC. The combination of our team members' educational backgrounds, achievements, specific expertise, and prior experience serving the Commission best positions us to provide the LPSC and Staff with the most extensive and comprehensive consulting services available to it on this Docket. Our experts are fully prepared to assist Staff in reviewing the filings, accompanying work papers and Cleco's financial data; drafting and assisting in the drafting of data requests; analyzing data responses; participating in formal status conferences, pre-trial conferences, depositions, hearings, and public meetings before the Commission; drafting and preparing audit memoranda and/or pre-filed testimony in support of Staff's ultimate recommendations, together with exhibits supporting the memoranda and or pre-filed testimony; and assisting in the drafting of applicable motions, exceptions, briefing sheets and orders of the Commission as may be necessary. We look forward to the opportunity to participate in informal conference calls, meetings and conferences with the Commission and its Staff, as well as, attend any Business and Executive Sessions that the Staff deems necessary.

UPC appreciates this opportunity to respond to the Commission's RFP. Our professionals are excited about the opportunity to serve the Commission as an Independent Technical Consultant in this Docket. UPC's local presence offers the LPSC the benefits of geographic proximity and a wealth of institutional knowledge. Indeed, our robust understanding of Louisiana's laws, regulations, procedures, organization, political environment and financial position would allow us to be immediately effective in responding to the needs of the Commission and Staff in this Docket by virtue of not having to overcome the learning curve that an out-of-state firm might encounter. For more information on our knowledge and experience, please contact the client references that we have provided.

Very truly yours,

R. Lane Sisung
Managing Director

B. Resume Qualifications and Experience

1. The Sisung Group

UPC is a member of the New Orleans, Louisiana-based Sisung Group, which is comprised of related companies that provide investment banking, asset management, venture capital and business consulting and development services to corporations, individuals, institutions and governmental agencies.

- **United Professionals Company ("UPC")** offers financial consulting, transaction structuring, business development, real estate development, and revenue and cash flow development services to clients operating in the public, private and non-profit sectors. UPC specializes in the areas of public utility financial and accounting analysis, mergers and acquisitions consulting, healthcare revenue maximization, public infrastructure and facilities development, energy efficiency and project management services.
- **Sisung Securities Corporation ("SSC")** is a full-service investment banking firm that offers a range of services, including equity and fixed income underwritings, financial advisory services and securities brokerage services in addition to other related financial services. Clients served include public, corporate, retail and institutional entities. SSC is registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA"), the Municipal Securities Rulemaking Board ("MSRB") and the Securities Investor Protection Corporation ("SIPC").
- **Sisung Investment Management Services ("SIMS")** provides investment advisory services to corporate and public institutions, as well as to high net worth individuals. SIMS is an investment advisor registered with the Securities and Exchange Commission.
- **Sisung Capital** provides alternative financing products to small and medium-sized businesses, thus positively impacting economic development in the communities in which it invests. Sisung Capital invests capital and resources in companies in need of funding for growth and profitability. As a licensed Louisiana Capital Company ("CAPCO") and Business and Industrial Development Corporation ("BIDCO"), Sisung Capital has primarily focused its investments in Louisiana. By leveraging state tax credit incentive programs, Sisung Capital has assisted start-up and expanding Louisiana businesses in raising and investing over $25 million dollars in communities statewide. Sisung Capital has worked with companies operating in a wide variety of industries including: telecommunications, print manufacturing, construction, weatherization services, oil & gas, healthcare, media and government services sectors.

Unlike most financial firms which focus solely on financial matters, UPC and its affiliated Sisung Group companies have extensive experience in a broad range of financially related areas involving state and local governments. Some of the Sisung Group's unique accomplishments include:

- Serving the Commission on *Docket No. R-32975-LPSC, ex parte, In re: Examination of long-term natural gas hedging proposals*, by assisting in: determining whether it is in the public interest for LPSC-jurisdictional investor owned utilities to accept long-term (five, seven, ten and fifteen year), fixed-price hedging proposals for natural gas supply contracts, and if so, determining and/or developing an appropriate methodology for expedited, streamlined Commission approval of such contracts.
- Serving the LPSC on LPSC, ex parte, I*n re: Investigation of the retail load assignment between Entergy Gulf States Louisiana, LLC, Vinton Public Power Authority and San Rayburn Municipal Power Agency and certain interstate contract electric power supply agreement* by assisting Commission Staff in the further investigation of the issues contemplated in the above captioned investigation, as well as a determination as to whether the current (or prior) arrangement(s) have an impact on Louisiana-jurisdictional ratepayers.
- Serving as an Outside Technical Consultant in *Docket No. R-26968-LPSC, ex parte, In re: Review of the General Order Dated March 12, 1999* by assisting the Commission in the establishment of a clear definition of "*pole attachment*," and therein clarifying the pedestal issue, clearly defining spacing/measurements of attachments on poles, and evaluating whether the existing pole attachment rental rate formula and rate freeze imposed by the General Order dated March 12, 1999 should continue to remain in effect, and, if not, developing an alternate methodology and verifying a new formula for pole attachment rental rates.
- Serving as an independent technical consultant in *Docket No. I-33013, Southwestern Electric Power Company, ex parte. In re: 2013 Integrated Resource Planning process for SWEPCO pursuant to General Order dated April 20, 2012*, by assisting the LPSC in reviewing and evaluating the Company's integrated resource plan filings, including comprehensive sets of potential resource options, supply-side, demand-side and economic transmission resource

options, to determine a base or "reference resource" plan that offers the most economic and reliable combination of resources satisfying the forecasted load requirements.

- Serving as an independent technical consultant in *Docket U-33244 Entergy Louisiana, LLC ("ELL") and Entergy Gulf States Louisiana, LLC ("EGSL"), ex parte, In re: Submission of Business Combination Study regarding potential business combination*.
- Serving as an independent outside consultant to the Commission in *Docket No. U-33434, Joint Application of Cleco Power, LLC and Cleco Partners, L.P. for: (I) Authorization for the Change of Ownership and Control of Cleco Power, LLC and (II) Expedited Treatment*.
- Serving the Commission through assisting Commission Staff in participating in and monitoring the Midcontinent Independent System Operator, Inc., Organization of MISO States, and Entergy Regional State Committee related matters.
- Serving the Commission as an independent outside consultant on *Docket No. U-33510 Entergy Gulf States Louisiana, LLC's Upcoming Filing Regarding Acquisition of two power blocks located at Union Power Station*.
- Serving the Commission as an independent outside consultant on *Docket No. U-33605 Joint Application of Entergy Gulf States Louisiana, L.L.C. and Entergy Louisiana, LLC. for Certification of the Louisiana Economic Transmission Project in Accordance with Louisiana Public Service Commission General Order dated October 10, 2013 in Docket No. R-26018.*
- Serving the Commission as an independent outside consultant on *Docket No. U-33645 Application of Entergy Gulf States Louisiana, L.L.C. for Certification of the Lake Charles Transmission Project in Accordance with Louisiana Public Service Commission General Order dated October 10, 2013 in Docket No. R-26018.*
- Providing written and live testimony before the Commission to address and advise the Commission regarding the securitization bonds issued by Entergy Louisiana Investment Recovery Funding I, L.L.C., the designated special purpose entity created by ELL for recovery of the costs related to the Little Gypsy 3 repowering project, and the Commission's issuance of a financing order issued under Louisiana's 2010 enabling legislation, as codified in LA. R.S. 45:1251-1216.
- Acting as outside consultant to the Commission in reviewing issues related to the evaluation of the proposed transfer of transmission assets in *DOCKET NO. U-32538- Entergy Louisiana, LLC, Entergy Gulf States Louisiana, LLC, Mid South TransCo LLC, Transmission Company Louisiana I, LLC, Transmission Company Louisiana II, LLC, ITC Holdings Corp. and ITC Midsouth LLC, ex parte. In re: Joint Application for Approval of Change of Ownership of Electric Transmission Business, for Certain Cost-Recovery Adjustments, and for Related Relief* and the related dockets before the Federal Energy Regulatory Commission.
- Acting as outside consultants to the Commission in reviewing issues related to the evaluation of *DOCKET NO. 32707- Entergy Gulf States, LLC, In re: Application for Authority to Change Rates, Approval of Formula Rate Plan and for Related Relief* and *DOCKET NO. 32708-*

Entergy Louisiana, LLC, In re: Application for Authority to Change Rates, Approval of Formula Rate Plan and for Related Relief.

- Performing financial analysis and rendering testimony on the proposed issuance and securitization of storm recovery bonds, under La. R.S. 45:1331-1328, for permanent rate-financed recovery of system restoration costs related to Hurricanes Isaac and the replenishment of storm reserve escrow accounts in *DOCKET NO. U-32764 Energy Gulf States Louisiana LLC and Energy Louisiana LLC, ex parte. In re: Joint Application for Recovery in Rates of Costs Related to Hurricane Isaac, Determination of Appropriate Storm Reserve Escrow Amounts and Related Relief.*
- Serving the Commission on *Docket No. R-32138-Wastewater Treatment Systems & Operations, LLC, ex parte. in relation to the request for an increase in water and wastewater rates* by assisting in reviewing, documenting and verifying the upgrades that Wastewater Treatment Systems & Operations, LLC has stated it has made in filings in the above-captioned docket.
- Working with Louisiana's legislative leadership to design a proposed capital outlay revolving loan program to expand capital outlay capacity by leveraging State funds and engaging local government financial participation in capital outlay funding through low cost loans.
- Customizing a cash flow model for Jefferson Parish which establishes protocols for transfers between checking and operating accounts and maximizes investment revenue for a parish-wide pooled cash fund.
- Developing and implementing innovative strategies to assist healthcare providers, local governments, and the Louisiana Department of Health and Hospitals ("DHH") to finance services through utilization of unused Medicaid Upper Payment Limit Caps ("UPL's"), Certified Public Expenditures ("CPE's"), Intergovernmental Transfers ("IGT's") and Public Private Partnerships ("PPP's").
- Design and administrative management of a statewide financing and construction program for the Louisiana Community and Technical College System including budgeting, accounting, financial advisory services for bond issues, construction fund investment management, board presentations, and other administrative services.
- Proposing and obtaining passage of legislation to allow political subdivisions to diversify their investments into low risk municipal bonds in order to increase investment earnings, and successful implementation and management of such investment programs for our clients.
- Modeling net state tax-supported debt and providing sensitivity analysis and recommendations to the state of Louisiana, Office of the Governor, Division of Administration ("DOA") regarding the timing and sizing of state debt issues to fund capital outlay needs.
- Comprehensive student housing-related services for the University of Louisiana System, including analysis of needs, financial forecasting, developer solicitation and evaluation/selection, underwriter solicitation and evaluation/selection advisory services for

bond issuance, construction fund investment management, review of operating results, and oversight of developer/manager's ongoing operations.

- Serving the state DOA by providing financial advisory services on an "on-call" basis.
- Assisting the state of Louisiana in securing $83.5 million to support TOPS scholarships for Louisiana's young people through acting as financial advisor for the refinancing of the state's tobacco settlement bonds.

As demonstrated by the above, our professionals are highly experienced in multifaceted areas, including financial analysis, program design, government relations, legislative advocacy, policy initiatives, financing transactions, and legal and regulatory budgeting, planning, and administration.

Provided below are a list of five (5) references who can speak on behalf of the Sisung Group's abilities, integrity, and professional reputation in acting as financial advisor to a private or governmental entity.

Client	Lead Contact	Telephone
Jefferson Parish	Chris Roberts Parish Council Chairman	(504) 736-6615
Louisiana Community and Technical College System	Dr. Monty Sullivan President	(225) 922-2800
West Jefferson Medical Center (Jefferson Parish Hospital Service District No. 1)	Nancy Cassagne CEO	(504) 349-1102
Louisiana Local Government Environmental Facilities and Community Development Authority ("LCDA")	Ty E. Carlos	(225) 942-6150
State of Louisiana, Office of the Governor, Division of Administration	Ben Huxen Chief of Staff	(225) 284-6331

More information on The Sisung Group is also available at www.sisung.com.

2. United Professionals Company

UPC, which manages the Sisung Group's non-regulated financial advisory and consulting activities, provides clients operating in the public, private and non-profit sectors with a broad range of services from its offices in New Orleans, Covington, and Baton Rouge. These services include, but are not limited to: financial analysis, transaction structuring, business plan development, real estate development, and revenue maximization. UPC's public sector clients include state governments, parish and county governments, cities, towns, state utility regulatory authorities, school districts, hospitals, levee districts, housing authorities, universities, port authorities, law enforcement districts, charter schools and more.

UPC and its affiliated Sisung Group companies are multifaceted and have extensive experience in a broad range of financially-related areas involving state and local government throughout Louisiana. UPC's dedicated and accomplished staff includes previously high-ranking government and financial institution officials with extensive management and financial experience, in addition to:

- Investment Bankers
- Securities Traders
- Financial Analysts
- Attorneys
- Certified Public Accountants
- Regulatory Economists
- Published Academics
- Former Public Administrators

Our professionals are highly educated, experienced, and published in multidisciplinary areas including:

- Financial Analysis
- Program Design
- Government Relations
- Legislative Advocacy
- Policy Initiatives
- Financing Transactions
- Legal and Regulatory Budgeting, Planning, and Administration

Successfully utilizing the strengths, talents and expertise of our seasoned professionals, we are able to provide customized, quality service to our clients. Our professionals have represented local, state and federal issuing authorities, cities, parish and county governments, hospital districts, 501(c)(3) corporations, state agencies, state governments and commissions, and corporations.

C. SCOPE OF REPRESENTATION

As a specialty branch of these financial advisory and consulting services, UPC has built a team of regulatory and utility finance and economics professionals, the members of which were specifically selected for their ability to serve the needs of the LPSC in its dockets. The members of the UPC team are qualified and prepared to render expert testimony, and be cross-examined, with respect to all of the issues addressed in this Docket, and those which are likely to arise in the proceeding. Our team members possess extensive experienced in analyzing the operations, books and records of utility companies for the purpose of setting just and reasonable rates, including, but not limited to, calculation of base rates, rates of return, and capital structure. UPC's team of professionals are familiar with incentive-based rate mechanisms, such as FRP's, questions of proper capital structure, affiliated transactions, and the types of costing methodologies utilized by the LPSC. We are qualified and prepared to render expert testimony with respect to the following:

- Appropriate accounting standards and practices for electric public utilities, public utility accounting, and generally accepted auditing standards
- The appropriate ratemaking adjustments to be made to the utility's accounting records;
- The determination and calculation of the appropriate rate base of a utility plant investment dedicated to providing service
- Traditional cost-of-service and cost allocation methodologies supporting the revenue requirements among classes of customers
- The cost allocation methodologies for the allocation of investment and expenses between affiliates, including the relationship of the holding company to its subsidiary operating companies, the transfer of investment and costs between operating companies, and the provision of services between affiliates
- Cost of capital, including capital structure, cost of debt, cost of equity and rates of return
- Familiarity with just and reasonable costs and prudent investments associated with providing reliable and quality service as recommended by NARUC
- Depreciation and taxation
- A detailed understanding of the major functional areas of a regulated electric utility

UPC's team of regulatory and utility finance and economics professionals is well qualified to provide the services that the LPSC has requested in Request for Proposal 15-18. We have extensive practical experience in the field of public utility regulation that includes previous experience and success in regulatory rulemaking processes. Our professionals have significant personal experience before the LPSC and other regulatory agencies. Indeed, all members of our team have an extensive knowledge of and direct, prior experience with:

- Louisiana Public Service Commission jurisdictional issues
- Applicable Commission regulations

- Financial accounting and auditing of public utilities

Collectively, the UPC professionals possess a full understanding and ability to assist Commission Staff in reviewing the issues related to this Docket. The combination of our team members' educational backgrounds, achievements, specific expertise, and prior experience serving the Commission best positions us to provide the LPSC and Staff with the most extensive and comprehensive consulting services available to it on this Docket.

The resumes of our highly qualified professionals who would be assigned to assist the Commission, as well as the functions that would be performed by each, are detailed in *Appendixes A*. We have included a full resume for each staff member and consultant who will be assigned to work on this Docket, including names, positions, education, and professional experience. UPC reserves the ability to supplement its team, if necessary, and with approval of Commission Staff, in order to provide the Commission with the very best service on this Docket.

1. Methodology

The methodology that UPC proposes to utilize in serving the LPSC in this Docket leverages our team's in-depth understanding of Commission and state of Louisiana law and regulatory precedent, the regulatory process, and our team of specially-selected professionals' prior experience serving the LPSC on related issues.

2. Approach

If UPC is selected as the Commission's Independent Technical Consultant, our team would actively work to ensure that the Commission and Staff are provided with any and all resources necessary to complete the scope of representation. The UPC approach uses a collaborative, standardized methodology that ensures efficiency, effectiveness, and proper controls. As such, detailed below is an outline of UPC's proposed approach for assisting the Commission Staff in the evaluation of the UPS acquisition prospect. UPC fully understands, however, that if chosen, the Commission and its Staff shall determine how the tasks will be carried out.

3. Scheduling Outline

The Commission's RFP estimates that a four (4) to eight (8) month period will be necessary to complete the scope of representation in this Docket ("Period of Representation"), while *Section 2.7 A-B* of Cleco's Rider FRP, "Review Period" provides that:

> Cleco Power shall file annual earnings monitoring reports on or before October 31 of years 2015, 2016, and 2017 (each a "Monitoring Report") for the twelve month periods ending June 30 in each of those years. Sixty days after the date of the Monitoring Report filing, the Staff, and any Intervenor that desires to raise issues, shall submit a list of issues identified to date on which the

> Staff and/or Intervenors disagree with the proposed treatment of an issue, require further discovery, or still have questions... The Commission Staff and Intervenors will endeavor to complete their reviews of the Company's Monitoring Report filing within six months following the filing date… At the conclusion of the review period the Staff, and any Intervenor who desires to raise issues, shall prepare a Report reflecting the results of its analysis and its recommendations… Thirty days after the submission of the Staff Report and any Intervenor Report, the Staff shall issue a Final Report that includes all unresolved issues. On or before 30 days following the issuance of the Staffs Final Report, any Intervenor or the Company may file a Protest to the Staffs Report. If a Protest is filed by the due date, the Protest will be assigned to an Administrative Law Judge… If no Protest is filed by the due date, the Staff Report shall be submitted to the Commission for its ruling at the next Business and Executive session following expiration of the protest period.

As such, and in keeping with the Commission's wishes as well as the schedule set forth in the Company's Rider FRP, the plan of action and scheduling outline below is set to conclude within the eight (8) month period of representation suggested by the Commission in RFP 15-18. UPC would expect to see this eight (8) month Period of Representation proceed as follows:

10/30/2015: Receipt of Monitoring Report.

Six-month period for review of Company's Monitoring Report filing. During this six (6) month Period of Representation, UPC experts would:

- Review the filings, accompanying work papers and Cleco's financial data
- Draft and assist in the drafting of data requests
- Request clarification and additional supporting data
- Track the status of responses to data requests
- Analyze data responses
- Prepare any technical analysis as required by Staff
- Participate in informal conference calls, meetings and conferences with the Commission and its Staff
- Participate in formal status conferences, pre-trial conferences, depositions, hearings, and public meetings before the Commission
- Draft and prepare audit memoranda and/or pre-filed testimony in support of Staff's ultimate recommendations, together with exhibits supporting the memoranda and or pre-filed testimony
- Assist in the drafting of applicable motions, exceptions, briefing sheets and orders of the Commission as may be necessary
- Attend any Business and Executive Sessions that the Staff deems necessary

04/30/2016: Staff and Intervenor Reports filed reflecting the results of its analysis and its recommendations regarding: a) whether refunds are due; b) the level of those refunds; c) whether incremental costs recovery pursuant to Section 3 should be authorized; d) the level of any incremental cost recovery; and e) any other errors or issues presented by the filing

05/31/2016: Final Report that includes all unresolved issues

6/30/2016: Company and/or Intervenor Protests Filed, if any

07/20/2016: Business and Executive Session where, if no protests filed by the Company or Intervenors, the Commission would consider all recommendations contained in the Staff Report regarding refunds and/or incremental cost recovery pursuant to Section 3 of the FRP

In performing the above, we would leverage our team's expertise in public utilities law, finance analysis, and regulatory economics, as well as our in-depth knowledge of Louisiana public utilities throughout the entirety of this process, placing it at the disposal of those involved. If UPC is selected as the Commission's Outside Contract Regulatory Consultant, our professionals would actively work to ensure that the Commission and Staff are provided with any and all resources necessary to complete the scope of representation.

4. Workload Management and Distribution

UPC's staff utilizes a collaborative and fluid team approach. R. Lane Sisung and Paul T. Chastant, III will serve as contacts to LPSC, with Mr. Sisung serving as the primary contact. Mr. Sisung and the team will remain in constant contact with Commissioners, Commission Staff, and intervening parties regarding any and all material matters so as to provide seamless coverage for the LPSC. Together, we will work with Commissioners, Commission Staff and intervening parties to assess needs, determine deliverables and timelines, coordinate our firm's resources, and schedule meetings with the LPSC and other parties to provide analysis and advice.

Mr. Sisung will draw upon our individual team members' expertise as needed for understanding and edification on individual issues. By assigning the proper specialist to individual issues as they arise, with Mr. Sisung acting as program administrator, we will be able to effectively meet LPSC's needs. All of this resource coordination will take place seamlessly.

We anticipate a close working relationship with the Commissioners and Commission Staff. All LPSC personnel will have Mr. Sisung and the rest of his team's contact information. Commissioners, Commission Staff, and parties will be encouraged to reach out to Mr. Sisung with any questions or concerns. We believe that our process ensures that the work products and deliverables will exceed the quality standards that the LPSC expects from the Independent Technical Consultant awarded this contract. UPC fully understands, however, that if chosen, the Commission and its Staff shall determine how the tasks will be carried out.

D. COST PROPOSAL

UPC is pleased to submit the following price proposal to the Commission for consideration.

We estimate that the total cost of labor for the completion of this Docket would not exceed $37,000. Our rates per hour vary per consultant from $150.00/hour to $400.00/hour.

Our total labor cost estimate is based on the maximum estimated costs necessary to provide the Commission with the services of a dedicated team of finance professionals and specialty utility regulatory consultants. If this project were to take less consulting hours than the hours on which we have based our bid, our total cost would be reduced accordingly.

We estimate that the total expenses necessary for the completion of the project would not exceed $3,000. Expenses would also be separately disclosed with proof of such expenses attached. UPC would request reimbursement for only those travel-related expenses that are actually incurred. Expenses, where applicable, would be billed in accordance with state authorized rates as specified in the Travel Policies and Procedures Memorandum issued by the State of Louisiana, Division of Administration in effect at the time such expenses are incurred ("Allowable Expenses"). Any expenses that exceed the Allowable Expenses would be borne by UPC, unless otherwise specified by the Commission. Further, billed expenses would not exceed twenty percent (20%) of the total amount of billed fees at any given time.

We estimate that the total cost of labor and expenses for the completion of would not exceed $40,000 ($37,000 of professional fees + $3,000 of expenses).

UPC understands that Staff would be able to request, and UPC would be required to provide, billing information at any time upon Staff's Request. Staff, working with UPC, would review all of the bills submitted for payment, including but not limited to conformity with the planning sessions and any amendments. UPC further understands that the Commission shall have the discretion to impose additional safeguards upon the potential bidders at the time such bids are put up for vote, and that it shall have the right to either accept such additional safeguards, or reject them and withdraw their bid. Further, at any time after UPC is selected and hired, the Staff and UPC may agree to further safeguards.

If selected, UPC bills would be rendered in strict accordance with the Commission's guidelines. UPC would only charge for actual hours of work performed and costs incurred. All UPC bills would be rendered monthly, and specifically identify and describe all work performed, the person performing such work, the hourly rate, the time and charge for such work, and show the total amount billed to date, in accordance with the Commission's guidelines found in August 4, 2014 General Order.

E. CONFLICTS OF INTEREST

Neither the Sisung Group, nor UPC has knowledge of any conflicts of interest that would impair our ability to serve the Commission in this Docket. Below are outlined disclosures that do not present any conflicts of interest, but are being included for the purpose of full disclosure.

1. SSC presently serves the State of Louisiana, Office of the Governor, Division of Administration through acting as a financial advisor, on an "on call" basis.

F. OTHER CURRENT REPRESENTATIONS

Below are outlined a list of other matters in which we currently represent the Commission:

1. UPC presently represents the Commission in *DOCKET NO. U-32707- Entergy Gulf States, LLC, In re: Application for Authority to Change Rates, Approval of Formula Rate Plan and for Related Relief* and *DOCKET NO. U-32708- Entergy Louisiana, LLC, In re: Application for Authority to Change Rates, Approval of Formula Rate Plan and for Related Relief* compliance dockets.

2. UPC also presently serves as an independent technical consultant in *Docket No. I-33013, Southwestern Electric Power Company, ex parte. In re: 2013 Integrated Resource Planning process for SWEPCO pursuant to General Order dated April 20, 2012*.

3. UPC also presently serves as an independent technical consultant in *Docket U-33244 Entergy Louisiana, LLC ("ELL") and Entergy Gulf States Louisiana, LLC ("EGSL")* [(hereinafter conjunctively referred to as "the Companies")], *ex parte, In re: Submission of Business Combination Study regarding potential business combination*.

4. UPC also presently serves as an independent outside consultant to the Commission in *Docket No. U-33434, Joint Application of Cleco Power, LLC and Cleco Partners, L.P. for: (I) Authorization for the Change of Ownership and Control of Cleco Power, LLC and (II) Expedited Treatment*.

5. UPC also presently serves the Commission through assisting Commission Staff in participating in and monitoring the Midcontinent Independent System Operator, Inc., Organization of MISO States, and Entergy Regional State Committee related matters.

6. UPC also presently serves the Commission as an independent outside consultant on *Docket No. U-33510 Entergy Gulf States Louisiana, LLC's Upcoming Filing Regarding Acquisition of two power blocks located at Union Power Station*.

7. UPC also presently serves the Commission as an independent outside consultant on *Docket No. U-33605 Joint Application of Entergy Gulf States Louisiana, L.L.C. and Entergy Louisiana, LLC. for Certification of the Louisiana Economic Transmission Project in Accordance with Louisiana Public Service Commission General Order dated October 10, 2013 in Docket No. R-26018.*

8. UPC also presently serves the Commission as an independent outside consultant on *Docket No. U-33645 Application of Entergy Gulf States Louisiana, L.L.C. for Certification of the Lake Charles Transmission Project in Accordance with Louisiana Public Service Commission General Order dated October 10, 2013 in Docket No. R-26018.*

9. UPC also presently serves the Commission as an outside contract regulatory consultant on *Docket No. R-32975-LPSC, ex parte, In re: Examination of long-term natural gas hedging proposals*.

10. UPC also presently serves the LPSC on LPSC, ex parte, I*n re: Investigation of the retail load assignment between Entergy Gulf States Louisiana, LLC, Vinton Public Power Authority and San Rayburn Municipal Power Agency and certain interstate contract electric power supply agreement* by assisting Commission Staff in the further investigation of the issues contemplated in the above captioned investigation, as well as a determination as to whether the current (or prior) arrangement(s) have an impact on Louisiana-jurisdictional ratepayers.

G. CONCLUSION

UPC appreciates this opportunity to respond to the Commission's RFP to serve as an Independent Technical Consultant to potentially assist Staff in analyzing Cleco's Annual Report filing and determining if the filing complies with Rider FRP, as well as whether any rate adjustments are necessary pursuant to the terms of the Rider FRP and attachments. As detailed in the sections above, UPC and its affiliated Sisung Group companies are multifaceted and have extensive experience in a broad range of regulated public utilities and financially-related areas. Because we are a Louisiana firm, we take great pride in any and all work that we do that benefits the people of our state, and we believe this project provides just such an opportunity.

UPC has built a team of hand-picked regulatory and utility finance and economics professionals specifically for their ability to serve the needs of the LPSC in this Docket. The UPC team has extensive practical experience in the field of public utility regulation that includes similar practice before the LPSC and other regulatory agencies. Our experts are fully prepared to assist Staff in reviewing the filings, accompanying work papers and Cleco's financial data; drafting and assisting in the drafting of data requests; analyzing data responses; participating in formal status conferences, pre-trial conferences, depositions, hearings, and public meetings before the Commission; drafting and preparing audit memoranda and/or pre-filed testimony in support of Staff's ultimate recommendations, together with exhibits supporting the memoranda and or pre-filed testimony; and assisting in the drafting of applicable motions, exceptions, briefing sheets and orders of the Commission as may be necessary. We look forward to the opportunity to participate in informal conference calls, meetings and conferences with the Commission and its Staff, as well as, attend any Business and Executive Sessions that the Staff deems necessary.

Our professionals have a distinctive style that encourages personal service, excellence and integrity, while our local presence offers the LPSC the benefits of geographic proximity and a wealth of institutional knowledge about Louisiana's laws, regulations, procedures, organization, political environment and financial position. The aforementioned attributes, combined with our prior experience serving the Commission, would allow us to be immediately effective and responsive to the needs of the LPSC and Staff. Thus, we believe that our proven track record of exceptional quality and integrity in our dealings, our local Louisiana presence, and our professionals' prior experience and expertise offers the Commission an excellent choice for an Independent Technical Consultant in this Docket.

Appendix A: Resumes of the Professionals Assigned to RFP 15-18

LAWRENCE J. SISUNG, JR.

Mr. Sisung earned a Bachelor's degree in Business Education and Accounting and a Master's degree in Administration, Supervision, and Statistics from Northwestern State University.

Mr. Sisung is a fully licensed General Securities Representative (Series 7), General Securities Principal (Series 24), Municipal Securities Principal (Series 53), Direct Participation Program Principal, Financial and Operations Principal (Series 27), Government Securities Principal and a Registered Investment Adviser Representative (Series 65), Investment Banking Representative (Series 79). Mr. Sisung is also a licensed real estate agent and broker with the state of Louisiana. He also holds a license as an insurance agent with the state of Louisiana.

Prior to forming The Sisung Group, Mr. Sisung worked in the public sector for over 20 years, eight of which he served as the Superintendent and Chief Executive Officer of the 35th largest school district in the United States. In this position he oversaw over 7,000 employees, 75,000 students and managed multi-million dollar operating and capital budgets. Mr. Sisung was able to take an early retirement from public service and use his experiences to form The Sisung Group. He has now amassed over four decades of finance, management and development experience as an executive, issuer, project manager, financial adviser, investment consultant, underwriter, asset manager, venture capitalist, real estate developer and general business consultant.

As President of Sisung Securities Corporation, Mr. Sisung has served on underwriting and financial advisory teams that have secured billions in funds. As a managing member of Sisung Investment Management Services, LLC, he has led the acquisition of hundreds of millions of dollars in assets for management and is responsible for the development of the firm's Tactical Asset Allocation investment approach. As a managing member of Sisung Capital, LLC, Mr. Sisung has created a company dedicated to providing alternative financing to small businesses so as to have a positive impact on their economic futures as well as those of the communities in which they reside. As a managing member of United Professionals Company, LLC, Mr. Sisung has created a firm that provides comprehensive assistance and solutions in the areas of business development and real estate projects.

Mr. Sisung is a member of numerous professional and business organizations and has served on FINRA's Business District Conduct Committee and as an arbitrator for FINRA.

Mr. Sisung will assist the LPSC in this Docket by lending his advising and consulting expertise on an as needed basis.

ROBERT LANE SISUNG

Mr. Sisung earned a Bachelor of Science degree in Accounting from Louisiana State University. After graduation, he sat for and passed the Certified Public Accountant exam and subsequently attended Loyola University Law School where he earned a Juris Doctorate. After law school, Mr. Sisung earned an LL.M. in Tax Law from the University of Florida. Mr. Sisung is a fully licensed General Securities Representative, a licensed insurance agent in the state of Louisiana, and a member of the Louisiana State Bar.

Mr. Sisung has over two decades of experience in financial, real estate and investment transactions. His most recent projects include successful development and implementation of the Healthcare Finance Consulting and Financial Litigation Services business lines for the Sisung Group. The Sisung Group's work in these endeavors has produced hundreds of millions of dollars for the firms' clients and the state.

The Financial Litigation Services business line has primarily supported governmental entities in cases before tribunals. Mr. Sisung manages an array of financial experts in coordinating a cohesive approach to providing expert witness services for complicated financial and regulatory matters. Mr. Sisung himself also provides expert testimony and assist in the creation of settlements and orders of judgment. His personal involvement in the representation of the LPSC in both the proposed ITC Merger transaction, LPSC Docket No. U-32538, and the recent Entergy rate cases and related compliance filings, LPSC Docket Nos. U-32707 and U-32708, proved critical to the effective safeguarding of LPSC-jurisdictional rate payers.

Mr. Sisung's previous endeavors include the successful creation, development and implementation of the corporate finance and mergers and acquisitions operations of Sisung Securities Corporation; the creation and operations of Sisung Capital that include raising and investing millions of dollars in venture capital funds in Louisiana; the creation and operation of the Sisung Film Finance Division; and the growth and management of over $1 billion dollars in assets under management in Sisung Investment Management Services. Mr. Sisung also manages and directs all Sisung Group real estate, project management, and business development projects ranging from large-scale multi-use developments to multi-facility capital infrastructure projects. Mr. Sisung sits on the investment committee for Sisung Investment Management Services, LLC and also serves as in-house counsel for the five companies that comprise the Sisung Group.

Mr. Sisung will serve as the primary point of contact for the LPSC, and he will be responsible for coordinating and managing all of our firm's resources for the LPSC.

LAWRENCE J. SISUNG, III

Mr. Sisung holds a Master of Business Administration degree with a concentration in economics from Southeastern Louisiana University. Mr. Sisung is a fully licensed General Securities Representative (Series 7), General Securities Principal (Series 24), Municipal Securities Principal (Series 53), Financial and Operations Principal (Series 27) and Government Securities Principal, Investment Banking Representative (Series 79). Mr. Sisung is also a licensed real estate agent in the state of Louisiana

Mr. Sisung has spent over twenty years representing governmental agencies, political subdivisions, corporations and not-for-profit organizations at the local, state and national levels in the capacity of investment banker, financial advisor, policy advisor and securities structuring agent on billions of dollars of capital financings. He has extensive experience in financial analysis, creative transaction structuring and bringing transactions to market and is currently serving as a financial advisor to the state of Louisiana Division of Administration for state debt. Working in the capacity of investment banker, financial advisor or structuring agent, Mr. Sisung has participated in hundreds of municipal and private tax-exempt and taxable transactions that have brought billions of dollars of debt funding to public agencies. Within the state of Louisiana, he has represented almost every type of qualified issuing authority and has created new financing structures that have changed how certain state agencies raise capital.

In March, 2011, Mr. Sisung provided testimony in his capacity as financial adviser on behalf of the Commission in Docket No. U-30912 (Phase III) that resulted in securitization of over $200 million in Little Gypsy cancellation costs of an interest rate of about 2%. Since the early 1990's Mr. Sisung has provided written affidavits and testified extensively before the Louisiana State Bond Commission, the State's commission from which state, local and conduit issuers must obtain constitutionally mandated regulatory approval to issue debt. He has also testified before legislative oversight committees in matters dealing public benefit and security transactions.

Mr. Sisung will assist the LPSC in this Docket by lending his advising and consulting expertise on an as needed basis.

JOHN MAYEAUX

Mr. Mayeaux holds a Master of Business Administration degree with a concentration in finance in addition to a Bachelor of Science degree in computer science, both from Tulane University. He is a FINRA licensed General Securities Representative (Series 7) and a Municipal Securities Representative (Series 52), Investment Banking Representative (Series 79). Prior to joining Sisung Securities, Mr. Mayeaux worked in investment banking and commercial banking roles for several regional banks.

Mr. Mayeaux currently serves as Senior Vice President for The Sisung Group. His primary duties are with the Capital Markets Group at Sisung Securities. He is responsible for originating and structuring taxable and tax-exempt bond investment banking transactions; for structuring and pricing of interest rate derivatives; and for developing and structuring new and unique financing structures for the firm. He is exceptionally skilled in quantitative financial analysis and complex financial structuring.

Mr. Mayeaux has served as investment banker or financial advisor to Louisiana governmental agencies, 501(c)(3) non-profit organizations, and for-profit businesses since 1996. He is particularly focused on providing financing for capital projects for elementary, secondary and higher education clients. He has served as financial advisor for state debt to the State of Louisiana Division of Administration. He has also served as special consultant and provided testimony to the Louisiana Public Service Commission.

Mr. Mayeaux has created and implemented ground-breaking pooled financing programs for his clients. He has also completed numerous financings for state-sponsored special purpose economic development projects and for Company seeking taxable and tax-exempt industrial revenue bond financing. He is among the leading investment professionals in Louisiana for innovative lease/appropriation secured nonprofit financings.

Additionally, Mr. Mayeaux is a member of the Sisung Investment Management Services investment committee on which he specializes in municipal securities and advises on portfolio strategy. He also serves on the board of directors of Sisung Capital.

Mr. Mayeaux will assist the LPSC in this Docket by lending his advising and consulting expertise on an as needed basis.

PAUL THOMAS CHASTANT, III

Mr. Chastant holds a Bachelor of Science in Accounting and a Minor in History from Louisiana State University. He also holds a Juris Doctor from Tulane University Law School. Mr. Chastant is a member of the Louisiana State Bar, a Certified Public Accountant licensed to practice in Louisiana, and a Certified Mergers and Acquisitions Advisor.

Mr. Chastant has accounting and financial advisory consulting experience in areas that include external audit, acquisition due diligence, revenue and expenditure growth projection, litigation support, and business valuation, gained while working as a Financial Consulting and External Audit Staff Accountant with Postlethwaite & Netterville, one of the largest accounting firms in the state of Louisiana. In this position, he assisted publicly traded companies' internal audit departments in assessing European foreign corporate subsidiaries' compliance with Sarbanes-Oxley Act reporting requirements. His financial consulting experience ranges from constructing detailed financial accounting and reporting policies and procedures manuals for clients to consulting on issues of cross-border financial consolidations, US GAAP financial reporting, and SEC reporting and compliance for US-based multi-national, public companies.

While at Tulane, Mr. Chastant's study of the law was concentrated on issues surrounding transaction law, including corporate law, mergers and acquisitions, practical aspects of hostile acquisitions, and corporate taxation. Prior to graduating Tulane, he completed an externship with The Louisiana Supreme Court Clerk of Court, where he was tasked with assisting in an ongoing revision to the Louisiana Supreme Court's Practice and Procedure Rules and assigned a project to begin drafting e-filing rules for the Louisiana Supreme Court.

Today, Mr. Chastant uses his accounting background and his legal expertise in his role as Vice President of Project Development for the Sisung Group. While at Sisung, Mr. Chastant has assisted in the successful development of the Financial Litigation Services Division and has used his qualifications and experience to help create a streamlined approach for financial experts to be able to support attorneys in the provision of litigation support for complex financial transactions. Mr. Chastant has assisted in every aspect from discovery to testimony to drafting of settlement agreements and orders for judgment.

Mr. Chastant will serve the LPSC as the secondary point of contact for the LPSC in his Docket. He and Mr. Sisung will be responsible for coordinating and managing all of our firm's resources for LPSC.

COURTNEY P. GUPTON

Ms. Gupton holds a Master of Business Administration degree with a concentration in finance from the University of New Orleans and a Bachelor of Science degree from Southeastern Louisiana University.

Ms. Gupton is licensed as a FINRA General Securities Representative (Series 7) and currently serves as Assistant Vice President for Capital Markets at The Sisung Group. She is responsible for the firm's variable rate bond remarketing, brokerage of bond reinvestment products, day-to-day bond investor operations, and ongoing compliance monitoring for the firm and its clients.

Ms. Gupton is also responsible for developing various analytical and comprehensive reports for universities, school boards, governmental and healthcare clients. She is particularly experienced with the financing and administration of bond funds for various colleges, universities and public school systems.

Ms. Gupton will assist the LPSC in this Docket by lending her advising and consulting expertise on an as needed basis.

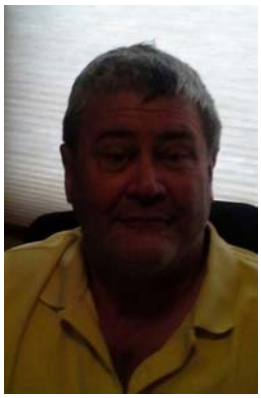
JAKE CHAPMAN

Jake Chapman joined The Sisung Group in December of 2012 and currently serves as the Accounting & Operations Intern, assisting in the daily accounting and administrative functions of The Sisung Group's New Orleans office.

Prior to joining The Sisung Group, Mr. Chapman worked for over five years with Winn-Dixie, the ninth largest traditional supermarket chain in North America, in various store-level customer service management positions before becoming a district operations trainer, providing store support to newly hired Winn-Dixie associates in both the New Orleans and Baton Rouge areas.

Mr. Chapman is currently pursuing his bachelors of accountancy from the Joseph A. Butt, S.J., College of Business Administration at Loyola University New Orleans, where he has been on the Dean's List every semester. Mr. Chapman also currently serves as the Vice President of Finance for Loyola's chapter of Alpha Kappa Psi, the world's oldest, largest, and most prestigious professional business fraternity.

Mr. Chapman will assist the LPSC in this Docket by providing administrative functions for other members of the Sisung team on an as needed basis.



J. THOMAS MCGUCKIN, PH.D.

Dr. McGuckin holds a Bachelor of Arts in Economics from Pomona College, a Masters of Economics from Colorado State University, and a Ph.D. in Economics from the University of Wisconsin. Dr. McGuckin is a member of both the American Economics Association and the National Association of Regulatory Utility Commissioners.

Dr. McGuckin is retired from New Mexico State University where he was a Professor of Economics for thirty-three years. He has also been an associate for the Center for Public Utilities at New Mexico State University, whose program offerings are officially sectioned by the National Association of Regulatory Utility Commissioners.

Dr. McGuckin is an economics expert in the fields of utilities in electricity, water, wastewater, natural gas and solid waste. In this role, he has provided detailed technical and policy analyses and recommendations to numerous state and federal regulatory bodies. He has focused his consulting efforts on performing cost of service analysis, rate analysis and rate design, regulatory policy development, utility governance, and planning and cost allocation processes for investor-owned electric utility companies. His experience has allowed him to build an in-depth knowledgebase on a wide array of topics including: the appropriate accounting standards and practices for electric utilities, resource planning and resource adequacy, cost recovery mechanisms for utilities, regional transmission planning organizations and ancillary services markets, day ahead energy and operating reserves markets and real time energy and operating reserves markets, transmission hedges, annual revenue rights and financial transmission rights, fuel cost recovery, qualified facilities, avoided cost, certification of transmission, certification of generation or power supply purchases, competitive procurement of supply side resources, market forecasting and futures, and federal regulations impacting or potentially impacting utilities' operations and/or policy.

Dr. McGuckin now pulls from his background and experience in serving the Sisung Group as its chief expert regulatory consultant.

Dr. McGuckin will serve the LPSC in this Docket by providing economics-related consulting services on an as needed basis.

ROYAL ALEXANDER

Mr. Alexander holds a Bachelor of Arts from Louisiana State University. He also holds a Juris Doctor from Oklahoma City University School of Law. Mr. Alexander is a member of the Louisiana State Bar.

After law school, Mr. Alexander clerked for U.S. District Judge Rebecca F. Doherty in Lafayette, Louisiana and also interned for U.S. District Judge Richard Haik during the voluminous and complex Combustion environmental tort litigation involving CERTCLA/Superfund claims. Mr. Alexander is a frequent lecturer on state and federal constitutional issues, including implication eminent domain, the Takings Clause and Commerce Clause/interstate commerce.

Mr. Alexander has worked in Washington D.C. for three different Members of Congress and also worked for the Federal Motor Carrier Safety Administration. During his tenure in Washington, he worked with the Department of Energy and FERC on several energy related issues. In Addition his work on DOE issues included numerous energy research project e.g. nuclear energy and security, energy tax incentives, and hydropower and geothermal energy. He currently has his private law practice in Shreveport, Louisiana.

The Louisiana Public Service Commission recently engaged Mr. Alexander to investigate Isaac recovery response for Entergy, Cleco, Swepco, Demco and Slemco.

Mr. Alexander will serve the LPSC in this Docket by providing legal-related consulting services to the Commission on an as needed basis.