**Attachment HA Customer call**

**June 21, 2018 11:00 AM**

**Attendees:** Cleco -Cindy Guillot, Brooke Bryant, Jill Kelone; Lagn – Dan Jewell, Julie Fiandt; LUS- Karen Hoyt, Stephen Pearson

Cindy Guillot went over a quick explanation of the new rates.

**Customer Issues:**

Cindy then opened the call for customer questions. Stephen Pearson on behalf of Lafayette Utilities had the following four questions/issues:

1. It appears that wages have increased company wide. The general company wage increase appears to be approximately 8%, whereas the transmission wage increase is 13%.

What is the reason for the disproportionate wage increase?

 The transmission wage increase is due to new hires in the transmission department in 2017.

1. ADIT worksheet (1-ADIT)

The ADIT numbers have undergone huge changes since last year.

For 2017 - $0 of Transmission ADIT, $820M of plant ADIT

For 2018 - $80M of Transmission ADIT, $170M of plant ADIT

Did Cleco recalculate ADIT at end of year? How did that recalculation affect ADIT? How are we handling the Asset and Liability accounts?

Cleco is awaiting FERC guidance on how to handle the new Regulatory Liability not currently in formula. Until that time Cleco will continue to handle as it did this year.

It appears we had a reduction from $128M to $23M in rate base liability. What caused this?

The ADIT balance was adjusted to comply with the Tax Cuts and Jobs Act of 2017. A portion of the ADIT balance was reclassified to a regulatory liability.

Please provide how the numbers are flowing in and out of the accounting in the Form 1.

(656,362,148)- Please see page 275, column K, line 9 and page 234, column C, line 18

8,018,801- Please see footnotes to page 275

140,425,790- Please see footnotes to page 275

1. What is going on with pre-paid pension expense? (there was a reduction to rate base)

2017 there was $20M charge but in 2018 there was a $16M credit. What is causing the swing?

The data had the wrong sign in 2018, the correction is reflected in revised rate. The rate filing was updated on July 2, 2018, in FERC Docket Nos. ER12-1378 and ER12-1379.  The change will be reflected in the June 2018 billings to be invoiced in July 2018.

1. On “15 Att 5 WP- Excluded Facil” – the excluded facilities dropped from $98.6M to $92M.

What caused the change in value on the excluded facilities?

The change in value was due to an increase of $12.8 million in transmission asset additions. See Attachment A tabs PT – Subs and Pt – Lines.