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Cleco, Entergy, and Lafayette Utilities System to improve electric service in South Louisiana through joint transmission project

January 19, 2009 – As the Independent Coordinator of Transmission (ICT) for Entergy Services, Inc., Southwest Power Pool, Inc. (SPP) facilitated an agreement between Cleco Power, L.L.C; Entergy Gulf States Louisiana, L.L.C. (Entergy); and Lafayette Utilities System (LUS) to expand and upgrade the electric transmission infrastructure in south central Louisiana.

The joint project includes upgrades to certain existing electric facilities as well as the construction of new substations, transmission lines, and capacitor banks, and the total estimated cost is approximately \$200 million. Each utility is responsible for various components of the project work. All upgrades are expected to be completed between 2010 and 2012.

The project will take place in an area the utilities call the "Acadiana Load Pocket," which is south of Highway 190 between the Atchafalaya Basin and Jennings, Louisiana. Upgrading the interconnected transmission system will increase capacity, reduce transmission constraints, and improve the electric service for customers served by all three utilities.

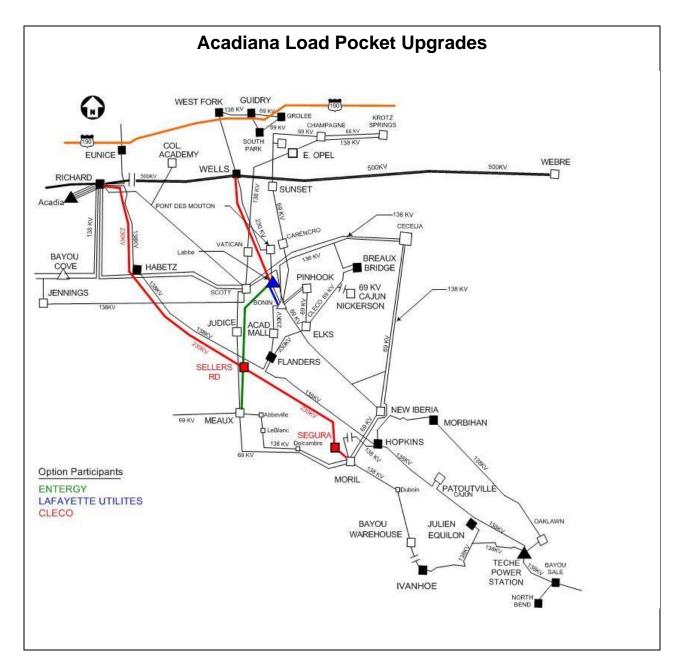
Although an agreement has been signed, the project will not commence until each party obtains necessary approvals.

According to Bruce Rew, SPP executive director of Contract Services, "The implementation of this project will provide for long-term reliability and economic benefits in the Acadiana area. The parties involved have been working together for several months to develop a plan that will serve the region's needs for many years."

"Most people probably don't think about transmission when they think of their electric service; however, the transmission system is the backbone of the entire electrical system," said Dilek Samil, president and COO of Cleco Power. "Without adequate transmission, we can't serve our customers. Prudent investments like this joint project are essential to meeting customers' needs."

Terry Huval, director of LUS, adds, "Transmission constraints create higher levels of electric system reliability risk and can cause higher costs for electric customers. These needed transmission system improvements will result in a more reliable and cost-effective electric service for the customers of all electric service providers in the Acadiana area."

This project illustrates how the ICT can work with stakeholders within Entergy's system and our neighboring utilities to help coordinate planning for future transmission needs, noted Raymon D. Powell, Entergy's director of long range transmission planning. "By factoring in all customer needs for the ten-year planning horizon in scoping the specifics of this effort, through coordination with the ICT, the three companies are providing for current and future needs of all customers in the Acadiana area," Powell added.



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Southwest Power Pool is a group of 53 members across nine states of the Eastern Interconnection. Membership is comprised of investor-owned utilities, municipal systems, generation and transmission cooperatives, state authorities, wholesale generators, power marketers, and independent transmission companies. SPP was a founding member of the North American Electric Reliability Corporation in 1968, and was designated by the Federal Energy Regulatory Commission (FERC) as a Regional Transmission Organization in 2004 and a Regional Entity in 2007. Since 1998, SPP has provided independent security coordination and Tariff administration, pursuant to a FERC-approved Tariff, across its service area with over 40,000 miles of transmission lines and over 56,000 megawatts of capacity resources. SPP.org

Cleco Corporation is a regional energy company headquartered in Pineville, Louisiana. It operates a regulated electric utility company that serves 273,000 customers across Louisiana. Cleco also operates a wholesale energy business with approximately 1,350 megawatts of nameplate generating capacity. cleco.com

Entergy Corporation owns and operates power plants with approximately 30,000 megawatts of electric generating capacity, and it is the second-largest nuclear generator in the United States. Entergy has annual revenues of more than \$11 billion and approximately 14,300 employees. Entergy's Louisiana utility companies serve more than one million customers through the operating companies Entergy Louisiana, L.L.C and Entergy Gulf States Louisiana, L.L.C. With operations in southern, central, and northeastern Louisiana, the companies are part of Entergy Corporation's electric system serving 2.7 million customers in Louisiana, Arkansas, Mississippi, and Texas. <a href="mailto:entergy-comparison-entergy-comparison

LUS's mission is to provide high-quality, competitively-priced services that exceed our customers' expectations, and contribute to the Lafayette Consolidated Government to support other community needs. LUS offers its customers quality electric, water, wastewater, and telecommunications services. As a customer-owned and operated utility, LUS customers, through their local elected officials, have the power to set rates and control the standard of service. <u>LUS.org</u>