

BUDGET PAY PLAN RIDER**(1) PURPOSE**

To provide Eligible Customers with a payment program based on a 12-month rolling average. The amount paid monthly is the Average of an Eligible Customer's preceding 12 monthly bills plus or minus an Adjustment to manage the accumulated (deferred) difference.

(2) AVAILABILITY

This program is available to Eligible Customers receiving service under the Company's residential rate schedules.

(3) APPLICATION REQUIREMENTS

This program is available to residential customers who have had continuous electric service for at least 120 days and have a good credit history with Cleco Power LLC. Customers wishing to take service under this rider will be subject to a security deposit review. A customer could be required to have an additional security deposit before being placed on the program. The Company reserves the right to require or increase the amount of a security deposit should growth or expansion significantly increase customer usage.

(4) PROGRAM DESCRIPTION

The initial Budget Pay amount is the Average of the billings for the twelve previous months rounded to the next whole dollar. After the first month, the amount paid will be determined by calculating the Average of the twelve previous monthly billing amounts and adding an Adjustment.

The Average is a "running" or "rolling" average which means each month the previous monthly billing amount is added in and the oldest month is dropped to get the average amount for the current 12-month period.

The Adjustment is ten percent (10%) of the actual account balance (accumulated difference) at each monthly review, which is the difference between the amount the customer has paid under the Budget Pay Plan and the total accumulated amount that is actually owed for services.

The Company reserves the right to periodically review the specific payment schedules of each individual customer and to adjust payment calculations if actual charges significantly vary from payment schedules.

BUDGET PAY PLAN RIDER
(Continued)**(5) TERMINATION**

A customer may terminate the Budget Pay Plan at any time. If money is owed to the customer, it can be refunded to the customer at that time or applied to future billings. If the customer owes the Company, the balance will appear on the next monthly bill.

If a customer on the Budget Pay Plan moves within Cleco's service territory, the customer may continue on the plan. The company will terminate the plan at one residence when transferring the customer's service and then set up the Budget Pay Plan at the customer's new residence. If the premise does not have sufficient billing history, the initial Budget Pay Plan amount may need to be estimated at the new residence as determined by Cleco's Customer Service Department. This initial determined amount will be paid by the customer for the first six months. Once six months of billing history is available, then averaging will begin using the running averaging provision as mentioned above.

Nothing in this rider shall negate or impede the operation or provisions of the Company's rate schedules whereby the Company can assess delinquent payments or implement delinquent payment procedures. Cleco Power LLC reserves the right to deny the Budget Pay Plan to any customer who is delinquent on their account or who are due to be disconnected.

(6) TERMS AND CONDITIONS

Service furnished under this schedule is subject to the Company's Standard Terms and Conditions for Electric Service and to all applicable rider schedules and adjustment clauses.

Effective: 3/1/2006**Supersedes: 6/1/2002**