



August 20, 2002

Mr. Gary Kaster
Chairman, UtiliTree Carbon Company
c/o Edison Electric Institute
701 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Dear Mr. Kaster:

Please accept this letter as confirmation of Cleco Corporation's continued support of UtiliTree Carbon Company and UtiliTree 2. As you know, Cleco has been actively involved in the efforts to plant trees in the Lower Mississippi Valley (LMV) through the UtiliTree Carbon Company's initiative as a means to sequester carbon dioxide (CO₂). And now, more than ever, it is critical that tree planting efforts begin in earnest.

There are many reasons why we support UtiliTree 2, but foremost are :

- the need to make the new voluntary program with the Department of Energy (tentatively called Power Partners) a successful response to the President's Business Challenge;
- concrete evidence needs to be provided to President Bush portraying industry action during the roll-out of Power Partners, and UtiliTree 2 is one of only three industry-wide initiatives likely to be established by this autumn;
- conversely, failure of our industry to step forward may lead to a non-voluntary national program to reduce greenhouse gas emissions; and
- supporting UtiliTree 2 will help the power generation sector maintain its role as a significant player in the nation's climate change policy debate.

Cleco has analyzed the projects of UtiliTree 2, and we believe that they provide substantial and cost-effective CO₂ management as well as other superior environmental benefits that should lead to positive public relations. The U.S. Fish and Wildlife Service (FWS) indicated at the 2002 annual UtiliTree Carbon Company meeting that tree planting projects result in solid, quantifiable carbon benefits while avoiding the possible problems

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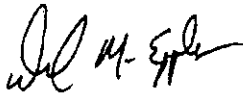
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associated with leakage, permanence, additionality and monitoring. Further, partnerships with the FWS and national conservation groups like The Nature Conservancy, The Conservation Fund and Ducks Unlimited lead to a high level of credibility.

It is for these reasons that Cleco Corporation encourages its fellow electric power companies to support UtiliTree 2.

Should you have any questions with regard to our position, please contact Irene Norris at 318- 484-7457.

Sincerely,



David M. Eppler

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