

EXHIBIT 1

STATE OF CONNECTICUT
CONNECTICUT SITING COUNCIL

IN RE:

APPLICATION OF NTE CONNECTICUT, LLC : DOCKET NO. 470
FOR A CERTIFICATE OF ENVIRONMENTAL :
COMPATIBILITY AND PUBLIC NEED FOR :
THE CONSTRUCTION, MAINTENANCE AND :
OPERATION OF AN ELECTRIC POWER :
GENERATING FACILITY OFF LAKE ROAD, :
KILLINGLY, CONNECTICUT : JANUARY 18, 2019

TESTIMONY OF TIMOTHY EVES

Q.1. PLEASE STATE YOUR NAME, BUSINESS TITLE AND BUSINESS ADDRESS.

A. My name is Timothy Eves. I am a Senior Vice President at NTE Energy. My business address is 24 Cathedral Place, Suite 300, St. Augustine, FL 32084.

Q.2. WHAT IS YOUR ROLE IN THE PROPOSED KILLINGLY ENERGY CENTER (“KEC”) FACILITY?

A. As Senior Vice President of NTE Energy and Vice President of NTE Connecticut, LLC, I am responsible for all aspects of planning, development, permitting, and community relations related to the KEC Facility.

Q.3. PLEASE SUMMARIZE YOUR QUALIFICATIONS.

A. I have been with NTE Energy since May of 2010, in the role of Senior Vice President – Development. During this time, we have successfully permitted, constructed and placed into operation two 475 MW gas-fired combined cycle projects (one in Ohio, and one in North Carolina), developed a pipeline of new energy projects (both renewable and gas-fired), developed a suite a patents on our hybrid renewable technology, and established a successful energy and infrastructure consulting business.

Prior to joining NTE Energy, from 2007 to 2010, I held a leadership position with Vercipia, a leader in the development and commercialization of cellulosic ethanol technology, developing large biomass facilities. Prior to Vercipia, from 1999 through 2007, I worked in various management roles with Calpine Corporation in the areas of project development and origination. Prior to Calpine, I had a 19 year career with Westinghouse Power Generation working in both its domestic and international markets. I hold a Bachelors of Mechanical Engineering from the University of Detroit, a Master of Business Administration from Widener University, and a Juris Doctorate from the University of Miami.

Q.4. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

- A. To describe the changes that have taken place related to the KEC Facility since the Siting Council's May 16, 2017 decision in Docket No. 470 and NTE's current plan for the KEC Facility.

Q.5. PLEASE IDENTIFY THOSE ISSUES ABOUT WHICH YOU INTEND TO TESTIFY.

- A. On March 23, 2017, the Siting Council agreed to reopen the evidentiary proceeding in Docket No. 470 to discuss NTE's participation in the ISO-NE Forward Capacity Auction No. 11 ("FCA 11") and describe why NTE decided to withdraw from FCA 11 in February 2017. At the time of FCA 11, there remained a substantial number of cost and schedule uncertainties associated with the KEC Facility. For example, at that time, NTE had not received an air permit from the Connecticut Department of Energy and Environmental Protection ("DEEP"), had not finalized its water supply agreements with the Connecticut Water Company, had not completed negotiations with Eversource

(Yankee Gas) for improvements to the gas pipeline that would serve KEC, had not completed the System Impact Study for interconnection to the electric grid with ISO-NE, and had not finalized the Community Environmental Benefits Agreement or the Tax Stabilization Agreement with the Town of Killingly, all of which are important to the ultimate success of the project. Given the cost and schedule implications associated with these incomplete efforts, NTE elected to withdraw from FCA 11 prior to the final round of bidding.

Q.6. PLEASE DESCRIBE HOW THE STATUS OF EACH OF THE ISSUES YOU HAVE IDENTIFIED HAS CHANGED SINCE THE COUNCIL'S DECISION IN MAY 2017.

A. NTE has taken several significant steps, both in 2017, following FCA 11, and in 2018, following FCA 12 to remove these uncertainties. For example:

- On June 30, 2017, NTE secured an air permit from DEEP for the KEC Facility. More recently, on July 13, 2018, NTE filed for a minor modification of this permit to reflect certain proposed changes to the KEC Facility, including an increase in power output from 550 MW to approximately 650 MW as discussed in more detail below. This minor modification to the air permit was approved and issued by DEEP on December 10, 2018.
- NTE entered into an Engineering Agreement for natural gas pipeline upgrades with Yankee Gas, thus enabling Yankee Gas to complete detailed design and permitting efforts for the pipeline upgrade to service the KEC facility.
- NTE has advanced negotiations with Yankee Gas for a natural gas pipeline service contract.

- NTE entered into a Water Supply Agreement with the Connecticut Water Company (“CWC”).
- NTE also entered into two separate Construction Agreements with the CWC through which NTE has committed to pay all costs associated with (i) the installation of a new water service line connecting the KEC Facility to the local CWC system, and (ii) the interconnection of CWC’s Plainfield and Crystal Water Company Systems.
- The Killingly Town Council approved and executed a Tax Stabilization Agreement and a Community Environmental Benefits Agreement with NTE.

Q.7. DID NTE PARTICIPATE IN ISO-NE’S FORWARD CAPACITY AUCTION NO. 12 (“FCA 12”) IN FEBRUARY OF 2018?

- A. Yes. In September of 2017, ISO-NE notified NTE that it was pre-qualified to participate in FCA 12 and set KEC’s minimum offer price. KEC was, however, not selected to receive a capacity supply obligation (“CSO”) in FCA 12.

Q.8. ARE THERE ANY OTHER CHANGES TO THE KEC FACILITY THAT YOU BELIEVE THE COUNCIL SHOULD CONSIDER WHEN IT REVIEWS NTE’S MOTION TO REOPEN THE DOCKET NO. 470 PROCEEDING?

- A. Yes.

Q.9. PLEASE DESCRIBE THESE ADDITIONAL CHANGES?

- A. Based on NTE’s recent positive experience using Mitsubishi turbine equipment at our facilities in North Carolina and Ohio, and on advancements in Mitsubishi’s “J” technology, NTE has decided to replace the Siemen’s Model SGT6-8000H combustion turbine generator with the Mitsubishi Model M501JAC combustion turbine generator.

Additional benefits of this change are described in detail in the Environmental Overview from Tetra Tech dated January, 2019. The most significant change is NTE's ability to increase the power output from the KEC Facility from 550 MW, as proposed in the original Docket No. 470 application, to approximately 650 MW, at essentially no additional cost and no material change to the project footprint or the environmental effects associated with the KEC Facility improvements.

Q.10. DOES NTE INTEND TO PARTICIPATE IN ISO-NE'S FORWARD CAPACITY AUCTION NO. 13 ("FCA 13")?

- A. Yes. After a detailed review of KEC's financials and its development and construction schedules, and NTE's more recent plan to increase power output from KEC to approximately 650 MW, ISO-NE both pre-qualified KEC to participate in FCA 13, and established KEC's minimum offer price. This minimum offer price is the lowest price that a "greenfield" project like KEC is allowed to bid into the FCA. As a result of this review process, the minimum offer price that ISO-NE established for KEC in FCA 13 is lower than it was for either FCA 11 or FCA 12. By pre-qualifying KEC to participate in FCA 13 and setting KEC's new, lower minimum offer price, ISO-NE concluded that, beneficial changes had been made to the project, including the increase in energy output and efficiency, and that NTE had resolved many of the project uncertainties discussed above. NTE's minimum offer price in FCA 12 was slightly higher than its minimum offer price in FCA 11, putting NTE in a less competitive position entering into FCA 12. The substantially lower minimum offer price set for KEC in FCA 13 makes it more likely that KEC will receive a CSO in 2019.

Q.11. WHAT IMPACT DO THE AFOREMENTIONED CHANGES HAVE ON NTE'S PLANS WITH RESPECT TO THE KEC FACILITY AND ITS OUTLOOK WITH RESPECT TO FCA 13?

A. Each of these changes is significant in that they i) allow for a significant increase in output with minimal impact on cost; and ii) reduce and in some cases eliminate altogether the uncertainties that NTE was concerned about during FCA 11, thus increasing the viability of the KEC Facility and decreasing the cost risks. As a result of these changes and the ISO-NE's recent decision to revoke of the 500 MW CSO previously issued to the Invenenergy Power Plant in Burrillville, Rhode Island in FCA 10, NTE is confident that it will receive a Capacity Supply Obligation in FCA 13. With or without a Capacity Supply Obligation in hand, KEC provides a public benefit and is necessary for a reliable electric power supply and competitive electricity market in Connecticut and the region (as supported by the Pre-Filed Testimony of Paul J. Hibbard, attached to NTE's Motion to Reopen and Modify).

Q.12. PLEASE DESCRIBE WHAT EFFECT THE CHANGE IN TURBINE TECHNOLOGY WILL HAVE ON THE OVERALL DESIGN, OPERATION AND IMPACT OF THE KEC FACILITY?

A. As set forth in more detail in the Environmental Overview in Support of Petition for Changed Conditions prepared by Tetra Tech and attached to NTE's Motion to Reopen and Modify (Exhibit 3), the new turbine technology allows KEC to achieve an increase in overall power output from the facility from 550 to approximately 650 MWs, while also providing an increase in efficiency of KEC. The new turbine technology will also provide the same rapid starts and load following and rapid dual-fuel switching as with the

previous technology, while providing an improvement in KEC's emissions profile and site layout. Utilization of the Mitsubishi turbine allows NTE to improve the overall layout of the KEC facility, including minor repositioning of certain facility components, relocating the perimeter access road, and eliminating the proposed retaining wall in the northwesterly portion of the site, further addressing certain concerns identified by Council members during its initial review of the Docket No. 470 application.

Q.13. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.



By: Timothy Eves
Vice President
NTE Connecticut, LLC