

EXHIBIT 8

DIRECT TESTIMONY OF JONATHAN E. LONG
ON BEHALF OF CLECO POWER LLC

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TO RULE 12.1 OF THE COMMISSION'S
RULES OF PRACTICE AND PROCEDURE

BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION

EX PARTE: APPLICATION OF	)	
CLECO POWER LLC FOR	)	
AUTHORIZATION OF: (I)	)	
SITE SPECIFIC CONTRACT	)	
FOR LARGE LOAD	)	
CUSTOMER;	)	
(II) BRIDGE CAPACITY	)	DOCKET NO. U-_____
CONTRACT; (III)	)	
CONSTRUCTION OF NEW	)	
TRANSMISSION	)	
INTERCONNECTION;	)	
(IV) CONSTRUCTION OF	)	
NEW GENERATION; (V)	)	
ASSOCIATED WAIVERS;	)	
AND (VI) EXPEDITED	)	
TREATMENT.	)	

DIRECT TESTIMONY

OF

JONATHAN E. LONG

ON BEHALF OF

CLECO POWER LLC

JULY 1, 2026

**CLECO POWER LLC
DIRECT TESTIMONY OF JONATHAN E. LONG
DOCKET NO. U-_____**

EXHIBITS

EXHIBIT NO.	DESCRIPTION
Exhibit JEL-1	Listing of Dockets with Testimony Filed by Jonathan E. Long

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I. INTRODUCTION AND BACKGROUND

Q1. PLEASE STATE YOUR NAME, OCCUPATION, AND BUSINESS ADDRESS.

A. My name is Jonathan E. Long. I serve as President of Project Executive, Inc. My business address is 118 Old Trace Rd., Madison, Mississippi, 39110.

Q2. PLEASE DESCRIBE YOUR PROFESSIONAL AND EDUCATIONAL HISTORY AND YOUR CURRENT ROLE.

A. I earned a Bachelor of Science degree in Electrical Engineering from Mississippi State University in 1982 and a Master of Business Administration degree from Pepperdine University in 1991.

I have worked in the energy industry since 1982. All but two years of that experience has been focused on the development, construction, and operation of power generation facilities. Earlier in my career (1987-1989), I was the plant engineer for the construction, start-up, and initial operation of two coal-fired, circulating fluidized bed power generation facilities in central California. From 1995 to 2006, I was employed by Entergy Enterprises, Inc. and participated in the development, construction and operation of power generation facilities for the unregulated subsidiaries of Entergy Corporation. I was a key contributor to the development, construction, and operation of the 1,200 megawatt ("MW") Saltend Cogeneration Facility in East Riding of Yorkshire, England and the 800 MW Damhead Creek Generating Facility in County Kent, England.

In 2006, I accepted a position at Entergy Services, Inc. ("ESI")¹ and began participating in the development and planning of power generation facilities for the regulated subsidiaries

¹ In September 2018, ESI changed its name and corporate structure to Entergy Services, LLC ("ESL"). ESL is the service company affiliate of the Entergy Operating Companies ("EOCs") that provides engineering, planning, accounting, technical, regulatory, and other administrative support services to each of the EOCs.

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1 of Entergy Corporation, including projects such as Entergy Louisiana, LLC's ("ELL")
2 planned repowering of Little Gypsy Unit,² the development of the Ninemile 6 self-build
3 project,³ and the implementation of those projects after regulatory approvals were secured
4 from the LPSC for the two resources. I was also responsible for the development of ELL's
5 St. Charles Power Station self-build project.⁴ For Ninemile 6 and St. Charles Power
6 Station, I was responsible for recruiting and hiring the project management staff,
7 negotiating the engineering, procurement, and construction ("EPC") agreements,
8 coordinating internal project approvals, and securing all permits and contracts necessary to
9 transition to the implementation phase of these projects. More recently, I was responsible
10 for the development, construction, and commissioning of ELL's Lake Charles Power
11 Station,⁵ Entergy New Orleans, LLC's New Orleans Power Station,⁶ Entergy Texas, Inc.'s
12 Montgomery Power Station,⁷ as well as several other gas-fired power plant projects that
13 were earlier in the development phase.

14 My history in developing and constructing fossil generation provides me with significant
15 experience with the development of cost estimates for power plant projects, the negotiation
16 and administration of large contracts for the construction of these projects, and the

² LPSC Docket No. U-30192; *Ex Parte: Application of Entergy Louisiana, LLC for Approval to Repower Little Gypsy Unit 3 Electric Generating Facility and for Authority to Commence Construction and for Certain Cost Protection and Cost Recovery.*

³ LPSC Docket No. U-31971; *Ex Parte: Joint Application of Entergy Louisiana, LLC for Approval to Construct Unit 6 at Ninemile Point Station and of Entergy Gulf States Louisiana, L.L.C. for Approval to Participate in a Related Contract for the Purchase of Capacity and Electric Energy, for Cost Recovery and Request for Timely Relief.*

⁴ LPSC Docket No. U-33770; *Ex Parte: Joint Application of Entergy Louisiana, LLC, Entergy Gulf States Louisiana, L.L.C., and Entergy Louisiana Power, LLC for Approval to Construct St. Charles Power Station, and for Cost Recovery.*

⁵ LPSC Docket No. U-34283; *In re: Application of Entergy Louisiana, LLC for Approval to Construct Lake Charles Power Station, and for Cost Recovery.*

⁶ City Council of New Orleans Docket No. UD-16-02; *Application of Entergy New Orleans, LLC for Approval to Construct New Orleans Power Station and Request for Cost Recovery and Timely Relief.*

⁷ Public Utility Commission of Texas Docket No. 46416; *Application of Entergy Texas, Inc. for a Certificate of Convenience and Necessity to Construct Montgomery Power Station.*

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1 procurement of services of major equipment vendors. I retired from ESL in mid-2022 and
2 subsequently began my consulting practice working with clients like Cleco Power LLC
3 (“Cleco Power” or the “Company”) providing advisory support and related services.

4 **Q3. HAVE YOU PREVIOUSLY TESTIFIED IN A REGULATORY PROCEEDING?**

5 **A.** Yes. Exhibit JEL-1 lists proceedings in which I have previously testified.

6 **II. OVERVIEW OF TESTIMONY**

7 **Q4. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

8 **A.** My testimony supports the Company’s application (the “Application”) in this proceeding.
9 The Application seeks, among other things, the approval of an Electric Service Agreement
10 (“ESA”) that is a Site Specific Contract and related agreements with Applied Digital
11 Corporation (the “Customer”); approval to enter into a capacity agreement with Tenaska
12 Frontier Partners, Ltd. (the “Capacity Agreement”); approval of or exemption for
13 construction of interconnection infrastructure to serve a new, \$3.6 billion hyperscale data
14 center to be developed by Applied Digital Corporation (the “Customer”) in Rapides Parish,
15 Louisiana (the “Project”);⁸ and approval of the Company’s construction of new generation
16 infrastructure to serve Cleco Power’s existing and future customer load.

17 To reliably supply the Company’s customers and address aging generation assets, the
18 Company is proposing to construct a new 756 MW combined cycle gas turbine (“CCGT”)
19 power plant to be interconnected at a new substation.⁹ Assuming satisfactory Commission

⁸ See Louisiana Economic Development, *Central Louisiana Secures \$3.6 Billion Applied Digital AI Factory Campus* (May 26, 2026); <https://www.opportunitylouisiana.gov/news/central-louisiana-secures-3-6-billion-applied-digital-ai-factory-campus>.

⁹ On September 19, 2025, the Company submitted an interconnection application (ID 100157) for a 756 MW CCGT into the Midcontinent Independent System Operator, Inc.’s (“MISO”) Expedited Resource Addition Study (“ERAS”) process; see Project Number E0048.

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1 approval is obtained from the Louisiana Public Service Commission (the “Commission”
2 or “LPSC”), the proposed new generator is expected to come online as early as 2032.
3 Company witness Robert Breedlove discusses the proposed new generator, the steps the
4 Company is taking to refine its cost estimate and timing, a proposed quarterly monitoring
5 plan, and related matters. My direct testimony discusses the current state of the market and
6 the unprecedented challenges the Company, other utilities, and merchant developers are all
7 facing with turbine original equipment manufacturers (“OEMs”), related equipment
8 suppliers, and firms that provide EPC services. I also discuss how the current state of the
9 market is profoundly different than just a few years ago and the challenges and
10 uncertainties those market changes present. Finally, I discuss certain elements of two
11 relevant LPSC General Orders and how the current state of the market affects the level of
12 certainty and risk involved with project development and the resulting implications for the
13 Company’s proposed new generator.

14 **III. CURRENT STATE OF THE MARKET**

15 **Q5. PLEASE DESCRIBE THE CURRENT STATE OF THE MARKET FOR POWER**
16 **PLANT DEVELOPMENT.**

17 **A.** In recent years, I have observed significant changes in the U.S. market for new gas-fired
18 power generation development. These changes have affected the ability of electric utilities
19 to procure new generation resources through traditional competitive solicitations.

20 The most significant change has been the rapid increase in demand for new dispatchable
21 generation capacity, particularly natural gas-fired generation, driven largely by substantial
22 load growth associated with industrial projects and data center development. This increase

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1 in demand has occurred over a relatively short period of time and has changed the market
2 significantly.

3 **Q6. PLEASE DISCUSS THE CHANGES THAT YOU HAVE WITNESSED OVER THE**
4 **LAST FEW YEARS.**

5 **A.** While market expansion is high today, the industry had previously undergone a period of
6 contraction. During the years when renewable generation was the primary focus of new
7 development activity, many market participants reduced investment in gas turbine
8 manufacturing capacity, EPC resources, and development capability based on the
9 expectation that long-term demand for new gas-fired generation would remain limited. As
10 a result, demand is well ahead of available supply right now. Major gas turbine
11 manufacturers are indicating that much of their production capacity is already committed
12 several years into the future. Similarly, EPC contractors and other critical suppliers are
13 experiencing exceptionally high demand for their services.

14 These conditions have changed the commercial dynamics of generation development.
15 Turbine and other equipment suppliers and contractors now possess substantially greater
16 leverage than they did during earlier periods, including when the Commission developed
17 and issued its Market Based Mechanism (“MBM”) Order.¹⁰ Pricing for equipment and
18 construction services has increased significantly, delivery schedules have lengthened, and
19 electric utilities and independent developers are encountering greater difficulty obtaining
20 firm pricing and schedule commitments.

¹⁰ LPSC General Order (February 16, 2004) as amended most recently by the October 14, 2024 General Order No. R-34247; *In re: Development of Market-Based Mechanisms to Evaluate Proposals to Construct or Acquire Generating Capacity to Meeting Native Load, Supplements the September 20, 1983 General Order* (the “MBM Order”).

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1 I have also observed that EPC contractors are increasingly unwilling to accept
2 procurement, transportation, and construction risks that were commonly assumed in prior
3 market cycles. In many cases, contractual terms that electric utilities and independent
4 developers previously considered standard are no longer available or are only available at
5 higher cost.

6 In addition, many experienced independent power producers (“IPPs”) and developers that
7 historically participated in electric utility competitive solicitations are now prioritizing
8 behind-the-meter opportunities serving large data center customers. Those large-scale data
9 center customers are often willing to accept higher costs in exchange for accelerated
10 development schedules and greater certainty of execution. As a result, fewer experienced
11 market participants may be available or interested in participating in traditional electric
12 utility request for proposals (“RFP”) processes.

13 I have also seen strain across the EPC portions of the industry. Engineering firms are
14 heavily committed, experienced personnel are stretched across multiple projects,
15 procurement organizations are dealing with limited equipment availability and long lead
16 items, and construction organizations are facing both labor shortages and declining average
17 experience levels in the craft workforce. Some of these same companies also work as
18 Owner’s Engineers (“OE”), assisting with project development and other activities, which
19 I describe further below. The conditions experienced by these companies have the
20 potential to affect availability, productivity, quality, schedule certainty, and ultimately
21 project cost.

22 Another factor impacting markets in recent years has been the war in Ukraine that began
23 in early 2022 and, more recently, what is happening in Iran and the broader middle east

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1 region. These wars have caused disruption in the global shipping industry that affects
2 directly and indirectly many of the materials that go into major power generation plants.
3 Even if equipment and a significant amount of materials are sourced domestically, the
4 market for these materials and equipment is global and subject to global disruptions.
5 Finally, trade uncertainty driven by varying tariff levels has affected equipment and
6 material availability and, in some instances, materially increased costs. Based on my recent
7 experiences assisting clients with developing projects, EPC contractors and equipment
8 manufacturers are unwilling to accept any risk associated with the impacts of tariffs.
9 As a result, under current market conditions, by the time a traditional RFP process is
10 completed and commercial negotiations are finalized, pricing, equipment availability, labor
11 availability, and delivery schedules may have changed materially from the assumptions
12 underlying the original proposals that were evaluated.

13 **Q7. WHAT ROLE DOES AN OWNER'S ENGINEER TYPICALLY PLAY IN THE**
14 **PROCESS?**

15 **A.** The OE serves as the technical advisor to the utility throughout project development and
16 execution. The OE provides engineering support, evaluates technology alternatives,
17 reviews designs and estimates, assists with procurement activities, evaluates contractor
18 proposals, and helps the utility identify and manage project risks. The OE also acts as an
19 independent representative of the utility's interests and provides expertise that may not
20 exist within the utility's internal staff.

21 **Q8. WHAT BENEFITS DOES HAVING AN OWNER'S ENGINEER PROVIDE?**

22 **A.** The primary benefit of using an OE is that it provides the utility with experienced technical
23 and commercial support throughout the development process. Large power generation

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1 projects involve significant engineering, procurement, construction, commercial, and risk
2 management decisions. An experienced OE can help improve the quality of project
3 definition, identify risks earlier, evaluate contractor proposals, and provide an independent
4 assessment of cost and schedule assumptions. In my experience, the use of a qualified OE
5 generally improves decision making and reduces project execution risk.

6 **Q9. PLEASE DISCUSS YOUR RECENT EXPERIENCES WITH POWER PLANT**
7 **PROJECT DEVELOPMENT.**

8 **A.** Since my retirement, I have been involved in several projects related to new gas-fired
9 power generation, including RFPs for new generation. I have seen market-related
10 challenges that are consistent with anecdotal evidence from around the industry. For
11 example, the availability of key materials like structural steel have significantly affected
12 schedules, something I had not previously experienced in my career, but which I now hear
13 about regularly across the industry. Second, I have seen instances where the average craft
14 labor experience level was minimal. Having less experienced workers results in
15 productivity and quality issues that can significantly affect schedule and final costs. My
16 recent experiences lead me to believe that many EPC contractors are now seeking contracts
17 with limited exposure to price and schedule risk.

18 I was also involved in a recent RFP for EPC services for a new power station that did not
19 receive a single proposal that conformed to the terms of the RFP. The client's RFP required
20 a fixed-price, date-certain contract with extended price validity, and although several EPC
21 contractors were interested in the project, they would not agree to those terms.

22 **Q10. GIVEN THE CHANGES THAT YOU DESCRIBED, WHAT ARE THE**
23 **IMPLICATIONS FOR THE COMPANY'S PROPOSED NEW CCGT?**

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1 **A.** The Company is developing this project in the midst of a seller's market where EPC
2 contractors have substantial leverage in negotiating commercial terms related to price and
3 schedule risk. As a result, any cost estimate will likely have a very short validity period,
4 and pricing is likely to be tied to market indices or actual costs plus markups for overhead
5 and fees. Any EPC contractor responding to a formal RFP or request for qualifications
6 ("RFQ") to evaluate potential RFP bidders will have to see some synergy with other
7 projects in its portfolio and believe they can properly staff and execute the project. Based
8 on my recent experiences, the Company can also expect to have to spend more money
9 earlier in the project to ensure that equipment and materials can be delivered when required.

10 **Q11. GIVEN THE CURRENT MARKET, IS IT POSSIBLE TO SECURE FIRM**
11 **PRICING AND DELIVERY SCHEDULES FOR KEY EQUIPMENT AND EPC**
12 **SERVICES AT THIS STAGE?**

13 **A.** No. EPC contractors that are well-qualified for the type of generation project the Company
14 is proposing are not currently offering firm pricing and schedule guarantees with any
15 significant liquidated damages exposure for the EPC contractor; or, if they are offering any
16 type of guarantees, such guarantees are not on the terms that were available in the market
17 previously. Electric utilities and independent project developers seeking certainty of any
18 kind will have to take on a large amount of upfront costs without meaningful guarantees
19 on the back end.

20 Firm manufacturing schedules for key engineered equipment, such as gas turbines, heat
21 recovery steam generators, steam turbines, and large- to medium-sized transformers and
22 circuit breakers, can only be obtained by making significant deposits and paying for

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1 reservations well in advance. Also, prior to placing such orders, a significant amount of
2 engineering must be funded to develop specifications for the purchase.

3 While entering into agreements and paying deposits may provide some schedule certainty
4 for manufacturing, it is likely that the manufacturers will index pricing so that pricing will
5 adjust with the markets for materials, labor, and transportation for input raw materials,
6 likely resulting in increased costs. Neither the manufacturers nor the EPC contractors are
7 likely to guarantee transportation costs or timing for engineered equipment.

8 **Q12. PLEASE DISCUSS YOUR UNDERSTANDING OF THE STEPS THE COMPANY**
9 **IS TAKING TO SELECT KEY VENDORS, REFINE ITS COST ESTIMATE AND**
10 **TIMING, AND MITIGATE RISKS.**

11 **A.** The Company is following a phased development approach that is intended to
12 progressively reduce uncertainty regarding project cost, schedule, equipment availability,
13 and execution risk. In my opinion, that approach is consistent with what I would expect
14 for a project of this size and complexity in the current market environment. It is my
15 understanding that the Company has retained an OE to assist it with project development
16 including helping to scope the CCGT generator and secure suppliers using a phased
17 approach.

18 The first phase involves the selection of the major equipment suppliers, particularly the gas
19 turbine and steam turbine manufacturers. The Company has issued a Request for
20 Information ("RFI") to the major turbine suppliers and is currently evaluating the
21 responses. Based on my understanding, the evaluation includes consideration of the
22 proposed Reservation Agreement terms, anticipated delivery schedules, indicative pricing,

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1 and the timeline required to advance toward a definitive equipment agreement, which I
2 understand the Company expects to execute within the next several months.

3 As I discussed previously, demand for gas turbines currently exceeds available
4 manufacturing capacity. As a result, securing access to manufacturing slots has become a
5 critical component of project development. The Company entering into a Reservation
6 Agreement with a selected supplier will allow it to secure a position in the manufacturer's
7 production queue and reduce schedule risk. While pricing at the reservation stage remains
8 indicative and subject to additional engineering and commercial negotiations, the
9 reservation process provides greater confidence regarding equipment availability and
10 delivery timing.

11 The second phase involves selection of an EPC contractor. My understanding is that the
12 Company intends to utilize a phased EPC development process that allows the Company
13 and the EPC contractor to work together to further define project scope, refine cost
14 estimates, identify and mitigate risks, and develop a more reliable project schedule before
15 a final construction commitment is made. The EPC contractor selection process, which I
16 understand will begin in earnest in early 2027, will consider factors such as experience,
17 capabilities, commercial terms, schedule, and the contractor's ability to successfully
18 execute a large power generation project in Louisiana.

19 As engineering progresses and the equipment strategy becomes more defined, the
20 Company should be able to narrow the range of potential cost and schedule outcomes. In
21 my experience, this is the most practical way to develop a project in today's market,
22 because many of the assumptions that historically would have been established through a
23 competitive procurement process must now be developed through a combination of

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1 engineering, commercial negotiations, and early and sustained engagement with equipment
2 suppliers and contractors.

3 One of the primary risks facing the project is maintaining access to equipment
4 manufacturing capacity. Because demand for gas turbines remains exceptionally strong,
5 delays in executing a reservation agreement or advancing the project through key decision
6 points could affect equipment delivery dates and ultimately the project's in-service
7 schedule. Timely decision-making is therefore an important component of the Company's
8 risk mitigation strategy.

9 **Q13. GIVEN THE CURRENT CIRCUMSTANCES THAT YOU HAVE DESCRIBED, IS**
10 **THE COMPANY'S OVERNIGHT COST ESTIMATE AND TIMELINE WITH**
11 **KEY MILESTONES REASONABLE?**

12 **A.** Yes, I believe the Company's current overnight cost estimate, schedule, and key
13 development milestones are reasonable based on the information presently available and
14 the current conditions in the power generation market.

15 It is important to recognize that the project is still in the development stage. As I discussed
16 earlier, large power generation projects are typically developed through a phased process
17 in which engineering, procurement activities, and commercial negotiations progressively
18 improve confidence in project cost and schedule. At this stage of development, I would
19 not expect the Company to have the same level of certainty that would exist after
20 completion of detailed engineering, execution of equipment agreements, and advancement
21 of the EPC process.

22 The Company's current overnight cost estimate is based upon information received from
23 turbine suppliers and the Company's ongoing development activities. In my opinion, those

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1 assumptions appear reasonable for planning purposes and are consistent with the type of
2 information that is typically available at this stage of project development.

3 The schedule also appears reasonable based upon current market conditions. As I
4 discussed previously, access to gas turbine manufacturing capacity has become one of the
5 primary drivers of project schedules for large, combined cycle projects. The Company's
6 planned execution of a Reservation Agreement in the coming months is intended to secure
7 a manufacturing position and establish a pathway toward bringing the CCGT generator
8 online as early as 2032.

9 Like any project of this size, there are risks that could affect both cost and schedule. The
10 most significant schedule risks include delays in securing manufacturing capacity, delays
11 in advancing key project decisions, changes in market conditions, and challenges
12 associated with engineering, procurement, and construction execution. However, based on
13 the information I have reviewed and my experience developing and constructing similar
14 projects, I believe the Company's current overnight cost estimate, development plan, and
15 schedule represent a reasonable basis for moving the project forward.

16 **Q14. THE COMPANY HAS ESCALATED ITS OVERNIGHT COST ESTIMATE. DO**
17 **YOU HAVE ANY PERSPECTIVE ON THE APPROACH THE COMPANY IS**
18 **FOLLOWING TO ESTIMATE THE FINAL COST OF THE PROJECT WHEN IT**
19 **COMES ONLINE?**

20 **A.** As I discussed earlier, the current market environment for major power plant projects is
21 challenging and forecasting future costs for key inputs like construction labor and
22 commodities is also difficult. My understanding is that the Company is using an escalation
23 factor applied to its overnight cost estimate through adjustments to its forecasted spending.

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1 Using an escalation factor to account for recent cost trends is a reasonable approach to
2 escalate the overnight cost estimate. Incorporating contingency helps address uncertainty
3 with respect to final costs for major equipment like the turbine and heat recovery steam
4 generator as well as the EPC contractor.

5 **Q15. BASED ON YOUR EXPERIENCE, DO YOU ANTICIPATE COSTS FOR**
6 **EQUIPMENT, MATERIALS, AND/OR EPC AND RELATED SERVICES**
7 **FALLING FROM THEIR CURRENT LEVELS?**

8 **A.** During my career, I have experienced several boom-and-bust cycles where project costs
9 have escalated and then subsequently fallen. However, there is no way to predict what may
10 happen in the future with any certainty. The current market is no doubt challenging for
11 several reasons that were not foreseen even as recently as two years ago. Industrial growth
12 over the past decade in the petrochemical sector as well as construction of new liquified
13 natural gas ("LNG") export terminals have increased competition for skilled construction
14 labor, equipment, and commodity raw materials. Over the last year or so, the U.S. is seeing
15 rapid load growth from hyperscale data centers being planned to address increasing
16 adoption of artificial intelligence ("AI"). Supplying new hyperscale data centers with
17 reliable power supply will require significant investments in new generation and related
18 infrastructure by electric utilities and IPPs.

19 The U.S. – and the rest of the world for that matter – appears to be entering an era of
20 electrification in which electric load growth will be significantly higher than it was over
21 the last 20 or so years. It also seems probable that load growth will be sustained at higher
22 levels as consumers and businesses accelerate the shift to electric vehicles, heat pumps,
23 and similar technologies, and industrial processes are increasingly electrified. Finally,

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1 many electric utilities including Cleco Power as I understand it have aging generation fleets
2 with fossil fuel units that are reaching the end of their useful lives, which will require
3 replacement.

4 Given all these drivers, it seems more likely than not that costs for power plant equipment,
5 materials, EPC services, and skilled construction labor will remain elevated relative to
6 where they were a few years ago.

7 **IV. RELEVANT LPSC GENERAL ORDERS**

8 **Q16. WHICH LPSC GENERAL ORDERS SPECIFICALLY RELATE TO THE**
9 **COMPANY'S PROPOSED NEW GENERATOR?**

10 **A.** There are two LPSC General Orders that I discuss that relate to the Company's proposed
11 new generator: (1) the 1983 General Order¹¹ and (2) the previously mentioned MBM
12 Order. Company witness D. Andrew Owens describes in detail these two General Orders
13 as well as other applicable Commission orders and policies along with the Company's
14 requests in his testimony.

15 **A. The 1983 General Order**

16 **Q17. PLEASE DESCRIBE YOUR UNDERSTANDING OF THE 1983 GENERAL**
17 **ORDER AND HOW IT APPLIES TO THE COMPANY'S APPLICATION.**

18 **A.** The 1983 General Order, as amended, requires an electric public utility subject to the
19 Commission's jurisdiction to seek approval prior to constructing or acquiring a new
20 generator, or entering into a contract to purchase capacity and/or energy from another

¹¹ The 1983 General Order as amended most recently in LPSC Docket No. 30517 by General Order (May 27, 2009), *In re: Possible modifications to the September 20, 1983 General Order to allow (1) for more expeditious certifications of limited term resource procurements and (2) an exception for annual and seasonal liquidated damages block energy purchases* (the "1983 General Order").

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1 entity. The 1983 General Order includes certain exemptions and further allows for early
2 development activities such as feasibility studies, site acquisition, and engineering without
3 prior Commission authorization. The 1983 General Order requires that an application for
4 certification include specific cost and other data utilized by the utility to support its
5 justification to construct, acquire, or enter into an agreement along with an expected
6 timeline and key milestones.¹²

7 **Q18. PLEASE DESCRIBE HOW A UTILITY TYPICALLY DEVELOPS**
8 **INFORMATION AND DATA FOR A PROPOSED POWER PLANT.**

9 **A.** Historically, utilities developed power generation projects through a staged process that
10 progressively reduced uncertainty regarding project cost, schedule, performance, and risk.
11 While the details vary among utilities, the general approach has been similar across the
12 industry and is intended to ensure that a project receives additional development funding
13 only after sufficient information has been developed to support moving to the next stage.
14 The utility's process typically begins with identifying a need for new generation through
15 an integrated resource planning ("IRP") effort and determining the role that the resource
16 will serve on the system. At that stage, a conceptual design is developed using information
17 available from the utility's internal resources, equipment suppliers, engineering firms, and
18 prior project experience. Cost and schedule estimates at this stage are rough-order-of-
19 magnitude estimates intended to support an initial business case rather than project
20 approval.

¹² 1983 General Order, at Ordering Paragraph 2.

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1 If the initial business case appears favorable from the perspectives of cost-effectiveness
2 and feasibility, the project moves into a more detailed development stage. During this
3 phase, preliminary engineering is performed, major equipment options are evaluated, and
4 budgetary pricing and schedule information is obtained from equipment suppliers and
5 contractors. The engineering work typically includes site layouts, performance
6 evaluations, environmental considerations, interconnection requirements and potential
7 transmission upgrades, and other information necessary to better define the project scope.
8 This stage is also where significant effort is devoted to understanding project risk. Potential
9 risks to cost and schedule are identified, evaluated, and incorporated into the project
10 estimate through contingency analyses and other risk assessment methodologies. As
11 engineering progresses, both cost and schedule estimates become more reliable because
12 they are based on increasing levels of project definition rather than conceptual assumptions.
13 Historically, the final development stage would culminate in a competitive EPC
14 procurement process. The purpose of that process was to obtain firm commercial proposals
15 that included pricing, major equipment commitments, and project schedules. The resulting
16 EPC proposals, combined with the engineering work performed during the earlier stages,
17 provided a much higher degree of certainty regarding project cost and schedule and formed
18 the basis for seeking approval of the project from the utility's management and from its
19 regulators, such as the Commission.

20 One important characteristic of the historical process that I just described was that utilities
21 could obtain greater certainty as to cost and schedule without making substantial financial
22 commitments for major equipment or construction services. Competition among

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1 equipment suppliers and EPC contractors generally allowed utilities to obtain reasonably
2 firm pricing and schedule commitments through the procurement process itself.

3 In my opinion, that aspect of the development process has changed significantly in today's
4 market. Utilities can no longer rely on obtaining firm pricing and date-certain completion
5 commitments through a traditional competitive procurement process alone. In many cases,
6 obtaining reasonable confidence in equipment availability, project cost, and project
7 schedule now requires substantial engineering work, equipment reservations, large
8 deposits, and commercial negotiations before the utility reaches the point where it
9 historically would have sought project approval.

10 **Q19. IN YOUR OPINION, HAS THE COMPANY PRESENTED SUFFICIENT**
11 **INFORMATION AND DATA TO COMPLY WITH THE 1983 GENERAL**
12 **ORDER?**

13 **A.** While I am not an attorney and I would note Mr. Owens addresses compliance with the
14 1983 General Order in greater detail, I would answer "yes." Given the current state of the
15 market, the Company has presented a reasonable cost estimate and project schedule for its
16 proposed new CCGT generator. Unlike earlier power plant projects in which I have been
17 involved, it is not possible today to secure firm pricing and a delivery schedule from a
18 turbine OEM or enter into an executed agreement with an EPC contractor with firm pricing
19 for engineering, commodities, and construction labor and timing. The approach the
20 Company has taken so far, which is discussed further by Mr. Breedlove, will allow for
21 further refinement of cost and schedule as commitments are made with key equipment
22 vendors.

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1 As discussed by Mr. Breedlove, the Company intends to execute a Reservation Agreement
2 with a turbine OEM in the coming months. As I noted earlier, executing the Reservation
3 Agreement provides the Company with indicative pricing and more certainty regarding its
4 place in the turbine manufacturing queue, which in turn is a major driver in the overall
5 project schedule. With respect to the EPC contractor, Mr. Breedlove outlines the steps the
6 Company is taking including its plan to conduct a RFI in early 2027 to further its strategy
7 for securing an EPC contractor who, in turn, can begin the more detailed project scoping
8 and engineering as well as be involved in other key procurement activities.

9 **B. The MBM Order**

10 **Q20. PLEASE DESCRIBE THE MBM ORDER AND HOW IT COULD APPLY.**

11 **A.** The MBM Order was initially adopted by the Commission in February 2004 and has
12 evolved over the years with various amendments and modifications, including most
13 recently the Lightning Amendment adopted by the Commission at its December 2025
14 Business and Executive meeting.¹³ Subject to certain criteria and exemptions, the MBM
15 Order generally requires a utility proposing to construct a resource, acquire a resource, or
16 enter into an agreement with another entity to utilize “...a market-based mechanism to
17 support the addition of generating capacity intended to serve LPSC-jurisdictional retail
18 customers.”¹⁴ For a proposed resource that is not exempt per the MBM Order, itself, or
19 subject to a specific waiver from the Commission, a utility will typically conduct a formal
20 RFP process, or use a similar method, to “market test” and gather information in order to

¹³ See LPSC Minutes from December 17, 2025, Open Session, at p. 6, available at
https://www.lpsc.louisiana.gov/docs/minutes/Dec_17_2025_Min.pdf.

¹⁴ MBM Order, Rule 1.

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1 present analysis supporting its decision to procure the resource(s) and comply with the
2 1983 General Order.¹⁵

3 **Q21. DID THE COMPANY CONDUCT A FORMAL RFP TO MARKET TEST THE**
4 **PROPOSED SELF-BUILD CCGT GENERATOR? IF NO, WHY NOT?**

5 A. No. As discussed further by Mr. Owens, the Company was not required to conduct an RFP
6 under the Commission's recently adopted Lightning Amendment to the MBM Order. Mr.
7 Owens discusses the Lightning Amendment as well as information provided by the
8 Company in response to the Commission's recently issued Large Load Additions Non-
9 Binding Guidelines.¹⁶

10 As I discussed earlier and Mr. Breedlove discusses further, the Company will continue to
11 refine its cost estimate, timeline, and key milestones for the proposed new CCGT
12 generator. Company witness Richard Leon Sharp discusses the Company's need to secure
13 sufficient capacity in a timely manner to meet the Customer's requirements based on when
14 they are expected to begin taking service next year. Mr. Breedlove and Mr. Sharp discuss
15 the need to construct new generation to meet the Company's customers' needs and to
16 mitigate the significant risk that several existing, aged generators may not be available over
17 the planning horizon.

18 **Q22. DO YOU BELIEVE IT IS REALISTIC TODAY FOR A UTILITY TO DEVELOP**
19 **AND MARKET TEST A SELF-BUILD PROPOSAL VIA A FORMAL RFP?**

20 A. No. As Mr. Owens notes in his testimony, the various steps involved with developing a
21 self-build proposal and conducting a formal RFP with an independent monitor ("IM")

¹⁵ 1983 General Order, Ordering Paragraph 2.

¹⁶ See the Commission's *Large Load Additions Non-Binding Guidelines* available at
https://lpsc.louisiana.gov/docs/general/Non-Binding_Guidelines_for_Potential_Large_Load_Customers.pdf.

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1 typically takes 12 months followed by submittal of an application seeking Commission
2 certification. I participated in several RFPs intended to market test self-build projects
3 during my tenure with ESL. As I discussed above, in the recent past, a utility could
4 realistically select a turbine OEM and an EPC contractor, execute agreements, notify the
5 Commission, identify and retain an IM, and then initiate the RFP process all within a
6 several month period. The total costs incurred for the process that I just described would
7 usually be in the range of [REDACTED]. The situation is vastly different today; turbine
8 OEMs and qualified EPC contractors are unwilling to engage in negotiations and make
9 commitments without significant upfront costs, which would be far greater than the [REDACTED]
10 [REDACTED] that a utility would have previously incurred to prepare a self-build proposal for a
11 market test RFP. The timing is also very different today with turbine OEMs and EPC
12 contractors unwilling to commit to firm delivery schedules unless the anticipated
13 commercial operations date ("COD") for a project is 2032 or later.

14 **Q23. DO YOU HAVE A SENSE OF THE TOTAL COSTS THAT MIGHT BE**
15 **INCURRED TODAY TO DEVELOP AND MARKET TEST A SELF-BUILD**
16 **PROPOSAL VIA A FORMAL RFP?**

17 **A.** Based on my recent experiences, and confirmed by the Company's own internal estimates,
18 the total cost that would be incurred to develop and market test a self-build proposal in an
19 MBM Order-compliant RFP process would be in the range of [REDACTED], primarily
20 from significant upfront payments that would be non-refundable if the project were to end
21 up not being completed.

22 **Q24. WHAT IMPLICATIONS RESULT FROM THE SIGNIFICANT COSTS THAT**
23 **WOULD BE INCURRED TO MARKET TEST A SELF-BUILD PROPOSAL?**

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1 **A.** The first, and most important, implication is that the utility would have prudently incurred
2 those significant costs in order to market test a self-build proposal as part of an RFP process
3 conducted under the MBM Order. If a different proposal were to be selected to move
4 forward, the utility's prudently-incurred costs would need to be recovered from customers.
5 If someone, however, were to suggest that a utility's investors (or "owners" as is the case
6 with Cleco Power) should bear that risk for such prudently-incurred costs, not only would
7 that violate a core tenet of Louisiana's long-standing regulatory framework which is based
8 on the prudent investment rule, which Mr. Owens discusses, it would also effectively create
9 a Catch-22 situation. What I mean by a Catch-22 is that if the utility were at risk for such
10 significant costs, it would likely choose not to incur them in the first place. And any RFP
11 subsequently conducted by the utility would, thus, not incorporate the same level of market
12 discipline that would otherwise be in place if the utility were to submit a self-build proposal
13 that other projects had to compete against.

14 Second, given the current state of the market, I believe it is unrealistic and, therefore,
15 unlikely that an RFP would draw competing proposals. As I described above, the Company
16 expects to incur costs ranging from [REDACTED] to reach the point where it could
17 submit a self-build proposal into a formal RFP. Any other entity that would consider
18 participating in that same RFP would incur a similar range of costs. Based on my recent
19 experience, I do not believe it is realistic to assume that any competing proposals would be
20 submitted, which would defeat the entire purpose of conducting the RFP in the first place.

21 **Q25. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

22 **A.** Yes, at this time.

STATE OF OKLAHOMA

COUNTY OF TULSA

AFFIDAVIT

BE IT KNOWN, that before me, the undersigned Notary Public, duly commissioned and qualified for the state and parish/county aforesaid, personally came and appeared:

JONATHAN E. LONG

("Affiant"), who after being duly sworn did depose and say:

1. Affiant has prepared Direct Testimony on behalf of Cleco Power LLC in support of the Application of Cleco Power LLC for Authorization of: (I) Site Specific Contract for Large Load Customer; (II) Bridge Capacity Contract; (III) Construction of New Transmission Interconnection; (IV) Construction of New Generation; (V) Associated Waivers; and (VI) Expedited Treatment.

2. To the best of Affiant's knowledge, information, and belief, Affiant's Direct Testimony is true, accurate, and complete in all material respects as of the date of this Affidavit.



Jonathan E. Long
Project Executive, Inc.
118 Old Trace Road
Madison, Mississippi 39110

SWORN TO AND SUBSCRIBED
BEFORE ME, NOTARY PUBLIC,
THIS 29th DAY OF JUNE 2026.



NOTARY PUBLIC

BAR ROLL/NOTARY ID NO.:

MY COMMISSION EXPIRES:

05009859
10/25/2029

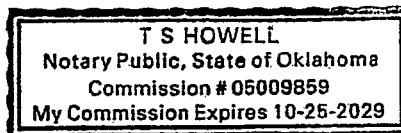


EXHIBIT JEL-1

LISTING OF DOCKETS WITH TESTIMONY FILED BY JONATHAN E. LONG

JONATHAN E. LONG
List of Dockets with Testimony Filed

Agency	Testimony / Filing Date	Docket Number	Utility	Proceeding
Louisiana Public Service Commission	11/02/2016	U-34283	Entergy Louisiana, LLC	Application of Entergy Louisiana LLC for Approval to Construct Lake Charles Power Station and Cost Recovery.
Public Utility Commission of Texas	10/07/2016	PUCT 46416	Entergy Texas, Inc.	Montgomery County Power Station CCN proceeding
City of New Orleans	06/20/2016	UD-16-02	City of New Orleans	New Orleans Power Station
Louisiana Public Service Commission	03/11/2016	U-33770	Entergy Louisiana, LLC	Joint Application of Entergy Louisiana, LLC, Entergy Gulf States Louisiana, LLC, and Entergy Louisiana Power, LLC for approval to construct St. Charles Power Station, and for Cost Recovery.
Louisiana Public Service Commission	08/25/2015	U-33770	Entergy Louisiana, LLC	Joint Application of Entergy Louisiana, LLC, Entergy Gulf States Louisiana, LLC, and Entergy Louisiana Power, LLC for approval to construct St. Charles Power Station, and for Cost Recovery.
Louisiana Public Service Commission	01/10/2012	U-31971	Entergy Louisiana, LLC	Joint Application of Entergy Louisiana, LLC for Approval to Construct Unit 6 at Ninemile Point Station and of Entergy Gulf States Louisiana, LLC for Approval to Participate in a Related Contract for the Purchase of Capacity and Electric Energy, for Cost Recovery and Request for Timely Relief.
Louisiana Public Service Commission	06/21/2011	U-31971	Entergy Louisiana, LLC	Joint Application of Entergy Louisiana, LLC for Approval to Construct Unit 6 at Ninemile Point Station and of Entergy

				Gulf States Louisiana, LLC for Approval to Participate in a Related Contract for the Purchase of Capacity and Electric Energy, for Cost Recovery and Request for Timely Relief.
Louisiana Public Service Commission	2007–2010 proceeding	U-30192	Entergy Louisiana, LLC	Application for Approval to Repower Little Gypsy Unit 3 Electric Generating Facility and for Authority to Commence Construction and for Certain Cost Protection and Cost Recovery.