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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION  
DIRECT TESTIMONY OF  
COREY ZEIGLER  
ON BEHALF OF  
PROGRESS ENERGY FLORIDA  
DOCKET NO. 100007-EI  
AUGUST 27, 2010

9 **Q. Please state your name and business address.**  
10 **A.** My name is Corey Zeigler. My business address is 299 First Avenue North, St.  
11 Petersburg, Florida 33701.

12  
13 **Q. By whom are you employed and in what capacity?**  
14 **A.** I am employed by Progress Energy Florida as Manager, Environmental  
15 Permitting and Compliance.

16  
17 **Q. Have you previously filed testimony before this Commission in connection**  
18 **with Progress Energy Florida's Environmental Cost Recovery Clause?**  
19 **A.** Yes, I have.

20  
21 **Q. Have your duties and responsibilities remained the same since you last filed**  
22 **testimony in this proceeding?**  
23 **A.** Yes.

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1 **Q. What is the purpose of your testimony?**

2 **A.** The purpose of my testimony is to provide estimates of the costs that will be  
3 incurred in the year 2011 for Progress Energy Florida's ("PEF's" or  
4 "Company's") Substation Environmental Investigation, Remediation, and  
5 Pollution Prevention Program (Project No. 1), which was previously approved in  
6 PSC Order No. PSC-02-1735-FOF-EI, Distribution System Environmental  
7 Investigation, Remediation, and Pollution Prevention Program (Project No. 2),  
8 which was previously approved in PSC Order No. PSC-02-1735-FOF-EI, and  
9 the Sea Turtle Coastal Street Lighting Program (Project No. 9), which was  
10 previously approved in PSC Order No. PSC-05-1251-FOF-EI.

11

12 **Q. Have you prepared or caused to be prepared under your direction,**  
13 **supervision or control any exhibits in this proceeding?**

14 **A.** Yes. I am co-sponsoring the following portions of the schedule Exhibit  
15 No.\_\_(TGF-3) attached to Thomas G. Foster's testimony:

- 16 ● 42-5P page 1 of 16 - Substation Environmental Investigation,  
17 Remediation, and Pollution Prevention
- 18 ● 42-5P page 2 of 16 - Distribution System Environmental Investigation,  
19 Remediation, and Pollution Prevention; and
- 20 ● 42-5P page 9 of 16 - Sea Turtle - Coastal Street Lighting.

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1 **Q. What costs do you expect to incur in 2011 in connection with the Substation**  
2 **System Investigation, Remediation and Pollution Prevention Program**  
3 **(Project No. 1)?**

4 **A.** For 2011, we estimate PEF will incur total O&M expenditures of approximately  
5 \$3,067,512 in remediation costs for the Substation System Investigation,  
6 Remediation and Pollution Prevention Program. This amount includes  
7 estimated costs for remediation activities at 64 substation sites that have already  
8 been identified as requiring remediation.

9  
10 **Q. What steps is the Company taking to ensure that the level of expenditures**  
11 **for the Substation System Program is reasonable and prudent?**

12 **A.** PEF works annually with the Florida Department of Environmental Protection  
13 (“FDEP”) to determine the specific substation sites to be remediated to ensure  
14 compliance with FDEP criteria. The Company also provides quarterly reports to  
15 FDEP on progress made in remediating substation sites. To ensure the level of  
16 expenditures is reasonable and prudent; the Company closely monitors  
17 remediation work and provides quarterly reports to the FDEP on progress made  
18 in remediating the sites.

19  
20 **Q. What costs do you expect to incur in 2011 in connection with the**  
21 **Distribution System Investigation, Remediation and Pollution Prevention**  
22 **Program (Project No. 2)?**

1    **A.**     For 2011 we estimate total Operations and Maintenance (“O&M”) expenditures  
2           of approximately \$7,608,000 for the Distribution System Investigation,  
3           Remediation and Pollution Prevention Program to perform remediation activities  
4           at approximately 635 sites. This estimate assumes approximately 150 3-phase  
5           transformer sites at an average cost of \$15,800 per site, approximately 485  
6           single-phase transformer sites at an average cost of \$10,800 per site as well as  
7           program management costs. The average cost per site was based upon PEF’s  
8           analysis of the prior two years of invoices associated with the remediation of the  
9           TRIP sites.

10

11   **Q.**     **What steps is the Company taking to ensure that the level of expenditures**  
12           **for the Distribution System program is reasonable and prudent?**

13   **A.**     To ensure the level of expenditures is reasonable and prudent; the Company  
14           closely monitors remediation work and provides quarterly reports to the FDEP  
15           on progress made in remediating distribution sites.

16

17   **Q.**     **What costs do you expect to incur in 2011 in connection with the Sea**  
18           **Turtle/Street Lighting Program (Project No. 9)?**

19   **A.**     For 2011, the projected expenses for the Sea Turtle/Street Lighting Program are  
20           \$21,800. This amount includes \$1,800 in O&M costs and \$20,000 in capital  
21           expenditures to ensure compliance with sea turtle ordinances in Franklin and  
22           Gulf Counties and the City of Mexico Beach. The capital expenditures will be  
23           spent on modifications and/or replacement of applicable lighting fixtures. The

1 estimated O&M projections include research costs associated with street light  
2 technology studies.

3

4 **Q. What steps is the Company taking to ensure that the level of expenditures**  
5 **for the Sea Turtle/Street Lighting Program is reasonable and prudent?**

6 **A.** PEF is cooperating with local governments and appropriate regulatory agencies  
7 to develop compliance plans that allow flexibility to make only those  
8 modifications necessary to achieve compliance. PEF will ensure that evaluation  
9 of each streetlight requiring modification occurs so that only those activities  
10 necessary to achieve compliance are performed in a reasonable and prudent  
11 manner. In addition, PEF will evaluate emerging technologies and incorporate  
12 their use where reasonable and prudent.

13

14 **Q. Does this conclude your testimony?**

15 **A.** Yes, it does.

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