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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY OF

COREY ZEIGLER

ON BEHALF OF

PROGRESS ENERGY FLORIDA

DOCKET NO. 110007-EI

AUGUST 26, 2011

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.

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

COM 5
APA 1
ECR 6
GCL +
RAD +
SRC _____
ADM _____
OPC _____
CLK 7. RFR

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

2 A. The purpose of my testimony is to provide estimates of costs that will be
3 incurred in the year 2012 for Progress Energy Florida's ("PEF's" or
4 "Company's") Substation Environmental Investigation, Remediation and
5 Pollution Prevention Program (Project 1 & 1a), previously approved in PSC
6 Order No. PSC-02-1735-FOF-EI, Distribution System Environmental
7 Investigation, Remediation, and Pollution Prevention Program (Project 2),
8 previously approved in PSC Order No. PSC-02-1735-FOF-EI, and the Sea
9 Turtle Coastal Street Lighting Program (Project 9), previously approved in PSC
10 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 No. __
15 (TGF-3) attached to Thomas G. Foster's testimony:

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

21

22

1 **Q. What costs do you expect to incur in 2012 in connection with the Substation**
2 **System Investigation, Remediation and Pollution Prevention Program**
3 **(Project 1 & 1a)?**

4 A. For 2012, we estimate PEF will incur total O&M expenditures of approximately
5 \$4.1 million in remediation costs for the Substation System Investigation,
6 Remediation and Pollution Prevention Program. This amount includes
7 estimated costs for remediation activities at 49 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 specific substation sites to remediate 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, PEF closely monitors remediation work
17 and provides quarterly reports to the FDEP on progress made in remediating
18 sites.

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1 **Q. What costs do you expect to incur in 2012 in connection with the**
2 **Distribution System Investigation, Remediation and Pollution Prevention**
3 **Program (Project 2)?**

4 A. For 2012, PEF estimates total Operations and Maintenance (“O&M”)
5 expenditures of approximately \$0.3 million for the Distribution System
6 Investigation, Remediation and Pollution Prevention Program to perform further
7 testing and remediation at 20 sites. This estimate assumes 15 3-phase
8 transformer sites at an average cost of \$15,800 per site, 5 single-phase
9 transformer sites at an average cost of \$10,800 per site and deviation sampling
10 costs of \$2,000 per site. The average cost per site was based upon PEF’s
11 analysis of the prior two years of invoices associated with the remediation of
12 TRIP sites.

13
14 **Q. What steps is the Company taking to ensure that the level of expenditures**
15 **for the Distribution System program is reasonable and prudent?**

16 A. To ensure the level of expenditures is reasonable and prudent, PEF closely
17 monitors remediation work and provides quarterly reports to the FDEP on
18 progress made in remediating sites.

19
20 **Q. What costs do you expect to incur in 2012 in connection with the Sea**
21 **Turtle/Street Lighting Program (Project No. 9)?**

22 A. For 2012, estimated O&M expenses for the Sea Turtle/Street Lighting Program
23 are \$4,992 to ensure compliance with sea turtle ordinances in Franklin and Gulf

1 Counties and the City of Mexico Beach, and for ongoing sea turtle lighting study
2 to test Florida Fish & Wildlife Conservation Commission recommended LED
3 technology.

4

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

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

14

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

16 A. Yes.

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