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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 01, 2011

**Q. Please state your name and business address.**

A. My name is Corey Zeigler. My business address is 299 First Avenue North, St. Petersburg, Florida 33701.

**Q. By whom are you employed and in what capacity?**

A. I am employed by Progress Energy Florida (PEF) as Manager, Environmental Permitting & Compliance.

**Q. What are your responsibilities in that position?**

A. Currently, my responsibilities include managing environmental permitting and compliance activities for Energy Delivery Florida. Energy Delivery Florida is part of the Florida Distribution Business unit of which I support the Distribution and Transmission Operation and Planning Departments.

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1 **Q. Please describe your educational background and professional experience.**

2 A. I received a Bachelors of Science degree in General Business Administration  
3 & Management from the University of South Florida. Prior to holding this  
4 role, I was the Health and Safety Manager for Progress Energy Florida's  
5 Delivery and Transmission Operations and Planning Departments. I have 19  
6 years experience in the utility industry, holding various operational, supervisor  
7 and managerial roles at Progress Energy.

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

10 A. The purpose of my testimony is to explain material variances between the 2011  
11 Estimated/Actual project expenditures versus the original 2011 cost projections  
12 for environmental compliance costs associated with the PSC-approved  
13 environmental programs under my responsibility. These include Progress  
14 Energy Florida (PEF)'s Substation Environmental Investigation, Remediation,  
15 and Pollution Prevention Program (Projects 1 & 1a) and Distribution System  
16 Environmental Investigation, Remediation and Pollution Prevention Program  
17 (Project 2).

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19 **Q. Please explain the variance between the Estimated/Actual project**  
20 **expenditures and the original projections for the Substation System**  
21 **Program (Project 1 & 1a) for the period January 2011 to December 2011.**

22 A. O&M project expenditures for the Substation System Program are estimated to  
23 be \$5,193,418 or 169% higher than originally projected. This increase is

1 primarily attributable to several sites that had significantly higher amounts of  
2 subsurface contamination encountered during remediation that was not evident  
3 during the original visual environmental inspections. Because most  
4 contamination is below ground, it is difficult to determine remediation costs at  
5 substation sites until the remediation process actually begins. Although visible  
6 inspections provide some indication of the potential amount of contamination,  
7 the areal extent and depth of subsurface contamination can only be determined  
8 when the site is excavated. Furthermore, the amount of soil that needs to be  
9 removed to achieve FDEP clean-up target levels depends upon the results of  
10 tests conducted in the field as the remediation is conducted. As work proceeds,  
11 PEF updates cost estimates based upon actual invoices received from  
12 contractors.

13  
14 **Q. Please explain the variance between the Estimated/Actual project**  
15 **expenditures and the original projections for the Distribution System**  
16 **Environmental Investigation, Remediation, and Pollution Prevention**  
17 **Program (Project 2) for the period January 2011 to December 2011.**

18 A. O&M project expenditures for the Distribution System Program are estimated to  
19 be \$653,466 or 9% lower than originally projected. This decrease is due to  
20 continued refinement of the list of distribution sites expected to require  
21 remediation under the PSC-approved program.

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1 Q. Does this conclude your testimony?

2 A. Yes.