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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION  
DIRECT TESTIMONY OF  
**COREY ZEIGLER**  
ON BEHALF OF  
PROGRESS ENERGY FLORIDA  
DOCKET NO. 090007-EI  
AUGUST 28, 2009

**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 as Manager, Environmental Permitting and Compliance.

**Q. Have you previously filed testimony before this Commission in connection with Progress Energy Florida's Environmental Cost Recovery Clause?**

A. Yes, I have.

**Q. Have your duties and responsibilities remained the same since you last filed testimony in this proceeding?**

A. Yes.

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 2010 for Progress Energy Florida's ("PEF's" or  
4 "Company's") Substation Environmental Investigation, Remediation, and  
5 Pollution Prevention Program (Project #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 #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 #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 (TGF-3)  
15 attached to Thomas G. Foster's testimony:

- 16 • 42-5P page 1 of 14 - Substation Environmental Investigation,  
17 Remediation, and Pollution Prevention
- 18 • 42-5P page 2 of 14 - Distribution System Environmental Investigation,  
19 Remediation, and Pollution Prevention
- 20 • 42-5P page 9 of 14 - Sea Turtle - Coastal Street Lighting

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1 **Q. What costs do you expect to incur in 2010 in connection with the Substation**  
2 **System Investigation, Remediation and Pollution Prevention Program**  
3 **(Project #1)?**

4 A. For 2010, we estimate PEF will incur total O&M expenditures of approximately  
5 \$2,075,411 in remediation costs for the Substation System Investigation,  
6 Remediation and Pollution Prevention Program. This amount includes  
7 estimated costs for remediation activities at 69 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.

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1 **Q. What costs do you expect to incur in 2010 in connection with the**  
2 **Distribution System Investigation, Remediation and Pollution Prevention**  
3 **Program (Project #2)?**

4 A. For 2010 we estimate total Operations and Maintenance (“O&M”) expenditures  
5 of approximately \$8,880,800 for the Distribution System Investigation,  
6 Remediation and Pollution Prevention Program to perform remediation activities  
7 at approximately 751 sites. This estimate assumes approximately 154 3-phase  
8 transformer sites at an average cost of \$15,800 per site, approximately 597  
9 single-phase transformer sites at an average cost of \$10,800 per site as well as  
10 program management costs. The average cost per site was based upon PEF’s  
11 analysis of the prior two years of invoices associated with the remediation of the  
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; the Company  
17 closely monitors remediation work and provides quarterly reports to the FDEP  
18 on progress made in remediating distribution sites.

19  
20 **Q. What costs do you expect to incur in 2010 in connection with the Sea**  
21 **Turtle/Street Lighting Program (Project #9)?**

22 A. For 2010, the projected expenses for the Sea Turtle/Street Lighting Program are  
23 \$21,800. This amount includes \$1,800 in O&M costs and \$20,000 in capital

1 expenditures to ensure compliance with sea turtle ordinances in Franklin and  
2 Gulf Counties and the City of Mexico Beach. The capital expenditures will be  
3 spent on modifications and/or replacement of applicable lighting fixtures. The  
4 estimated O&M projections include research costs associated with street light  
5 technology studies.

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

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

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

18 A. Yes, it does.

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