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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

April 1, 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 Services and Strategy for Delivery and Services.

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, Transmission Operations and Planning, and the Corporate Services 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 and Management from the University of South Florida. Prior to my current role,
4 I was the Health and Safety Manager for Progress Energy Florida Transmission
5 and Delivery. I have 19 years experience in the utility industry holding various
6 operational, supervisor and managerial roles at Progress Energy.

7

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

9 A. The purpose of my testimony is to explain material variances between the actual
10 project expenditures versus the Estimated/Actual project expenditures for
11 environmental compliance costs associated with PEF's Substation
12 Environmental Investigation, Remediation, and Pollution Prevention Program
13 (Project 1 & 1a) and the Distribution System Environmental Investigation,
14 Remediation, and Pollution Prevention Program (Project 2).

15

16 **Q. How did actual O&M expenditures for January 2010 through December
17 2010 compare with PEF's Estimated/Actual projections as presented in
18 previous testimony and exhibits for the Substation System Program?**

19 A. The project expenditure variance for the Substation System Program was
20 \$199,655 or 2% higher than projected. The variance is attributed to higher
21 amounts of subsurface contamination encountered during remediation of sites
22 than was reprojected in the Estimated/Actual filing. PEF notes that the extent
23 and depth of subsurface contamination can only be determined when the site is

1 excavated. Furthermore, the amount of soil that needs to be removed to achieve
2 FDEP clean-up target levels depends upon the results of tests conducted in the
3 field as the remediation is conducted. As work proceeds, PEF updates unit cost
4 estimates based upon actual invoices received from contractors.

5

6 **Q. How did actual O&M expenditures for January 2010 through December**
7 **2010 compare with PEF's estimated / actual projections as presented in**
8 **previous testimony and exhibits for the Distribution System Program?**

9 A. The project expenditure variance for the Distribution System Program was
10 \$151,735 or 2% higher than projected. The variance is attributed to PEF
11 remediating a higher number of sites than reprojected in the 2010
12 Estimated/Actual filing due to favorable crew availability and workloads.

13

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

15 A. Yes.