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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY OF

COREY ZEIGLER

ON BEHALF OF

PROGRESS ENERGY FLORIDA

DOCKET NO. 130007-EI

AUGUST 1, 2013

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. Have you previously filed testimony before this Commission in Docket No. 130007-EI?

A: Yes, I provided direct testimony on April 1, 2013.

Q: Has your job description, education background and professional experience changed since that time?

A: No.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to explain material variances between 2013 estimated/actual cost projections versus original 2013 cost projections for

COM	5
AFD	1
APA	1
ECO	1
ENG	5
GCL	1
IDM	1
TEL	1
CLK	1

1 environmental compliance costs associated with the FPSC-approved
2 environmental programs under my responsibility. These programs include the
3 Substation Environmental Investigation, Remediation, and Pollution Prevention
4 Program (Projects 1 & 1a), Distribution System Environmental Investigation,
5 Remediation and Pollution Prevention Program (Project 2) and Sea Turtle –
6 Coastal Street Lighting (Project 9).

7
8 **Q. Please explain the variance between the estimated/actual project**
9 **expenditures and original projections for the Substation Environmental**
10 **Investigation, Remediation, and Pollution Prevention Program (Project 1 &**
11 **1a) for the period January 2013 to December 2013.**

12 A. O&M expenditures for the substation system programs are estimated to be \$1.6
13 million or 66% higher than originally projected. This increase is primarily
14 attributable to ongoing remediation work at Windermere substation and
15 contaminated soil at Turner Plant substation which was not evident during initial
16 environmental inspections. Because contamination is below ground, it is
17 difficult to determine remediation costs at substation sites until the remediation
18 process is underway. Although visible inspections provide some indication of
19 the potential amount of contamination, the areal extent and depth of subsurface
20 contamination can only be determined when the site is excavated. Also, the
21 amount of soil that needs to be removed to achieve FDEP clean-up target levels
22 depends on the results of tests conducted in the field as remediation is
23 performed.

1 **Q. Please explain the variance between estimated/actual project expenditures**
2 **and original projections for the Distribution System Environmental**
3 **Investigation, Remediation, and Pollution Prevention Program (Project 2)**
4 **for the period January 2013 to December 2013.**

5 A. O&M expenditures for the distribution system program are estimated to be
6 \$79,000 or 42% lower than originally projected. This decrease is primarily due
7 to a reduction in remaining transformer sites planned for abatement work in
8 2013 from nine (9) to five (5).

9
10 **Q: Please explain the variance between estimated/actual project expenditures**
11 **and original projections for the Sea Turtle – Coastal Street Lighting**
12 **Program (Project 9) for the period January 2013 to December 2013.**

13 A: O&M project expenditures for the Sea Turtle – Coastal Street Lighting Program
14 are estimated to be \$2,000 or 76% lower than originally projected. The
15 University of Florida and DEF expected to perform additional testing of Florida
16 Wildlife Commission's recommended LED technology for new installations that
17 was not necessary because the LED technology is considered turtle compliant.

18
19 Capital expenditures for the Sea Turtle – Coastal Street Lighting Program are
20 estimated to be \$3,000 or 100% lower than originally projected due to a delay in
21 installing or retrofitting several streetlight fixtures in Pinellas County and
22 Mexico Beach.

23

1 Q. Does this conclude your testimony?

2 A. Yes.