

NANCY ARGENZIANO
COMMISSIONER

STATE OF FLORIDA



Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
(850) 413-6038

Public Service Commission

August 6, 2009

RECEIVED-FPSC
09 AUG - 6 PM 1:26
COMMISSION
CLERK

080677-EH
090079-EH

Matthew M. Carter, III
Chairman
Florida Public Service Commission

Dear Mr. Chairman:

I had alluded to subsequent discussion regarding the reason for which I requested upper level salary compensation schedules of the IOUs in my letter requesting an expedited determination on the confidentiality request of some of the IOUs.

First, my concern stems from the TECO case, where the lack of information available for the upper level salary cost component effectively precluded review of the utility's efficiency in this regard.

Second, I believe that the rate paying public needs, and is entitled to, assurances that their regulated utilities do not engage in the corporate culture reflected in the compensation riot among AIG, Morgan Stanley, Lehman Brothers, Freddie Mac, Fannie Mae, ad infinitum. That is, that the piggishness reflected in practices by the aforementioned are not common with Florida's regulated industries, over which only the PSC has influence.

I believe that there is no way to determine the extent of the public's view of this except by making - as the statute reflects an appreciation - upper level salaries public knowledge, and listening to the ensuing concerns. Note further that because employee/executive compensation is treated as a cost above the line, no scrutiny by each of the utilities' Boards of Directors - unlike that chargeable to the Boards of unregulated private companies - is undertaken or indicated. More baldly: they don't care as long as the ratepayer picks up the tab. Thus, the PSC is the only policeman on the block, and we need to establish that he is conscientiously attending to his responsibilities.

And while I acknowledge the concerns expressed regarding associating employee/officer names with their compensation, that must at some point be addressed, even if internally, to insure that no utility regulated by the FPSC is "brother-in-lawing" the ratepaying public.

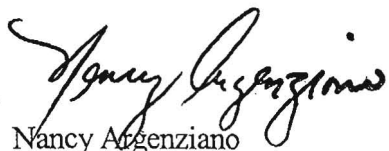
You might also take note that my requests for the information referred to in the first paragraph have been dealt with timely by TECO, FPUC, and Gulf.

DOCUMENT NUMBER DATE

08109 AUG-6 09

FPSC-COMMISSION CLERK

Perhaps if the PSC is resistant to appreciating the concerns regarding compensation packages assessed as a cost to the ratepayers, the Legislature might take interest.



Nancy Argenziano
Commissioner

cc: Commissioners Edgar, McMurrian, Skop
Docket Files 080677-EI, 090079-EI

08-11-2009
10:00 AM