

**Brian Schultz**

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**From:** Brian Schultz on behalf of Records Clerk  
**Sent:** Monday, May 03, 2021 5:00 PM  
**To:** 'betterjobscoalition@gmail.com'  
**Cc:** Consumer Contact  
**Subject:** FW: PSC Submission  
**Attachments:** BJC submission FL PSC.pdf

Good afternoon,

We will be placing your attached comments in consumer correspondence in Docket No. 20210016-EI and forwarding your comments to the Office of Consumer Assistance and Outreach.

Sincerely,

*Brian Schultz*

Commission Deputy Clerk II  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399  
850.413.6770

*PLEASE NOTE: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.*

**From:** Better Jobs <betterjobscoalition@gmail.com>  
**Sent:** Friday, April 30, 2021 5:40 PM  
**To:** Office of Chairman Clark <Commissioner.Clark@psc.state.fl.us>; Records Clerk <CLERK@PSC.STATE.FL.US>; oakley.emily@leg.state.fl.us; Office of Commissioner La Rosa <Commissioner.LaRosa@psc.state.fl.us>  
**Subject:** PSC Submission

Please see attached.



April 30, 2021

To the Commissioners and Staff of the Florida Public Service Commission:

I am writing on behalf of the Better Jobs Coalition (BJC), a non-profit that supports free markets, fairness, and competitiveness, and opposes cost increases on job creators and working families caused by unnecessary government intervention. While headquartered in Colorado, BJC has members and chapters in states across the country, including Florida.

The purpose of this letter is to alert the PSC to a rule concerning executive compensation that we believe applies to all investor-owned utilities in Florida. Specially, we have identified that Duke Energy Florida has violated this rule on an ongoing basis since 2010. We urge you to look into this issue immediately, because the potential cost to ratepayers may have exceeded \$30 million per year for more than a decade, or over \$300 million.

BJC research indicates a potential discrepancy in compliance with PSC's orders concerning executive pay. In 2010, PSC ordered that incentive compensation be removed from the rate base for Progress Energy Florida, which through a subsequent merger, became DEF. At the time of the PSC order, the utility's bonuses and other incentive payments had a combined annual value of more than \$32 million. In response to the order, PEF committed to a series of financial adjustments to reflect the PSC's wishes that shareholder, not ratepayers, bear the responsibility for executive bonuses and other forms of incentive compensation.

To see how the order was complied with by DEF, BJC conducted a review of 11 years of Progress Energy and Duke Energy monthly surveillance reports. To assist in this review, BJC commissioned our expert witness from another Duke Energy case before the Indiana Utility Regulatory Commission. That case concerned the operations of Duke Energy's IGCC power plant in Edwardsport, Indiana, and whether certain fuel costs should be charged to ratepayers instead of shareholders.<sup>i</sup> The findings of our expert, Mr. Simon Lomax – a former energy and regulatory reporter with Bloomberg News and Argus Media and a former Congressional Fellow – is the basis of this memo.

While adjustments were recorded for other parts of the 2010 order – for example, adjustments dealing with Directors and Officers liability insurance and parent company debts – we could find no line-item adjustments for incentive compensation.

It is clear that more research needs to be done and tough questions asked to ensure the ratepayers are treated fairly and know the truth. More to the point, ratepayers deserve clear answers on this point before any decision is made about a proposed 2021 settlement agreement on general base rate increases for DEF.

***Therefore: We are asking the PSC to examine and provide how much executive compensation, as directed in the 2010 order, was removed from ratepayer costs by year for 2010 to present.***

Thank you for your time and attention to this issue.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Enstrom", with a long horizontal flourish extending to the right.

Rick Enstrom

Chairman, Better Jobs Coalition

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<sup>i</sup> BJC's testimony before the Indiana Utility Regulatory Commission in Cause No. 38707 FAC 123-S1, dated July 31, 2020: [https://iurc.portal.in.gov/\\_entity/sharepointdocumentlocation/cc8c7c00-64d3-ea11-a812-001dd8018921/bb9c6bba-fd52-45ad-8e64-a444aef13c39?file=38707%20FAC%20123%20S1%20Better%20Jobs%20Coalition%20Testimony.pdf](https://iurc.portal.in.gov/_entity/sharepointdocumentlocation/cc8c7c00-64d3-ea11-a812-001dd8018921/bb9c6bba-fd52-45ad-8e64-a444aef13c39?file=38707%20FAC%20123%20S1%20Better%20Jobs%20Coalition%20Testimony.pdf)

## Brian Schultz

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**From:** Orlando Wooten  
**Sent:** Monday, May 03, 2021 12:53 PM  
**To:** Records Clerk  
**Cc:** Walter Trierweiler; Phillip Ellis  
**Subject:** RE: PSC Submission

I believe correspondence would be the proper area for this to be placed in.

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**From:** Brian Schultz on behalf of Records Clerk  
**Sent:** Monday, May 03, 2021 12:47 PM  
**To:** Orlando Wooten; Walter Trierweiler  
**Subject:** FW: PSC Submission

Please advise if this should be placed in Dkt 20210016 as a correspondence or if you believe that it should be handled differently.

Sincerely,

*Brian Schultz*

Commission Deputy Clerk II  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399  
850.413.6770

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**To:** Office of Chairman Clark <Commissioner.Clark@psc.state.fl.us>; Records Clerk <CLERK@PSC.STATE.FL.US>; oakley.emily@leg.state.fl.us; Office of Commissioner La Rosa <Commissioner.LaRosa@psc.state.fl.us>  
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