

R.03-08-019
D.05-09-021

Disclosure of Executive Compensation
General Order 77-K
Concurrence of Geoffrey F. Brown

With this order we choose not to make available on our website the redacted salaries of large energy utility executives who make over \$125,000, except for those five top officials whose compensation figures are already available through the Securities and Exchange Commission.

These salaries, ostensibly, have been available to the public who requested them, yet they've been effectively concealed. Pretty much no one can find them internally. The ALJ who dealt with this general order rulemaking had been here for 20 years and when he started on this case he had no idea where to find the filings. It turns out the salaries of top energy officials are hidden in the Telecommunications Division.

The attorneys for the utilities argue that identity theft, terrorism, and invasion of privacy all compel the effective concealment of this data. Those attorneys omitted mention of the identity theft, terrorism, and invasion of privacy of the 800 people who work for the PUC whose salaries and investments are publicly available. There are newspapers that publish PUC salaries, often with individual names. For the utility executives, the names are redacted.

I encourage qualified intervenors in our general rate cases to look at these salaries. For example, Edison's 2004 filing disclosed that some 405 people were making a yearly salary over \$125,000. There were 84 of these who were making more than \$300,000 per year. There were 39 who made more than \$500,000 per year. Whether these salaries are competitive is what our general rate cases consider. While executive compensation is but a small fraction of total cost of running a utility, it is an area in which regulatory scrutiny has to substitute for the competition that does not exist in a monopoly environment. Simply because we have made it difficult to easily obtain access to this data does not mean it is unavailable altogether.

Dated September 8, 2005, at San Francisco, California.

Geoffrey F. Brown
Commissioner