

ARKANSAS ETHICS COMMISSION

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July 29, 2024

Ms. Stephanie Johnson
15496 Walnut Glen Dr.
Alexander, Arkansas 72002

Re: Case No. 2024-CO-039

Dear Ms. Johnson:

This letter serves to confirm receipt of your citizen complaint against Doyle Webb. That complaint was filed against Mr. Webb in his capacity as Chairman of the Public Service Commission ("PSC").

Briefly restated, the complaint contains the following allegations:

1. As Chairman of the PSC, Mr. Webb regulates the energy industry.
2. In August 2022, the PSC rejected a \$142 million settlement offer from Entergy because of the 2017 Grand Gulf Nuclear Station lawsuit that alleged Entergy overcharged its customers millions of dollars in the States of Arkansas, Mississippi, and Louisiana.
3. When Entergy offered the PSC a settlement amount of \$142 million in August 2022, the then Chairman of the PSC rejected the offer because he thought the amount was too low for Arkansas rate payers to accept.
4. Mr. Webb was named the new Chairman of the PSC by current Governor Sarah Huckabee Sanders in January 2023.
5. As of June and July 2023, there still was no settlement from Entergy.
6. Mr. Webb met with officials from Entergy in mid-September of 2023, further discussions were had in October, and then in November the PSC accepted the same \$142 million offer that was attempted in August of 2022.

7. At the time of the settlement, Mr. Webb had only been PSC Chairman for around ten (10) months. His wife, Barbara Webb, had also announced her candidacy for Chief Justice of the Arkansas Supreme Court a few months prior.
8. Per Arkansas ethics rules, judicial candidates cannot start raising money until six (6) months prior to an election. The primary election this year was on March 5, 2024, which means money could not have started being raised until September 2023, and it had to be done by a campaign committee.
9. In Mr. Webb's text that was sent to potential campaign donors, he appears to reference himself as the "committee." The Merriam-Webster online dictionary defines a committee as: "A body of persons delegated to consider, investigate, take action on, or report on some matter." Another definition: "A self-constituted organization for the promotion of a common object." In this case, a person.
10. Neither of these definitions suggest a committee is a single person. But if Mr. Webb wants to consider himself to be a one-man committee, his text message violates Rule 4.4 of the Judicial Code of Conduct. An article published on June 28, 2023 shows a text message sent out by Mr. Webb on his wife's behalf. Mr. Webb was only asking for people to "pledge" to donate money if she were to officially announce her run for Chief Justice.
11. Rule 4.4 of the Arkansas Judicial Code of Conduct states that committees cannot "solicit or accept contributions for a candidate's current campaign more than 180 days before the applicable election."
12. Looking at the Campaign Contribution and Expenditure Report dated October 16, 2023, which would have covered the period from July 1, 2023 - September 30, 2023, there are a couple of donations from people in the mining/energy industry.
13. While she was running for office, Mrs. Webb took a total of \$4,100 in contributions from people who work in the energy/oil/gas industry.
14. It was not until after the March 5, 2024 primary, after coming in third place in a three-way race, that the donations from Entergy poured in. In total, Entergy employees, including the Chairman and CEO Andrew Marsh, gave

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\$8,500 in just the month of April 2024. None of these people gave a dime to her primary election campaign.

It has been determined that said complaint meets the requirements set forth in subparagraph A(3) of Section V of the Ethics Commission's Rules of Practice and Procedure. Accordingly, an investigation is being commenced.

With respect to the allegations above, the focus of the investigation will be whether or not Mr. Webb violated Ark. Code Ann. § 21-8-304(a) in his capacity as Chairman of the PSC by using his position to settle a lawsuit against Entergy and generate contributions to his wife's campaign

In accordance with Section VI(3) of the Ethics Commission's Rules of Practice and Procedure, I am requesting that you submit any and all evidence which you may have concerning this matter.

If you have any questions regarding this matter, please do not hesitate to contact us.

Sincerely,



Graham F. Sloan
Director