



bcuc
British Columbia
Utilities Commission

David Morton
Chair and CEO

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May 31, 2022

Sent via LGIR

John Davison, President & CEO
PSEC Secretariat
Suite 210 - 880 Douglas Street Victoria, B.C. V8W 2B7

Re: British Columbia Utilities Commission – Attestation

Dear John Davison:

This letter is provided to confirm the compensation information uploaded to the Labour Information Gathering and Executive Reporting Program is accurate and the BCUC has remained within the approved compensation framework.

Sincerely,

David Morton
Chair and Chief Executive Officer

COMPENSATION DISCLOSURE

The BCUC is required to disclose compensation of its CEO and the next four highest ranking/paid executives with decision-making authority who earn an annualized base salary of \$125,000 or more over a fiscal year, pursuant to the Public Sector Employers Act, Section 14.8.

COMPENSATION DISCUSSION AND ANALYSIS

As a public sector organization, the BCUC designs and administers executive compensation within its approved compensation plan.

The Independent Review of the BCUC, released by the Provincial Government in February 2015, identified that the BCUC's compensation plan restricts its ability to recruit and retain necessary talent to deliver on its mandate. It was noted that the upper limit of compensation ranges needs to be more in line with market levels to be competitive in recruiting and retaining qualified individuals. This issue was further highlighted in the Auditor General of British Columbia observation report published in March of 2018.

Matters before the BCUC are complex and diverse in nature, and require specialized, technical knowledge to provide economic, financial, and technical analysis in the review of regulatory applications and filings. The BCUC competes for talent with regulated entities in the energy environment, including private and public, as well as accounting, engineering, consulting and other professional firms to hire and retain staff with the required knowledge, skills and abilities in addition to regulatory expertise.

COMPENSATION PHILOSOPHY

Due to current compensation mandates the BCUC is unable to provide a total compensation program that will attract and retain experienced, senior level individuals to assist in fulfilling its mission.

The BCUC's compensation philosophy is grounded on four primary principles:

Principle 1 – Performance

Diverse factors are used to determine individual compensation. Performance is directly linked to performance targets and measured throughout the year and, for senior positions, an overall review of the division's performance. The BCUC supports and promotes a performance-based (merit) organizational culture and determines progression through approved salary ranges by analyzing employee performance relative to established annual performance plans and targets. Natural, year-over-year progression through an approved salary range is also considered. For senior (management) positions, compensation is contingent on both individual and division (team) performance.

Principle 2 – Accountability

The BCUC strives to provide total compensation equivalent to the median total compensation provided to comparable positions. External benchmarks allow the BCUC to make objective, clear and well-documented compensation decisions which demonstrate the appropriate expenditure of public accountability. While the knowledge gained from comparing and benchmarking compensation is valuable, this approach has been tempered by the current restrictions on government compensation.

Principle 3 – Differentiation

The BCUC strives to provide internally equitable compensation; the BCUC supports differentiation of salary where there are differences in the scope, responsibilities, and impact of the position within the organization.

Principle 4 – Transparency

In the interest of transparency, both internally and externally, the BCUC's compensation program is designed, managed, and communicated in a manner that ensures clear understanding.

BENEFITS

The BCUC provides the following benefits, life insurance, medical service plan, extended health and dental, health spending account, wellness program and long-term disability plans. Employees of the BCUC are also enrolled in the Public Service Pension Plan.

Further details regarding the Commission are available in the annual report which can be accessed on the BCUC's website www.bcuc.com

BC Utilities Commission

Summary Compensation Table at 2022

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2021/2022 Total Compensation	Previous Two Years Totals Total Compensation	
							2020/2021	2019/2020
David Morton, Chair and CEO	\$ 210,086	-	\$ 10,485	\$ 20,614	\$ 29,414	\$ 270,599	\$ 269,850	\$ 269,103
Ian Jarvis, Chief Operating Officer	\$ 200,814	-	\$ 11,612	-	\$ 15,628	\$ 228,054	\$ 226,440	\$ 214,905
Viki Vourlis, Executive Director, Corporate Services	\$ 171,252	-	\$ 10,793	\$ 16,823	\$ 23,297	\$ 222,165	\$ 213,683	\$ 189,852

Summary Other Compensation Table at 2022

Name and Position	All Other Compensation	Severance	Vacation Payout	Paid Leave	Vehicle / Transportation Allowance	Perquisites / Other Allowances	Other
David Morton, Chair and CEO	\$ 29,414	-	\$ 24,148	-	-	-	\$ 5,266
Ian Jarvis, Chief Operating Officer	\$ 15,628	-	\$ 12,503	-	-	-	\$ 3,125
Viki Vourlis, Executive Director, Corporate Services	\$ 23,297	-	\$ 22,334	-	-	-	\$ 963

Notes

David Morton, Chair and CEO	General Note: This position met criteria for inclusion in the 2020/21 executive compensation freeze, which came into effect on August 31, 2020. As a result, this individual was ineligible to receive a performance-based increase for the 2020/21 performance year. Other Note: Air Quality Incentive (\$235), Health and Wellness (\$500), Parking (\$4,530.96)
Ian Jarvis, Chief Operating Officer	General Note: This position met criteria for inclusion in the 2020/21 executive compensation freeze, which came into effect on August 31, 2020. As a result, this individual was ineligible to receive a performance-based increase for the 2020/21 performance year. Other Note: Parking (\$3,124.80)
Viki Vourlis, Executive Director, Corporate Services	General Note: This position met criteria for inclusion in the 2020/21 executive compensation freeze, which came into effect on August 31, 2020. This individual was ineligible to receive a performance-based increase for the 2020/21 performance year. As a result of under-implementation, this employee received a 0.3% increase to bring their salary within the salary range of their position. Other Note: Air Quality (\$270), Health and Wellness (\$500), Retroactive Pay Lump Sum from April 1 - August 7, 2021 (\$193.23)