

9 June 2022

John Davison, President & CEO
Public Sector Employers' Counsel Secretariat
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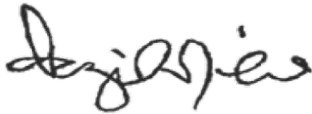
Dear Mr. Davison

Re: Statement of Executive Compensation – BC Oil and Gas Commission

The attached Statement of Executive Compensation has been reviewed and approved by the Board of Directors.

This correspondence is to confirm that the compensation provided to the Commission's Executive, as disclosed in the attached report, is accurate and within the Commission's approved compensation plan.

Yours sincerely,



Fazil Mihlar
Board Chair

STATEMENT OF EXECUTIVE COMPENSATION 2021/22

Excluded Compensation Philosophy

Objectives

The Commission's Excluded Compensation Plan (ECP) is aligned with the *B.C. Public Sector Employers' Guide to Accountable Compensation* which came into effect 1 September 2018. The Commission's ECP meets the direction provided by PSEC while ensuring the organization is well placed to attract, recruit and retain the necessary talent pool to meet its corporate strategy and goals.

With Board and Executive oversight and approval, the ECP ensures alignment in a manner consistent with the broader public sector to strengthen accountability and promote cost control. The ECP demonstrates alignment with other broader public sector compensation plans demonstrating greater rigor and consistency by following key Government recommendations. The Commission's ECP must align with the mandate of the province, through the Public Sector Employers' Council Secretariat (PSEC).

The Commission's approved excluded compensation plan supports and adheres to the following four core operating principles:

Excluded Compensation Philosophy Core Principles

Performance

- Ensure corporate mandate of regulatory compliance is achieved
- Ensure fairness to the employer who recruits and retains required staff to achieve mandate
- Align employees with the Commission's strategic objectives by ensuring that annual, merit-based increases reflect individual, divisional, and organizational performance
- Implement fair, transparent and consistent annual merit-based performance management practices

Differentiation

- Ensure fair, equitable, flexible, and competitive merit-based compensation is applied
- Recognize special individual and team accomplishments
- Balance internal equity with external competitiveness
- Ensure financial sustainability by being fair to the employee who performs the job

Accountability

- Ensure Board of Director's governance for the CEO compensation is consistent with Government mandate
- Establish market appropriate benchmark comparisons to determine most appropriate compensation to support the recruitment and retention of talented leadership
- Apply role assignment and classification consistent with the BC Oil and Gas Commission's Management Classification and Compensation Framework (MCCF)

Transparency

- Communicate and publish the excluded compensation philosophy and all updates internally as well as externally as mandated by legislation
- Develop and utilize fair, just, consistent, and easy to implement staffing practices
- Report to PSEC the terms and conditions of employment for employees who have a base salary over \$125K
- Report publically as requested and in accordance with the Financial Information Act (FIA) all employees who earn a base salary over \$75K.

Oil and Gas 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
Michelle Carr, Commissioner, Chief Executive Officer	\$ 85,572	-	\$ 8,840	\$ 8,428	\$ 3,114	\$ 105,954		
Paul W Jeakins, Commissioner, Chief Executive Officer	\$ 199,095	-	\$ 8,309	\$ 19,611	\$ 7,702	\$ 234,717	\$ 258,688	\$ 242,108
Len Dawes, Executive Vice President, Chief Financial Officer	\$ 191,557	-	\$ 10,289	\$ 18,868	\$ 10,683	\$ 231,397	\$ 224,610	\$ 214,372
Mayka Kennedy, Executive Vice President, Chief Engineer	\$ 192,076	-	\$ 9,511	\$ 18,920	\$ 4,261	\$ 224,768	\$ 222,400	\$ 219,967
Kenneth F Paulson, Executive Vice President, Chief Operating Officer	\$ 176,818	-	\$ 8,043	\$ 17,417	\$ 3,592	\$ 205,870	\$ 220,044	\$ 215,763
Ines C Piccinino, Executive Vice President, Legal & Regulatory Affairs	\$ 191,500	-	\$ 9,673	\$ 18,863	-	\$ 220,036	\$ 218,456	\$ 209,197
Trevor P Swan, Executive Vice President, Liabilities and Orphans	\$ 191,552	-	\$ 9,908	\$ 18,868	\$ 6,999	\$ 227,327	\$ 144,647	

Summary Other Compensation Table at 2022

Name and Position	All Other Compensation	Severance	Vacation Payout	Paid Leave	Vehicle / Transportation Allowance	Perquisites / Other Allowances	Other
Michelle Carr, Commissioner, Chief Executive Officer	\$ 3,114	-	-	-	\$ 2,543	-	\$ 571
Paul W Jeakins, Commissioner, Chief Executive Officer	\$ 7,702	-	\$ 4,143	-	\$ 2,559	-	\$ 1,000
Len Dawes, Executive Vice President, Chief Financial Officer	\$ 10,683	-	\$ 10,683	-	-	-	-
Mayka Kennedy, Executive Vice President, Chief Engineer	\$ 4,261	-	\$ 4,261	-	-	-	-
Kenneth F Paulson, Executive Vice President, Chief Operating Officer	\$ 3,592	-	\$ 1,210	-	-	-	\$ 2,382
Ines C Piccinino, Executive Vice President, Legal & Regulatory Affairs	-	-	-	-	-	-	-
Trevor P Swan, Executive Vice President, Liabilities and Orphans	\$ 6,999	-	\$ 6,999	-	-	-	-

Notes

Michelle Carr, Commissioner, Chief Executive Officer	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 appointed into the position in November 2021 Other Note: Employer paid parking benefit amount
Paul W Jeakins, Commissioner, Chief Executive 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: Retirement gift cards taxed according to CRA rules
Len Dawes, Executive Vice President, Chief Financial 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.
Mayka Kennedy, Executive Vice President, Chief Engineer	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.
Kenneth F Paulson, Executive Vice President, 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: Employer paid parking + Retirement gift
Ines C Piccinino, Executive Vice President, Legal & Regulatory Affairs	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.
Trevor P Swan, Executive Vice President, Liabilities and Orphans	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.