

16 August 2023

John Davison, President & CEO
Public Sector Employers' Counsel Secretariat
PO Box 9400 STN PROV GOVT
Victoria, British Columbia V8W 9V1

Dear Mr. Davison

Re: Statement of Executive Compensation – BC Energy Regulator (BCER)

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 BCER's Executive, as disclosed in the attached report, is accurate and within the organization's approved compensation plan.

Yours sincerely,



Chris Hayman
Board Chair

STATEMENT OF EXECUTIVE COMPENSATION 2022/23

Excluded Compensation Philosophy

Objectives

The BC Energy Regulator's (BCER) Excluded Compensation Plan (ECP) is aligned with the *B.C. Public Sector Employers' Guide to Accountable Compensation* which came into effect 1 September 2018. BCER's ECP meets the direction provided by the Public Sector Employers' Council Secretariate (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 BCER's ECP must align with the mandate of the province, through PSEC.

The organization'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 BCER'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 BCER'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.

Summary Compensation Table at 2023

| Name and Position | Salary | Holdback/Bonus/ Incentive Plan Compensation | Benefits | Pension | All Other Compensation (expanded below) | 2022/2023 Total Compensation | Previous Two Years Totals Total Compensation | |
|---|------------|---|-----------|-----------|--|------------------------------------|---|------------|
| | | | | | | | 2021/2022 | 2020/2021 |
| Michelle Carr, Commissioner, Chief Executive Officer | \$ 241,065 | - | \$ 11,276 | \$ 23,745 | \$ 14,375 | \$ 290,461 | \$ 105,954 | |
| Len Dawes, Executive Vice President, Chief Financial Officer | \$ 34,074 | - | \$ 1,350 | \$ 3,356 | \$ 73,306 | \$ 112,086 | \$ 231,397 | \$ 224,610 |
| Sara Dickinson, Executive Lead, Reconciliation & Engagement | \$ 200,433 | - | \$ 10,888 | \$ 19,743 | - | \$ 231,064 | | |
| Mayka Kennedy, Executive Vice President, Safety & Compliance | \$ 200,997 | - | \$ 11,099 | \$ 19,798 | \$ 6,460 | \$ 238,354 | \$ 224,768 | \$ 222,400 |
| Ines C Piccinino, Executive Vice President, People, Strategy & Transformation | \$ 201,002 | - | \$ 10,959 | \$ 19,799 | - | \$ 231,760 | \$ 220,036 | \$ 218,456 |
| Trevor P Swan, Executive Vice President, Resource Management & Stewardship | \$ 189,636 | - | \$ 9,559 | \$ 18,679 | - | \$ 217,874 | \$ 227,327 | \$ 144,647 |

Summary Other Compensation Table at 2023

| Name and Position | All Other Compensation | Severance | Vacation Payout | Paid Leave | Vehicle / Transportation Allowance | Perquisites / Other Allowances | Other |
|---|------------------------|-----------|-----------------|------------|------------------------------------|--------------------------------|----------|
| Michelle Carr, Commissioner, Chief Executive Officer | \$ 14,375 | - | \$ 5,777 | - | \$ 6,960 | - | \$ 1,638 |
| Len Dawes, Executive Vice President, Chief Financial Officer | \$ 73,306 | \$ 47,888 | \$ 25,418 | - | - | - | - |
| Sara Dickinson, Executive Lead, Reconciliation & Engagement | - | - | - | - | - | - | - |
| Mayka Kennedy, Executive Vice President, Safety & Compliance | \$ 6,460 | - | \$ 6,460 | - | - | - | - |
| Ines C Piccinino, Executive Vice President, People, Strategy & Transformation | - | - | - | - | - | - | - |
| Trevor P Swan, Executive Vice President, Resource Management & Stewardship | - | - | - | - | - | - | - |

Notes

| | |
|---|--|
| Michelle Carr, Commissioner, Chief Executive Officer | General Note: General Note: Due to the lifting of the FY21 executive compensation freeze, this position received a lift in compensation based on merit, as per direction from the Board of Directors. Other Note: Employer paid parking benefit amount Other Note: Employer Paid Parking Benefit |
| Len Dawes, Executive Vice President, Chief Financial Officer | General Note: Other Note: Voluntary Retirement May 2022 |
| Sara Dickinson, Executive Lead, Reconciliation & Engagement | General Note: Permanent executive role as of June 2022 |
| Mayka Kennedy, Executive Vice President, Safety & Compliance | General Note: General Note: Due to the lifting of the FY21 executive compensation freeze, movement to bottom of band due to band aging and a 4% increase to Annualized Base Salary, representative of performance-based increase, effective July 1, 2022. |
| Ines C Piccinino, Executive Vice President, People, Strategy & Transformation | General Note: General Note: Due to the lifting of the FY21 executive compensation freeze, movement to bottom of band due to band aging and a 4% increase to Annualized Base Salary, representative of performance-based increase, effective July 1, 2022. |
| Trevor P Swan, Executive Vice President, Resource Management & Stewardship | General Note: General Note: Due to the lifting of the FY21 executive compensation freeze, movement to bottom of band due to band aging and a 4% increase to Annualized Base Salary, representative of performance-based increase, effective July 1, 2022. Other Note: Voluntary Retirement March 2023. |