



**bcuc**  
British Columbia  
Utilities Commission

**David Morton**  
Chair and CEO

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Sent via LIGER

Christina Zacharuk  
Public Sector Employers' Council  
Suite 210, 880 Douglas Street V8W 2B7

**Re: British Columbia Utilities Commission – Attestation**

Dear Christina Zacharuk:

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 established compensation framework.

Sincerely,

David Morton  
Chair and Chief Executive Officer



## **Compensation Disclosure**

The BCUC is required to disclose compensation of its CEO and at minimum the next four highest paid executives who earn \$125,000 or more on an annual basis 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 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.

The Independent Review of the BCUC, released by the Provincial Government in February 2015, identified that the BCUC's current compensation plan restricts its ability to recruit necessary talent to deliver on its mandate. Further to the Independent Review, on March 2018 the Auditor General of BC published an observation report. The impact of BCUC's mandate and the importance of adequate capacity to carry out its mandate were observed in the report.

## **COMPENSATION PHILOSOPHY**

Due to current compensation mandates the BCUC is unable to provide a total compensation program that will attract and retain competent and motivated 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.

**PERFORMANCE INCENTIVE PLAN**

As directed by government the Performance Incentive Program was discontinued as of March 31, 2014.

**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 BCUC are available in the annual report which can be accessed on the BCUC's website [www.bcuc.com](http://www.bcuc.com)

**BC Utilities Commission**

**Summary Compensation Table at 2018**

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2017/2018 Total Compensation	Previous Two Years Totals Total Compensation	
							2016/2017	2015/2016
David Morton, Chair and CEO	\$ 195,359	-	\$ 9,126	\$ 20,499	\$ 72,018	\$ 297,002	\$ 215,475	\$ 56,267
Ian Jarvis, Chief Operating Officer	\$ 149,218	-	\$ 13,403	-	\$ 12,801	\$ 175,422		
Viki Vourlis, Director, Corporate Services	\$ 137,029	-	\$ 10,450	\$ 14,142	\$ 13,864	\$ 175,485		

**Summary Other Compensation Table at 2018**

<b>Name And Position</b>	<b>All Other Compensation</b>	<b>Severance</b>	<b>Vacation payout</b>	<b>Leave payout</b>	<b>Vehicle / Transportation Allowance</b>	<b>Perquisites / other Allowances</b>	<b>Other</b>
David Morton, Chair and CEO	\$ 72,018	-	\$ 23,876	-	-	-	\$ 48,142
Ian Jarvis, Chief Operating Officer	\$ 12,801	-	\$ 10,006	-	-	-	\$ 2,795
Viki Vourlis, Director, Corporate Services	\$ 13,864	-	\$ 10,841	-	-	-	\$ 3,023

**Notes**

David Morton, Chair and CEO	<b>Other Note:</b> Taxable Benefit - Parking (\$4,421) Payout for Time in Lieu Balances - remuneration paid (time for time) form part of the total cost of regulation and are recovered from the entities in which we regulate (\$43,721)
Ian Jarvis, Chief Operating Officer	<b>Other Note:</b> Parking (taxable benefit) - \$2,795
Viki Vourlis, Director, Corporate Services	<b>Other Note:</b> Air Quality incentive (maximum \$200) Payout for Time in Lieu Balances - remuneration paid (time for time) form part of the total cost of regulation and are recovered from the entities in which we regulate (\$2,823)