



bcuc
British Columbia
Utilities Commission

David Morton
Chair and CEO

David.Morton@bcuc.com
bcuc.com

Suite 410, 900 Howe Street
Vancouver, BC Canada V6Z 2N3
P: 604.660.4700
TF: 1.800.663.1385
F: 604.660.1102

May 2, 2019

Sent via LGIR

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 British Columbia Utilities Commission 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

BC Utilities Commission

Summary Compensation Table at 2019

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2018/2019 Total Compensation	Previous Two Years Totals Total Compensation	
							2017/2018	2016/2017
David Morton, Chair and CEO	\$ 207,858	-	\$ 8,723	\$ 23,027	\$ 59,993	\$ 299,601	\$ 297,002	\$ 215,475
Ian Jarvis, Chief Operating Officer	\$ 177,791	-	\$ 9,805	-	\$ 7,262	\$ 194,858	\$ 175,422	
Viki Vourlis, Director, Corporate Services	\$ 143,802	-	\$ 9,233	\$ 14,164	\$ 8,338	\$ 175,537	\$ 175,485	

Summary Other Compensation Table at 2019

Name And Position	All Other Compensation	Severance	Vacation payout	Leave payout	Vehicle / Transportation Allowance	Perquisites / other Allowances	Other
David Morton, Chair and CEO	\$ 59,993	-	\$ 24,419	-	-	-	\$ 35,574
Ian Jarvis, Chief Operating Officer	\$ 7,262	-	\$ 2,991	-	-	-	\$ 4,271
Viki Vourlis, Director, Corporate Services	\$ 8,338	-	\$ 6,451	-	-	-	\$ 1,887

Notes

David Morton, Chair and CEO	Other Note: Parking (\$4,421.40) and Wellness Incentive (\$442.69), Retroactive Pay Lump Sum (\$30,709.84) Treasury Board Directive 1/17 set out a new classification structure for updated remuneration ranges for Appointees. The Directive took effect on November 24,2016, and this rate was applicable to David Morton, increasing his salary to \$210,000, and subsequently backdated. Retroactive pay was applied to all previous payouts dating back to November 24, 2016.
Ian Jarvis, Chief Operating Officer	Other Note: Association Dues (\$997.50), Parking (\$3,049.20) and Wellness Incentive (\$223.95)
Viki Vourlis, Director, Corporate Services	Other Note: Air Quality Incentive (\$200), Association Dues (\$1,057) and Wellness Incentive (\$630)