



April 16, 2013

Public Sector Employer's Counsel Secretariat
PO Box 9400 Stn Prov Govt
Victoria, BC V8W 9V1

Attention: Lee Doney, Acting President and CEO

Dear Sir:

RE: Statement of Executive Compensation – Oil and Gas Commission

The attached Statement of Executive Compensation has been reviewed by the Oil and Gas Commission Board Governance and Human Resources Committee 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 within the Commission's approved compensation plan.

Yours truly,

A handwritten signature in purple ink that reads 'John' followed by a long, sweeping horizontal line.

John Jacobson
Chair
Oil and Gas Commission Governance
and Human Resources Committee



STATEMENT OF EXECUTIVE COMPENSATION – 2012/2013

EXECUTIVE COMPENSATION PHILOSOPHY

OBJECTIVES

- Establish market appropriate compensation for the Commissioner and all Named Executive Officers (NEOs) in order to recruit and retain talented leadership.
- Ensure that yearly merit increases reflect the individual, divisional and organizational performance of the individual Executive Team members.
- Ongoing review of the Executive Compensation Plan reflects changes within the labour market.

PRINCIPLES

- The Board of Directors provides oversight and approves the Executive Compensation Plan. The Executive Compensation plan has been approved by the Public Sector Employer's Council (PSEC).
- The Board (HR and Governance Committee) recommends the salary for the Commissioner based upon the Executive Compensation Plan approved by the PSEC.
- The Commissioner (CEO) determines the salary for all NEOs based upon the framework approved by PSEC.
- Executive Officers do not receive any incentives or bonuses, total compensation includes base salary and benefits.

Summary Compensation Table at FISCAL, 2013

Name and Position (a)	Salary (b)	Bonus and / or Incentive Plan Compensation (c)	Benefits (d)	Pension (e)	All Other Compensation (expanded below)	2012/13 Total	Previous Two Years Totals	
							2011 / 12	2010 / 11
Paul Jeakins, Commissioner	\$ 188,535	\$ -	\$ 20,297	\$ 10,816	\$ 7,865	\$ 227,514	\$ 213,918	\$ 190,925
Randall Smith, Chief Financial Officer	\$ 170,415	\$ -	\$ 18,601	\$ 9,091	\$ 923	\$ 199,030	\$ 202,294	\$ 198,134
Kenneth Paulson, Chief Operating Officer	\$ 164,435	\$ -	\$ 17,633	\$ 5,913	\$ 923	\$ 188,904	\$ 187,116	\$ 181,264
Trevor Swan, General Counsel & Corporate Secretary	\$ 163,331	\$ -	\$ 17,850	\$ 8,313	\$ 3,312	\$ 192,806	\$ 196,507	\$ -
James O'Hanley, Deputy Commissioner, Resource Development	\$ 157,051	\$ -	\$ 16,807	\$ 7,422	\$ 2,798	\$ 184,078	\$ 190,714	\$ 184,837

Summary Other Compensation Table at FISCAL, 2013

Name and Position (a)	All Other Compensation	Severance (f)	Vacation payout (g)	Leave payout (h)	Vehicle / Transportation Allowance (i)	Perquisites / other Allowances (j)	Other (k)
Paul Jeakins, Commissioner	\$ 7,865	\$ -	\$ -	\$ -	\$ 6,942	\$ -	\$ 923
Randall Smith, Chief Financial Officer	\$ 923	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 923
Kenneth Paulson, Chief Operating Officer	\$ 923	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 923
Trevor Swan, General Counsel & Corporate Secretary	\$ 3,312	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,312
James O'Hanley, Deputy Commissioner, Resource Development	\$ 2,798	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,798

ATTENTION - Crown Agency Policy changes are being implemented. They may not be reflected in the 2012/13 executive compensation disclosure.

Notes:

- * Base salary for James O'Hanley is restated from 2011/12
- * Paul Jeakin is in his first full year as Commissioner and CEO
- * Trevor Swann changed positions during 2012/13
- * Pension contributions increased April 1, 2012. Pension includes Pension Adjustment, previously included in "All Other Compensation"
- * Other (k) for Paul Jeakins, Randall Smith and Kenneth Paulson is a Parking taxable benefit
- * Other (k) for Trevor Swann is retroactive pay
- * Other for James O'Hanley is Parking taxable benefit (\$323.05) and Automobile Taxable Benefit (\$2475.38)