



OIL AND GAS COMMISSION

OGC Board of Directors

Governance Manual

Version: April 15, 2008

PART ONE: ROLES, RESPONSIBILITIES AND GOVERNANCE PROCESSES

1. BACKGROUND

The roles and responsibilities of the directors of the Oil and Gas Commission (“OGC” or the “Commission”) are governed by the *Oil and Gas Commission Act*, SBC 1998, c. 39 (the “Act”). This section of the governance manual describes those roles, responsibilities and governance practices of the OGC board which are either set out in the Act or if not set out in the Act adopted or approved by the directors for the good governance of the Commission. In the event of any inconsistency between this Manual and the Act, the provisions of the Act govern.

2. MISSION

The board of directors are responsible for directing and overseeing the affairs and operations of the OGC so that it exercises its powers and performs its duties in accordance with the Act and other applicable laws.

3. COMPOSITION

In accordance with the Act the OGC is governed by three (3) directors consisting of Deputy Minister, Ministry of Energy, Mines and Petroleum Resources and two directors appointed by the Lieutenant Governor in Council (see section 2 of the Act).

The board is assisted by a "board secretary" who is not a member of the board. The board secretary has the duties and responsibilities set out in section 7 of this Governance Manual.

4. RESPONSIBILITIES

The Directors' responsibility to provide oversight and direction includes the following specific responsibilities:

- a.** establish the policies and processes to ensure the good governance of the OGC and to review those policies and processes on a regular basis and make revisions as appropriate;
- b.** approve proposals recommending amendments to the Act and regulations (see section 5(1)(a));
- c.** approve annual service plan and annual budget estimate (see section 5(1)(c));
- d.** approve estimates made in respect of fees and levies prescribed in accordance with section 22(5) of the Act;
- e.** establish a plan of organization for the OGC (section 5(1)(e) and approve any significant changes thereto;
- f.** provide direction to the Commissioner in the regard to the Commissioner's management of the operation of the OGC (section 6.1(1));
- g.** ensuring that the reports and financial statements described in section 15(1) of the Act are prepared and delivered to the Executive Council in accordance with section 15 of the Act;
- h.** establish what contracts, commitments and transactions require approval by the directors;
- i.** oversee compensation and human resource plans and strategies as provided in the terms of reference for the Governance and Human Resources Committee and executive leadership team appointments, performance reviews and salaries;
- j.** provide oversight and direction with respect to financial reporting, internal financial controls and financial risk management as provided in the terms of reference for the Audit Committee;
- k.** provide oversight and direction with respect to the risks affecting, or resulting from, the capacity of the OGC to discharge its functions under the Act;
- l.** review quarterly the performance of the organization against budget and service plan targets; and

- m.** review and approve the Commission's external communications strategy .

5. ROLE AND DUTIES OF THE CHAIR

The role of the Chair is to provide a leadership role in guiding the board and coordinating its activities. In addition to those set out in the Act the Chair has the following specific duties:

- a.** Accountable for development of processes and documents to ensure the proper governance of the Commission;
- b.** Report to the Minister of Energy, Mines and Petroleum Resources on the activities of the Commission;
- c.** Ensure alignment with appropriate Government policies; and
- d.** Schedule and conduct board meetings and sign board approved minutes.

6. ROLE AND DUTIES OF THE COMMISSIONER

The role of the Commissioner is to lead and manage the operations of the Commission. In addition the Commissioner has the following specific duties:

- a.** Act as the Chair of the Board in the absence of the Chair;
- b.** Supervise and lead the management team of the Commission;
- c.** Responsible for the performance of the Commission as set out in the Service Plan;
- d.** Approve internal operating procedures; and
- e.** Receive advice from the Advisory Committee, CAPP and SEPAC and respond to requests from the Advisory Committee in accordance with Section 9 of the Act.

7. ROLE AND DUTIES OF THE BOARD SECRETARY

The role of the Board Secretary is to administer the operations of the board in accordance with the board's direction. In addition the Board Secretary has the following duties:

- a. Manage the board calendar and action log;
- b. Call for agenda items and assemble agenda for meetings of the board;
- c. Assemble briefing and decision materials as required for meetings of the board;
- d. Record minutes at meetings of the board of directors; and
- e. Follow-up necessary board information requests.

8. COMMITTEE STRUCTURE

The board has established the following standing committees each of which is governed by board approved Terms of Reference:

- a. Audit Committee;
- b. Governance and Human Resources Committee

Board committee structure and committee terms of reference are reviewed annually.

9. BOARD CALENDAR AND MEETINGS

- a. **Frequency** – The directors meet at not less than 6 regularly scheduled meetings in each year. These meetings are scheduled to coincide with the planning and budget and reporting and performance cycles of the board. The board meets at other times as required.
- b. **Assigned Agenda Items/Board Calendar** – The principal matters to be dealt with by the board are assigned to regularly scheduled board meetings and recorded on the annual board calendar. The annual board calendar is updated and distributed on a regular basis with board approved minutes.
- c. **Meetings without staff/management** – Commission staff and advisors regularly attend meetings of the directors at the invitation of the board but each regularly scheduled board meeting includes, as a standing agenda item, an opportunity for the directors to discuss matters in the absence of non-board staff. As appropriate the Chair and the third director meet in the absence of the Commissioner.
- d. **Procedures** – The directors establish, review and revise as required proceedings governing the calling and holding of meetings, procedures for giving notice of meetings and procedures relating to the form and content of board materials.

- e. **Forward Action Log** – The board maintains a forward action log with a list of issues or topics for future board consideration, including timing and responsibility and distributes an updated log with board approved minutes.

10. CODE OF CONDUCT AND CONFLICT OF INTEREST GUIDELINES

The board has adopted a Code of Conduct and Conflict of Interest Guidelines for directors consistent with the *Standards of Conduct for Public Sector Organizations*, as established by the Province of British Columbia Board Resourcing and Development Office.

PART TWO: ATTACHMENTS

1. Board Approved Terms of Reference for the Audit Committee
2. Board Approved Terms of Reference for the Governance and Human Resources Committee