



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
JANUARY 1 – MARCH 31, 2013

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1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending March 31, 2013, as required under the Conditions set out in Decision 2001.01 for the White Rose Development Project.

This report provides a summary of progress/activities related to Husky Energy's Atlantic Region and includes activities of its major sub-contractors as well.

2.0 Highlights for the Period

- Overall Canada / Newfoundland content for Husky's operations, which includes the White Rose Project, North Amethyst Project, West Pilot Scheme, White Rose Extension Project, South White Rose Extension and Exploration has a content breakdown of 60.13% Newfoundland & Labrador, 27.74% Other Canadian, and 12.13% Foreign.

3.0 White Rose Project Employment Summary

As of March 31, 2013, a total of 1778 people were reported employed on Husky's White Rose Operations of which 887 were located offshore. This includes people employed with Husky and its contractors and includes North Amethyst and the West White Rose Pilot Scheme which were previously reported separately, as well as South White Rose Extension.

Of this total 1577 or 90% were residents of Newfoundland and Labrador when hired, while another 117 or 6.6% were residents of other regions of Canada at the time of hire. The majority (+99%) of these positions were located in Newfoundland and Labrador as of March 31, 2013. The number of females employed on White Rose operations was 253 or approximately 14% of the total workforce (Table 3.1).

Table 3.1 - Employment Summary by Location, as of March 31, 2013



Atlantic Region Contractor Stats

Head Count By Location

White Rose - Q1 2013

Location	Newfoundland Male	Newfoundland Female	Newfoundland Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Alberta	0	0	0	1	0	1	0	0	0	1	0	1
Offshore	794	20	813	53	0	53	21	0	21	867	20	887
St. John's	560	228	787	61	2	64	36	3	39	657	233	891
Total	1,353	247	1,601	115	2	117	57	3	60	1,525	253	1,778

4.0 White Rose Extension Project Employment Summary

As of March 31, 2013, 178 people were reported employed on Husky's White Rose Extension Project. Of this total 103 or 58% were residents of Newfoundland and Labrador when hired, while another 17 or 9.5% were residents of other regions of Canada at the time of hire. The majority (85%) of these positions were located in Newfoundland and Labrador as of March 31, 2013 (Table 4.1).

Table 4.1 Employment by Location – White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Location

Wellhead - Q1 2013

Location	Newfoundland Male	Newfoundland Female	Newfoundland Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Nova Scotia	0	0	0	1	0	1	0	0	0	1	0	1
Ontario	0	0	0	3	0	3	0	0	0	3	0	3
St. John's	81	22	103	9	4	13	32	4	36	122	30	152
USA	0	0	0	0	0	0	21	1	22	21	1	22
Total	81	22	103	13	4	17	53	5	58	147	31	178

At this stage of project development, the majority of positions associated with the White Rose Extension Project are engineering-related supported by management, other professionals and technicians/technologists. There are also 23 students employed on the project in St. John's (Table 4.2).

Table 4.2 Employment Summary by Occupation – White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Occupation

Wellhead - Q1 2013

Occupation	Newfoundland Male	Newfoundland Female	Newfoundland Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Administration & Clerical	0	6	6	1	0	1	0	1	1	1	7	8
Engineers	35	6	41	10	4	14	39	2	41	84	12	96
Management	5	1	6	1	0	1	13	1	14	19	2	21
Professionals	8	4	12	1	0	1	0	1	1	9	5	14
Students	19	4	23	0	0	0	0	0	0	19	4	23
Technicians & Technologists	14	1	15	0	0	0	1	0	1	15	1	16
Total	81	22	103	13	4	17	53	5	58	147	31	178

The majority of person hours expended on the White Rose Extension Project for this quarter were by Arup Canada Inc. for engineering design. Husky hours are related to project management and engineering design support and Stantec hours were related to support in preparation of regulatory documents (Table 4.3).

Table 4.3 Person Hours by Contractor – White Rose Extension Project



Atlantic Region Contractor Stats

Hours By Contractor

Wellhead - Q1 2013

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Arup Canada Inc.	35,880	0	35,880	201	2,470	38,551
Husky	12,471	0	12,471	1,272	699	14,442
Stantec	875	0	875	268	0	1,143
Total	49,226	0	49,226	1,741	3,169	54,136

5.0 Procurement Summary (Contracts > \$250,000)

There was one new contract greater than \$250,000 awarded during the first quarter of 2013. There were two contract extensions issued (Table 5.1).

Table 5.1 Summary of Contracts – New and Extended for Q1 2013

Husky East Coast Operations Procurement Summary		2013 Q1		Husky Energy			
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total
New Contracts							
Well Bore Cleanout Equipment and Services	Halliburton Energy Services	St. John's	F	49%	14%	37%	100%
Contract Extensions							
Waste Management Services	Newalta Corporation	St. John's	F	100%	0%	0%	100%
Freight Forwarding/Customs Clearance Services	PF Collins Customs Broker	St. John's	C	100%	0%	0%	100%
Cost Range Code Legend							
A = 250,001 - 500,000 \$	E = 2,000,001 - 3,000,000 \$	I = 10,000,001 - 15,000,000 \$	M = 50,000,001 - 75,000,000 \$				
B = 500,001 - 1,000,000 \$	F = 3,000,001 - 5,000,000 \$	J = 15,000,001 - 20,000,000 \$	N = 75,000,001 - 100,000,000 \$				
C = 1,000,001 - 1,500,000 \$	G = 5,000,001 - 7,500,000 \$	K = 20,000,001 - 30,000,000 \$	O = Over 100,000,001 \$				
D = 1,500,001 - 2,000,000 \$	H = 7,500,001 - 10,000,000 \$	L = 30,000,001 - 50,000,000 \$					

6.0 Exploration

The Exploration spend for the first quarter of 2013 was approximately \$63.11 million, with a content breakdown of 53.91% Newfoundland & Labrador, 33.74% Other Canadian, and 12.35% Foreign. This activity is attributed to ongoing preparation for future exploration drilling activities.

7.0 Photographs



Energy Day Tour of Cougar Helicopters – February 2013



Energy Day Tour of Virtual Marine Technologies – February 2013



Energy Day at GeoCentre – February 2013



Oil and Gas Week Food Drive – February 2013



Donation to WHSCC to Add First Aid & CPR Training to Workplace Safety 3220
March 2013



Wayne Duggan Memorial Hockey Tournament – April 2013



Husky Receives Exemplary Workterm Award from Memorial – April 2013