



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
JULY 1 – SEPTEMBER 30, 2015

Table of Contents

1.0 Introduction..... 3

2.0 White Rose Project Employment Summary..... 3

3.0 White Rose Extension Project Employment Summary 4

4.0 Procurement Summary (Contracts > \$250,000)..... 6

5.0 Exploration..... 7

6.0 Photographs 8

1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending September 30, 2015, 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 also includes activities of its major sub-contractors.

2.0 White Rose Project Employment Summary

In Q3 2015, a total of 1292 people were reported employed on Husky's White Rose Operations, of which 467 were located offshore. The total employment number includes people employed with Husky and its contractors and includes North Amethyst and South White Rose Extension (SWRX). The offshore number for this reporting period includes personnel from *GSF Grand Banks* and the *SeaRose FPSO*. The overall decline in personnel for Q3 2015 reflects the reduction of work on the *GSF Grand Banks* in September.

Of the total personnel, 1193, or 92 percent, were residents of Newfoundland and Labrador when hired, while another 74, or 6 percent, were residents of other regions of Canada at the time of hire. The number of females employed on White Rose operations was 239 or approximately 18 percent of the total workforce (Table 2.1).

Employment for the White Rose Extension Project is reported separately in Section 3.0

Table 2.1 - Employment Summary by Location, as of September 30, 2015



Atlantic Region Contractor Stats Head Count By Location White Rose - Q3 2015

Location	NL Male	NLFemale	NL Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Newfoundland - Offshore	423	14	437	29	0	29	1	0	1	453	14	467
Newfoundland - Onshore	538	218	756	35	6	41	18	0	18	591	224	815
Nova Scotia	0	0	0	1	1	2	0	0	0	1	1	2
USA	0	0	0	2	0	2	6	0	6	8	0	8
Total	961	232	1,193	67	7	74	25	0	25	1,053	239	1,292

3.0 White Rose Extension Project Employment Summary

As of September 30, 2015, 182 people were reported employed on Husky's White Rose Extension Project, representing over 43,000 person hours. The decline in employment for this period is the result of project deferral and the subsequent winding down of some activities. Despite the decline in personnel, the percentage of females employed on the project increased by 3 percent since last quarter, to 27 percent.

The majority of person hours expended on the project for this quarter were by Arup Canada Inc. for continued CGS engineering design work. Husky hours are related to project management and engineering design support. SNC Lavalin/ Dragados hours are related to constructability reviews with Arup.

Eighty-four percent of the person hours related to detailed engineering of the CGS took place in Newfoundland and Labrador in this quarter (see Arup in Table 3.1) and, overall, 89 percent of person hours expended on the project occurred in Newfoundland and Labrador.

Table 3.1 Person Hours by Contractor – White Rose Extension Project Employment



Atlantic Region Contractor Stats

Hours By Contractor
WREP - Q3 2015

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Arup Canada Inc.	17,538	0	17,538	276	2,960	20,774
Dexter Construction	3,098	0	3,098	88	0	3,186
Edward Collins	929	0	929	0	0	929
Garda World	2,256	0	2,256	0	0	2,256
Husky	7,220	0	7,220	246	918	8,384
Pennecon	836	648	1,484	0	0	1,484
SNC Lavalin/ Dragados	4,752	0	4,752	232	0	4,984
Wood Group Mustang	1,812	0	1,812	0	0	1,812
Total	38,441	648	39,089	842	3,878	43,809

Table 3.2 Head Count by Contractor and Residency – White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Contractor
WREP - Q3 2015

Contractor	NL Male	NL Female	NL Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Arup Canada Inc.	21	11	32	7	2	9	37	9	46	65	22	87
Dexter Construction	7	0	7	0	0	0	0	0	0	7	0	7
Edward Collins	7	0	7	0	0	0	0	0	0	7	0	7
Garda World	0	5	5	0	0	0	0	0	0	0	5	5
Husky	15	4	19	1	0	1	2	0	2	18	4	22
Pennecon	9	6	15	0	0	0	0	0	0	9	6	15
SNC Lavalin/ Dragados	12	5	17	3	0	3	0	0	0	15	5	20
Wood Group Mustang	12	7	19	0	0	0	0	0	0	12	7	19
Total	83	38	121	11	2	13	39	9	48	133	49	182

Residents of NL comprised of 66 percent of the White Rose Extension Project work force and residents of Canada comprised seven percent of the work force (Table 3.2).

The majority of positions in Q3 2015 were associated with engineering supported by administration, management, professionals and technicians/technologists (Table 3.3).

Table 3.3 Summary by Occupation and Location of Work – White Rose Extension Project



Atlantic Region Contractor Stats


Head Count By Location and Occupation
WREP - Q3 2015

All Locations

Occupation	NL Male	NL Female	NL Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Administration & Clerical	0	16	16	0	1	1	0	0	0	0	17	17
Engineers	28	6	34	4	0	4	29	8	37	61	14	75
Management	14	3	17	3	1	4	9	1	10	26	5	31
Other Field Services	6	4	10	0	0	0	0	0	0	6	4	10
Professionals	10	3	13	2	0	2	0	0	0	12	3	15
Skilled Trades	11	2	13	0	0	0	0	0	0	11	2	13
Technicians & Technologists	14	4	18	2	0	2	1	0	1	17	4	21
Total	83	38	121	11	2	13	39	9	48	133	49	182

Note: In Q3 2015, Husky employed 5 co-op students on the WREP (2 females).

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

Husky East Coast Operations Procurement Summary			2015 Q3					
Description	Vendor Name	Vendor Location	Range	NL	CDN	FOR	Total	
NEW CONTRACTS								
3rd Party Ringing Study	Marintek	Norway	A	0%	0%	100%	100%	
ROV Services for LIV	DOF Subsea Canada Corp.	St. John's	L	100%	0%	0%	100%	
Light Intervention Vessel Charter	DOF Subsea Canada Corp.	St. John's	O	54%	0%	46%	100%	
Warehouse, Yard and Subsea Maintenance Facility	ASCO Canada	St. John's	K	100%	0%	0%	100%	
CONTRACT EXTENSIONS								
Lubricants for FPSO	Blue Water	Halifax, NS	D	63%	10%	27%	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 \$						

5.0 Exploration

The Exploration spend for the third quarter of 2015 was approximately \$18.17 million, with a content breakdown of 98.42 percent Newfoundland & Labrador, 1.11 percent Other Canadian, and 0.47 percent Foreign. This equates to expenditures totaling approximately \$17.88 million, Newfoundland & Labrador, \$201,000 Other Canadian, and \$85,000 Foreign (Table 7.1).

6.0 Photographs



Husky Supports the WISE (Women in Science, Technology and Engineering) Program with Guided Tours and Information Sessions – August 2015



Husky Attends MUN Career Fair – August 2015



Husky Hosts Synergy Exercises - September 2015