



# Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT  
APRIL 1 – JUNE 30, 2011

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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 June 30, 2011, 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

- To date, over \$6 billion has been expended by Husky on projects in the Atlantic Canada region, almost half of that directly spent in NL.
- Overall Canada / Newfoundland content for Husky's operations which includes the White Rose Project, North Amethyst Project, West Pilot Scheme and Exploration was 61.33% Newfoundland & Labrador, 24.73% Other Canadian, and 13.94% Foreign.
- Total employment for Atlantic Region operations was 1115 as of June 30, 2011, representing a content of 91% NL and 5.5% Other Canadian.
- All positions for Atlantic Region operations were located in Newfoundland and Labrador.

## 3.0 White Rose Employment Summary

As of June 30, 2011, a total of 891 people were employed on Husky's White Rose Operations of which 434 were located offshore. This includes people employed with Husky and its contractors. Of this total 829 or 93% were residents of Newfoundland and Labrador when hired, while another 48 or 5.4% were residents of other regions of Canada at the time of hire. All of these positions were located in Newfoundland and Labrador as at June 30, 2011. The number of females employed on White Rose operations was 161 or approximately 18% of the total workforce.

**Table 3.1 - Employment Summary by Location, as of June 30, 2011**



Employment by Location for: **White Rose**  
**June(2011)**

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Offshore	386	17	403	31	0	31	1	0	1	434
St. John's	285	141	426	15	2	18	11	1	12	456
<b>TOTAL</b>	<b>671</b>	<b>158</b>	<b>829</b>	<b>46</b>	<b>2</b>	<b>48</b>	<b>12</b>	<b>1</b>	<b>13</b>	<b>891</b>

## 4.0 North Amethyst Tieback Project

North Amethyst development drilling related to the project continued in the second quarter of 2011. The G-25-6 well was completed and the G-25-5 well was drilled with completion to be finished in Q3. A total of 212 people were employed on the project as of the end of June 2011. Person hours for the period totaled approximately 98,544 bringing the total to date to over 2.4 million.

**Table 4.1 North Amethyst Employment Summary by Discipline Q2 2011**



Employment Summary by Discipline (Major Contractors):

North Amethyst  
June(2011)

Occupation	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Administration & Clerical	0	7	7	0	0	0	1	0	1	8
Engineers	30	0	30	4	0	4	5	0	5	38
Management	9	6	15	0	0	0	6	2	7	22
Marine Crew	28	0	28	5	0	5	4	0	4	36
Other Field Services	42	2	44	1	0	1	0	0	0	45
Skilled Trades	54	2	56	3	0	3	3	0	3	62
Technicians & Technolog	1	0	1	0	0	0	0	0	0	1
<b>TOTAL</b>	<b>163</b>	<b>17</b>	<b>180</b>	<b>13</b>	<b>0</b>	<b>13</b>	<b>18</b>	<b>2</b>	<b>19</b>	<b>212</b>

## 5.0 West White Rose Pilot Scheme

A total of 12 people were employed on the project as of the end of June 2011. Person hours for the period totaled approximately 6,995.

**Table 5.1 West Pilot Scheme Employment Summary by Discipline Q2 2011**




Employment Summary by Discipline (Major Contractors):

West White Rose  
June(2011)

Occupation	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Administration & Clerical	0	2	2	0	0	0	0	0	0	2
Engineers	1	0	1	0	0	0	2	0	2	3
Management	2	1	3	0	0	0	4	1	5	8
<b>TOTAL</b>	<b>3</b>	<b>3</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>1</b>	<b>7</b>	<b>12</b>

## 6.0 Procurement Summary (Contracts > \$250,000)

A total of 5 new contracts and 9 contract extensions greater than \$250,000 were awarded during the second quarter of 2011 (Table 6.1).

Husky East Coast Operations Procurement Summary		2011 Q2						
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total	
<b>New Contracts</b>								
Supply Vessel Services (3)	Maersk Supply Service Canada	St. John's	O	71%	3%	26%	100%	
Supply Vessel Services (1)	Atlantic Towing Limited	St. John's	L	90%	8%	4%	100%	
AD-Hoc Marine Crew	Canship Uglund Limited	St. John's	E	80%	10%	10%	100%	
Contribution Agreement for Development of a Safety and Survival Training Simulation Program	Petroleum Research Atlantic Canada	St. John's	A	100%			100%	
Consulting - WHP Concept Validation	Morrison Hershfield Ltd	St. John's	B	100%			100%	
<b>Contract Extensions</b>								
Accommodation Services	East Coast catering	St. John's	G	80%	15%	5%	100%	
Medical Services	Atlantic Offshore Medical	St. John's	E	90%	5%	5%	100%	
DP Trials and Marine Inspections	Global Maritime	UK	A	5%	0%	95%	100%	
Waste Management Services	Newalta Corporation	St. John's	F	75%	25%	0%	100%	
Provision of Production Chemicals and Related Services	Baker Petrolite (a division of Baker Hughes)	Mount Pearl, NL	F	100%			100%	
Oil and Gas Metering Services	SGS Canada Inc.	St. John's , NL	B					
Condition Monitoring Services	SNC-Lavalin Inc. (formerly Spectrol)	Paradise, NL	B					
Telecommunications Support Services	Atlantic XL Inc.	Paradise, NL	B					
Freight Forwarding & Customs Clearance	P. F. Collins Limited	St. John's	D	80%	5%	15%	100%	
<b>Cost Range Code Legend</b>								
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 \$						

## **7.0 Exploration**

The Exploration spend for the second quarter of 2011 was approximately \$1.02 million, with a content breakdown of 50.00% Newfoundland & Labrador. This is attributed to various subsurface studies and ongoing work in support of identifying future drilling targets.

## 8.0 Photographs



**East Coast Trail Tely Challenge June 2011**



**Techsploration May 2011**





**Techsploration May 2011**



**Help the Hungry Campaign June 2011**



**Husky Supports Community Youth Network's Youth-at Promise Program May 2011**



**Husky Booth at Expo Labrador June 2011**