



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
APRIL 1 – JUNE 30, 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 June 30, 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 66.76% Newfoundland & Labrador, 19.03% Other Canadian, and 19.03% Foreign.

3.0 White Rose Project Employment Summary

As of June 30, 2013, a total of 1884 people were reported employed on Husky's White Rose Operations of which 771 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 1706 or 90% were residents of Newfoundland and Labrador when hired, while another 132 or 7% 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 June 30, 2013. The number of females employed on White Rose operations was 286 or approximately 15% of the total workforce (Table 3.1).

Table 3.1 - Employment Summary by Location, as of June 30, 2013



Atlantic Region Contractor Stats

Head Count By Location

White Rose - Q2 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
Europe	0	0	0	0	0	0	4	0	4	4	0	4
Nova Scotia	0	0	0	5	2	7	0	0	0	5	2	7
Offshore	669	23	692	66	0	66	13	0	14	748	23	771
St. John's	761	253	1,014	53	5	58	21	3	24	835	261	1,096
UK	0	0	0	0	0	0	4	0	4	4	0	4
Total	1,430	276	1,706	124	7	132	43	3	46	1,597	286	1,884

4.0 White Rose Extension Project Employment Summary

As of June 30, 2013, 225 people were reported employed on Husky's White Rose Extension Project. Of this total 88 or 39% were residents of Newfoundland and Labrador when hired, while another 12 or 5% were residents of other regions of Canada at the time of hire. Fifty four percent of these positions were located in Newfoundland and Labrador as of June 30, 2013 (Table 4.1).

Table 4.1 Employment by Location – White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Location
Wellhead - Q2 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
Ontario	0	0	0	1	1	2	0	0	0	1	1	2
St. John's	70	17	87	6	4	10	21	3	24	97	24	121
USA	1	0	1	0	0	0	90	11	101	91	11	102
Total	71	17	88	7	5	12	111	14	125	189	36	225

Table 4.2 Employment Summary by Occupation – White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Occupation
Wellhead - Q2 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	1	3	4	2	9	11
Engineers	38	7	45	5	4	9	72	9	81	115	20	135
Management	5	1	6	1	1	2	16	1	17	22	3	25
Other Field Services	1	0	1	0	0	0	0	0	0	1	0	1
Professionals	11	4	15	0	0	0	3	0	3	14	4	17
Safety Coordinator	2	0	2	0	0	0	0	0	0	2	0	2
Students	3	0	3	0	0	0	0	0	0	3	0	3
Technicians & Technologists	11	0	11	0	0	0	19	1	20	30	1	31
Total	71	17	88	7	5	12	111	14	125	189	36	225

The majority of person hours expended on the White Rose Extension Project for this quarter were by Arup Canada Inc. and Wood Group/Mustang 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 - Q2 2013

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Arup Canada Inc.	23,738	0	23,738	600	3,094	27,432
Husky	12,615	0	12,615	292	352	13,259
Stantec	331	0	331	17	42	390
Wood Group Mustang	4,081	0	4,081	0	2,757	6,838
Total	40,765	0	40,765	909	6,245	47,919

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

There were three new contracts greater than \$250,000 awarded during the second quarter of 2013. There were four contract extensions issued (Table 5.1).

Table 5.1 Summary of Contracts – New and Extended for Q2 2013

Husky East Coast Operations Procurement Summary		2013 Q2		Husky Energy			
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total
New Contracts							
Pre-Lay Moorings for Aster Well	Deep Sea Moorings	Norway	H	0%	0%	100%	100%
Well Test Equipment	EXPRO Canada Limited	St. John's	K	51%	26%	23%	100%
Offshore Engineering Services	Aker Solutions Ltd.	St. John's	L	90%	0%	10%	100%
Contract Extensions							
AHTS Vessel Maersk Dispatcher	Maersk Supply Services Canada	St. John's	J	70%	3%	27%	100%
Independent Certification Services	Det Norske Veritas (DNV)	St. John's	I	87%	5%	8%	100%
Crane Maintenance Services	Liebherr Canada Inc.	St. John's	G	85%	3%	12%	100%
Satellite Communication Services	Inmarsat Solutions (Canada) Inc.	St. John's	G	70%	25%	5%	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 second quarter of 2013 was approximately \$16.79 million, with a content breakdown of 51.28% Newfoundland & Labrador, 47.00% Other Canadian, and 1.71% Foreign. This activity is attributed to ongoing work for future exploration drilling activities.

7.0 Photographs



Techsploration 2013



Techsploration Visit to Cougar – May 2013



Techsploration Visit to Metal World – May 2013



Opening of the Healing Garden at Daffodil Place – June 2013



Husky Staff Helping Out in the Healing Garden – June 2013



International Feast – Diversity Day on SeaRose – June 2013



Husky Staff Participate in Tely East Coast Trail Hike – June 2013



MUN Alumni Career Fair – May 2013