# Husky Energy



Canada-Newfoundland and Labrador Benefits

Husky Energy Ref. No.: WR-ADM-RP-0042

QUARTERLY REPORT July 1 – September 30, 2016

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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 September 30, 2016, 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 2016, a total of 1,285 people were reported employed on Husky's White Rose Operations, of which 577 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 Henry Goodrich, SeaRose FPSO, support vessels and tankers. The net increase in personnel from Q2 to Q3 reflects a full quarter of reporting on personnel from the Henry Goodrich. Note however that other contractors such as Technip and Atlantic Towing decreased in number due to the wrap up of the 2016 subsea maintenance projects in the case of Technip and the decline in ice management requirements in the case of Atlantic Towing.

Of the total personnel, 1,162 or 90 percent, were residents of Newfoundland and Labrador when hired, while another 92, or 7 percent, were residents of other regions of Canada at the time of hire. The number of females employed on White Rose operations was 223, or approximately 17 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, 2016 - White Rose



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
Foreign	0	0	0	0	0	0	10	2	12	10	2	12
Newfoundland - Offshore	503	18	521	47	0	47	9	0	9	559	18	577
Newfoundland - Onshore	448	193	641	31	5	36	10	0	10	489	198	687
Other Canadian	0	0	0	4	5	9	0	0	0	4	5	9
Total	951	211	1,162	82	10	92	29	2	31	1,062	223	1,285

#### 3.0 White Rose Extension Project Employment Summary

As of September 30, 2016, 127 people were reported employed on Husky's White Rose Extension Project, representing approximately 34,000 person hours. Of those hours, 30,703, or 91 percent, occurred in Newfoundland a Labrador (Table 3.1). The number of females employed on White Rose Extension Project operations was 30, or approximately 24 percent, of the total workforce (Table 3.2).

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. Hours reported by Edward Collins, Garda World and Pennecon represent graving dock maintenance activities. The hours reported by SNC/Dragados represent CGS constructability reviews with Arup.

Table 3.1 Person Hours by Contractor, as of September 30, 2016 - White Rose Extension Project Employment



Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Arup Canada Inc.	11,718	0	11,718	52	1,077	12,847
Edward Collins	399	0	399	0	0	399
Garda World	2,232	0	2,232	0	0	2,232
Husky	12,638	0	12,638	1,060	712	14,410
Pennecon	709	0	709	0	0	709
SNC Lavalin/ Dragados	1,377	0	1,377	0	0	1,377
Wood Group Mustang	1,630	0	1,630	0	0	1,630
Total	30,703	0	30,703	1,112	1,789	33,604

Table 3.2 Head Count by Contractor and Residency, as of September 30, 2016 - White Rose Extension Project



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.	8	8	16	5	0	5	31	1	32	44	9	53
Edward Collins	5	0	5	0	0	0	0	0	0	5	0	5
Garda World	1	5	6	0	0	0	0	0	0	1	5	6
Husky	28	5	33	1	1	2	2	0	2	31	6	37
Pennecon	7	6	13	0	0	0	0	0	0	7	6	13
SNC Lavalin/ Dragados	3	1	4	0	0	0	0	0	0	3	1	4
Wood Group Mustang	6	3	9	0	0	0	0	0	0	6	3	9
Total	58	28	86	6	1	7	33	1	34	97	30	127

Residents of NL comprised 68 percent of the White Rose Extension Project work force and six percent were residents of Canada (Table 3.2).

The majority of positions in Q3 2016 were associated with engineering supported by professionals, management and administration (Table 3.3).

# Table 3.3 Headcount by Occupation, as of September 30, 2016 - White Rose Extension Project



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	13	13	1	0	1	0	0	0	1	13	14
Engineers	19	5	24	4	1	5	24	1	25	47	7	54
Management	12	2	14	1	0	1	8	0	8	21	2	23
Other Field Services	5	5	10	0	0	0	0	0	0	5	5	10
Professionals	11	1	12	0	0	0	0	0	0	11	1	12
Skilled Trades	6	2	8	0	0	0	0	0	0	6	2	8
Technicians & Technologists	5	0	5	0	0	0	1	0	1	6	0	6
Total	58	28	86	6	1	7	33	1	34	97	30	127

Note: In Q3 2016, Husky employed 3 co-op students (1 female) on the WREP.

Table 3.4 Headcount by Location, as of September 30, 2016 - White Rose Extension Project



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
Foreign	0	0	0	0	0	0	21	1	22	21	1	22
Newfoundland - Onshore	58	28	86	4	1	5	12	0	12	74	29	103
Other Canadian	0	0	0	2	0	2	0	0	0	2	0	2
Total	58	28	86	6	1	7	33	1	34	97	30	127

The head count shown in Table 3.4 is a snap shot of personnel who have charged hours to the project on September 30 and does not necessarily represent full time employees. As indicated in Table 3.1, the majority of the person hours expended on the WREP occurred in NL.

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

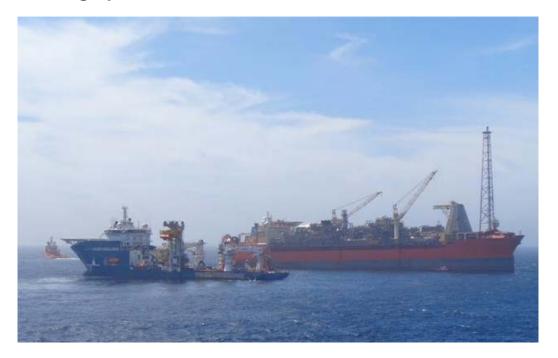
There were no new contracts over \$250,000 issued during the third quarter of 2016.

### 5.0 Exploration

The Exploration spend for the third quarter of 2016 was approximately \$29,000, with a content breakdown of 100 percent Newfoundland & Labrador (Table 7.1).

The Exploration total to date spend is approximately \$440.55 million, with a content breakdown of 45.96 percent Newfoundland & Labrador, 42.35 percent Other Canadian, and 11.69 percent Foreign. This equates to expenditures totaling approximately \$202.46 million Newfoundland & Labrador, \$186.59 million Other Canadian, and \$51.51 million Foreign (Table 7.1).

# 6.0 Photographs



SeaRose FPSO completes its annual maintenance turnaround – July 2016



Husky organizes a day of activities for WISE participants - August 2016



Husky donates \$100,000 to Rainbow Riders *Raise it Up* campaign – September 2016



Husky representatives attend MUN Career and Graduate School Fair
- September 2016