Husky Energy



Canada-Newfoundland and Labrador Benefits

Husky Energy Ref. No.: WR-ADM-RP-0045

QUARTERLY REPORT January 1 – March 31, 2017

Table of Contents

1.0	Introduction	3
2.0	White Rose Project Employment Summary	3
	White Rose Extension Project Employment Summary	
	Procurement Summary (Contracts > \$250,000)	
	Exploration	
	Photographs	

1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending March 31, 2017, 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 Q1 2017, a total of 1,317 people were reported employed on Husky's White Rose Operations, of which 559 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.

Of the total personnel, 1,145 or 87 percent, were residents of Newfoundland and Labrador when hired, while another 111, or 8 percent, were residents of other regions of Canada at the time of hire. The number of females employed on White Rose operations was 237, or approximately 18 percent, of the total workforce (Table 2.1). The number of foreign personnel has increased this quarterly due to production and fabrication work being completed by OneSubsea.

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

Table 2.1 - Employment Summary by Location, as of March 31, 2017 - White Rose



Location	NL Male	NLFemale	NL Subtotal	Other Canadian Male		Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Foreign	2	0	2	0	0	0	32	10	42	34	10	44
Newfoundland - Offshore	477	16	493	53	5	58	8	0	8	538	21	559
Newfoundland - Onshore	453	189	642	36	6	42	11	0	11	500	195	695
Other Canadian	2	6	8	6	5	11	0	0	0	8	11	19
Total	934	211	1,145	95	16	111	51	10	61	1,080	237	1,317

3.0 White Rose Extension Project Employment Summary

As of March 31, 2017, 258 people were reported employed on Husky's White Rose Extension Project, representing approximately 49,500 person hours. Of those hours, 46,924, or 95 percent, occurred in Newfoundland and Labrador (Table 3.1). The number of females employed on the White Rose Extension Project was 60, or approximately 23 percent, of the total workforce (Table 3.2).

The majority of person hours expended on the project for this quarter were by Husky Energy. These hours are related to project management and engineering design support. Arup Canada Inc. hours were for continued CGS engineering design work. 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. Hours for Wood Group represent work related to topsides engineering design.

Table 3.1 Person Hours by Contractor, as of March 31, 2017 - White Rose Extension Project Employment



Atlantic Region Contractor Stats

Hours By Contractor WREP - Q1 2017

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Arup Canada Inc.	19,825	0	19,825	0	301	20,126
Edward Collins	122	0	122	0	0	122
Garda World	2,256	0	2,256	0	0	2,256
Husky	18,937	0	18,937	1,248	872	21,057
Pennecon	431	204	635	0	0	635
SNC Lavalin/ Dragados	1,885	0	1,885	0	0	1,885
WoodGroup	3,264	0	3,264	16	173	3,453
Total	46,720	204	46,924	1,264	1,346	49,534

Table 3.2 Head Count by Contractor and Residency, as of March 31, 2017 - White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Contractor WREP - Q1 2017

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.	17	11	28	3	1	4	28	2	30	48	14	62
Edward Collins	4	0	4	0	0	0	0	0	0	4	0	4
Garda World	1	6	7	0	0	0	0	0	0	1	6	7
Husky	35	8	43	2	1	3	2	0	2	39	9	48
Pennecon	9	6	15	0	0	0	0	0	0	9	6	15
SNC Lavalin/ Dragados	7	2	9	0	0	0	0	0	0	7	2	9
WoodGroup	40	10	50	5	0	5	45	13	58	90	23	113
Total	113	43	156	10	2	12	75	15	90	198	60	258

Canada-Newfoundland and Labrador Benefits Report

For the Quarter Ending March 31, 2017

Residents of NL comprised 60 percent of the White Rose Extension Project work force and five percent were residents of Canada (Table 3.2).

The majority of positions in Q1 2017 were associated with engineering supported by technicians and technologists, management and professionals (Table 3.3).

Table 3.3 Headcount by Occupation, as of March 31, 2017 - 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	0	0	0	1	1	2	1	14	15
Engineers	45	9	54	3	2	5	44	7	51	92	18	110
Management	16	4	20	1	0	1	11	4	15	28	8	36
Other Field Services	5	6	11	0	0	0	0	0	0	5	6	11
Professionals	19	4	23	1	0	1	0	0	0	20	4	24
Skilled Trades	6	2	8	0	0	0	0	0	0	6	2	8
Technicians & Technologists	22	5	27	5	0	5	19	3	22	46	8	54
Total	113	43	156	10	2	12	75	15	90	198	60	258

Note: In Q1 2017, Husky employed 7 co-op students (3 female) on the WREP.

Table 3.4 Headcount by Location, as of March 31, 2017 - White Rose Extension Project



Location	NL Male	NLFemale	NL Subtotal	Other Canadian Male		Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Foreign	0	0	0	0	0	0	62	14	76	62	14	76
Newfoundland - Onshore	113	43	156	5	1	6	13	1	14	131	45	176
Other Canadian	0	0	0	5	1	6	0	0	0	5	1	6
Total	113	43	156	10	2	12	75	15	90	198	60	258

The head count shown in Table 3.4 is a snap shot of personnel who have charged hours to the project as of March 31, 2017 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)

Husky East Coast Operations		2017 Q1	Hus	ekv	Er		ďν
Procurement Summary		₩	Hu	ony	-	ıeı	6y
Description	Vendor Name	Vendor Location	Range	NL	CDN	FOR	Total
NEW CONTRACTS							
Short term vessel charter (Maersk Clipper/Cutter)	Maersk Supply Service Canada Ltd.	St. John's	С	65%	1%	34%	100%
Short term vessel charter (Atlantic Kingfisher)	Atlantic Kingfisher Limited Partnership	St. John's	В	96%	4%	0%	100%
CONTRACT EXTENSIONS							
Offshore Accommodations / Catering	East Coast Catering	St. John's	- 1	100%			100%
OEM Swivel / Turret and Inspection	SBM Atlantia	Houston Texas	L			100%	100%
A = 250,001 - 500,000 \$	E = 2,000,001 - 3,000,000 \$	I = 10,000,001 - 15,000,000 \$		M = 50	,000,001	- 75,0	00,000 \$
B = 500,001 - 1,000,000 \$	F = 3,000,001 - 5,000,000 \$	J = 15,000,001 - 20,000,000 \$		N = 75,	000,001	- 100,0	00,000 \$
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 \$			5
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 first quarter of 2017 was approximately \$27.12 million, with a content breakdown of 28.26 percent Newfoundland & Labrador, 22.43 percent Other Canadian, and 49.31 percent Foreign. This equates to expenditures totaling approximately \$7.67 million Newfoundland & Labrador, \$6.08 million Other Canadian, and \$13.37 million Foreign (Table 7.1).

The Exploration total to date spend is approximately \$467.76 million, with a content breakdown of 44.94 percent Newfoundland & Labrador, 41.19 percent Other Canadian, and 13.87 percent Foreign. This equates to expenditures totaling approximately \$210.22 million Newfoundland & Labrador, \$192.67 million Other Canadian, and \$64.88 million Foreign (Table 7.1).

6.0 Photographs



Husky staff provide mentorship in the Junior Achievement Program
– January 2017



Husky hosts its Annual Diversity Forum – January 2017



Husky volunteers take calls at the Heartand Stroke Foundation NL Radiothon – February 2017



Husky employees attend MUN Energy Day as part of Oil and Gas Week – February 2016



Husky offers facility tours and education for Techsploration participants – March 2017



Techsploration participants on a vessel tour - March 2017