# Husky Energy



Canada-Newfoundland and Labrador Benefits

Husky Energy Ref. No.: WR-ADM-RP-0050

QUARTERLY REPORT
October 1 – December 31, 2017

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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 December 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 Q4 2017, a total of 1,161 people were reported employed on Husky's White Rose Operations, of which 544 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, helicopters and tankers.

Of the total personnel, 1,009 or 87 percent, were residents of Newfoundland and Labrador when hired, while another 95, 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 180, or approximately 16 percent, of the total workforce (Table 2.1).

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

Table 2.1 - Employment Summary by Location, as of December 31, 2017 - 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	1	0	1	0	0	0	24	5	29	25	5	30
Newfoundland - Offshore	475	18	493	37	0	37	13	1	14	525	19	544
Newfoundland - Onshore	373	142	515	43	13	56	13	1	14	429	156	585
Other Canadian	0	0	0	2	0	2	0	0	0	2	0	2
Total	849	160	1,009	82	13	95	50	7	57	981	180	1,161

#### 3.0 West White Rose Project Employment Summary

As of December 31, 2017, 429 people were reported employed on Husky's West White Rose Project (WWRP), representing approximately 203,400 person hours. Of those hours, 127,777 or 63 percent, occurred in Newfoundland and Labrador (Table 3.1). The number of females employed on the West White Rose Project was 96, or approximately 22 percent, of the total workforce (Table 3.2).

The majority of person hours expended on the project for this quarter were by Wood; These hours are related to topsides engineering. Hours reported by Husky Energy are related to project management. Arup Canada Inc. hours were for continued CGS engineering design work. The hours reported by SDP represent continuing CGS constructability reviews and the start of early works at the Argentia graving dock to prepare the site for CGS construction beginning this year. Similarly, the hours reported by Kiewit reflect the start of construction for living quarters in Marystown. Kvaerner hours were for engineering, analysis and planning related to marine operations. TechnipFMC hours relate to engineering of the subsea tie-back system. Hours reported by Garda World represent graving dock security activities.

## Table 3.1 Person Hours by Contractor, as of December 31, 2017 - West White Rose Project Employment



### Atlantic Region Contractor Stats

Hours By Contractor

West White Rose Project - Q4 2017

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Arup Canada Inc.	30,873	0	30,873	30	191	31,094
Garda World	1,560	0	1,560	0	0	1,560
Husky	14,593	0	14,593	1,532	848	16,973
Kiewit	12,456	0	12,456	0	0	12,456
Kvaerner	4,955	0	4,955	0	703	5,658
SDP	23,305	0	23,305	1,620	0	24,925
TechnipFMC	2,916	0	2,916	0	0	2,916
Wood	37,119	0	37,119	0	70,765	107,884
Total	127,777	0	127,777	3,182	72,507	203,466

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



#### Atlantic Region Contractor Stats

Head Count By Contractor

West White Rose Project - Q4 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.	22	13	35	4	0	4	22	3	25	48	16	64
Garda World	1	4	5	0	0	0	0	0	0	1	4	5
Husky	23	14	37	1	2	3	3	0	3	27	16	43
Kiewit	34	4	38	0	0	0	0	0	0	34	4	38
Kvaerner	8	2	10	0	0	0	1	0	1	9	2	11
SDP	39	10	49	3	2	5	1	0	1	43	12	55
TechnipFMC	5	2	7	0	0	0	0	0	0	5	2	7
Wood	59	11	70	0	0	0	107	29	136	166	40	206
Total	191	60	251	8	4	12	134	32	166	333	96	429

Residents of NL comprised 59 percent of the West White Rose Project work force and three percent were residents of Canada (Table 3.2).

The majority of positions in Q4 2017 were associated with engineering supported by technicians and technologists, professionals and management (Table 3.3).

## Table 3.3 Headcount by Occupation, as of December 31, 2017 - White Rose Extension Project



#### Atlantic Region Contractor Stats

Head Count By Occupation

West White Rose Project - Q4 2017

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	3	12	15	0	0	0	0	6	6	3	18	21
Engineers	77	15	92	5	3	8	68	12	80	150	30	180
Management	29	6	35	2	0	2	10	0	10	41	6	47
Other Field Services	7	3	10	0	0	0	0	0	0	7	3	10
Professionals	21	15	36	1	1	2	11	4	15	33	20	53
Skilled Trades	28	1	29	0	0	0	0	0	0	28	1	29
Technicians & Technologists	26	8	34	0	0	0	45	10	55	71	18	89
Total	191	60	251	8	4	12	134	32	166	333	96	429

Note: In Q4 2017, Husky employed 7 co-op students (3 female) on the West White Rose Project.

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

# Atlantic Region Contractor Stats Head Count By Location West White Rose Project - Q4 2017

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	111	29	140	111	29	140
Newfoundland - Onshore	191	60	251	6	2	8	23	3	26	220	65	285
Other Canadian	0	0	0	2	2	4	0	0	0	2	2	4
Total	191	60	251	8	4	12	134	32	166	333	96	429

The head count shown in Table 3.4 is a snap shot of personnel who have charged hours to the project as of December 31, 2017 and does not necessarily represent full time employees.

Table 3.5 outlines the percentage of women working on the WWRP as of December 31, 2017, against the targets in the project Diversity Plan.

The total workforce of the WWRP for this quarter is 429. The percent of the workforce in each category is used to calculate the actual percent of the female workforce against the target. This information is shown in Table 3.3. Specifically,

- Managers and other professionals 100 (26 female)
- Engineers 180 (30 female)
- Technicians and technologists 89 (18 female)

- Skilled trades 29 (1 female)
- Other field services 10 (3 female) see Other category in Table 3.5

**Table 3.5 Women Working on WWRP Compared to Project Targets** 

Total Workfo	rce: 429			
Category	NOC Code	Occupations	Target (% of total workforce)	Actual (% of total workforce)
Managers and other Professionals			30	26
	2131	Civil Engineers	20	29
	0211	Engineering Managers		
	2133	Electrical and Electronics Engineers		
	2132	Mechanical Engineers	]	
	2134	Chemical Engineers	]	
Engineers	2141	Industrial and Manufacturing Engineers	15	14.1
	2144	Geological Engineers		
	2145	Petroleum Engineers		
	2147	Computer Engineers (Except Software Engineers and Designers)		
	2151	Architects		
Technicians	2231	Civil Engineering Technologists and Technicians	20	20.0
and Technologists	2251	Architectural Technologists and Technicians	20	20.2
Foreperson	7205	General Foreperson and Foreperson for the following categories: Bricklayers and Allied Crafts - Concrete Finisher, Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway)		
	7302	General Foreperson and Foreperson for the following categories: Plant Operators (Crane Operator, Heavy Equipment Operator, Construction Equipment Operators [Stressing, Slip])	5	0
	7201	Ironworkers - Rodperson General Foreperson and Foreperson, Structural General Foreperson and Foreperson		
	7204	General Foreperson and Foreperson for the following categories: Carpenters and Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway)		
Trades (Apprentice and Journey Person)	7521	Journey Person and Apprentices for the following categories: Plant Operators (Heavy Equipment Operator, Construction Equipment Operators [Stressing, Slip])	15	37.5
	7271	Journey Person and Apprentices for the following categories: Carpenters and	12	7.69

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		Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway)		
	7252	Plumbers and Pipefitters - Pipefitters Journey Person and Apprentices		
	7236	Ironworkers - Rodperson Journey Person and Apprentices, Structural Journey Person and Apprentices and Journey person (shop)	5	8.8
	7611	Journey Person for the following categories: Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway)	20	0
	6541	Security guards		
Other*	3413	First aid attendants	0	30

<sup>\*</sup>Note that there were no targets for these employment categories but they are being reported as they constitute non-traditional employment for women.

The target set for managers and other professionals has not yet been achieved. The target set for female technicians and technologists' working on the project has been exceeded by a fraction of a percentage. The target for civil engineers has been exceeded by 9 percent, while other engineering is less than one percent from achieving the target. The targets for forepersons and journeyperson carpenters and joiners and journeyperson laborers and trades helpers have not yet been reached for the project. However, targets in the categories of plant operators, plumbers/pipefitters and ironworkers have been exceeded at this time. Hiring of the majority of trade persons will not take place until early Q2 2018.

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

There were no contracts >250,000 awarded for the West White Rose Project for Q4, 2017.

Table 6.1 Contracts Awarded for the White Rose project – Q4 2017

<b>Husky East Coast Operations</b>		2017 Q4	Hire	ekv	Er		σv
Procurement Summary			Hu	Husky		ICI	<b>5y</b>
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total
New Contracts							
Subsurface Study	Cardiff University	Cardiff, Wales (UK)	В	1%	1%	98%	100%
Consulting Services	Avara Solutions Inc.	St. John's, NL	Α	40%	60%	0%	100%
Freight Forwarding and Customs Clearance	P.F. Collins Customs Broker Limited	St. John's, NL	G	40%	18%	42%	100%
ICD/SAS Equipment and Services	Schlumberger Canada Limited	St. John's, NL	В	42%	8%	50%	100%
Fault Seal and Trap Analysis	Schlumberger Canada Limited	Calgary, AB	Α	0%	82%	18%	100%
Seismic Reprocessing	WesternGeco Canada (Schlumberger Canada Ltimited)	Calgary, AB	В	0%	100%	0%	100%
Medical Services	Atlantic Offshore Medical Services	St. John's, NL	G	94%	6%	0%	100%
Iceberg Towing Nets	Egersund Trawl AS	Norway	С	0%	0%	100%	100%
Standby Vessel Verification Trials	Fisheries & Marine Institute of Memorial University of Newfoundland	St. John's, NL	В	100%	0%	0%	100%
Casing and Liner Equipment	Import Tool	St. John's, NL	Α	35%	57%	9%	100%
Telecommunications	Atlantic XL	St. John's, NL	В	100%	0%	0%	100%
HVAC System Maintenance	Dawe Enterprises Ltd.	Coley's Point, NL	Α	100%	0%	0%	100%
Contract Extensions							
Sampling Services	Geotech Services (20106) Inc.	St. John's, NL	С	86%	14%	0%	100%
Marine Fuel	Irving Oil Commercial GP	St. John's, NL	0	18%	42%	40%	100%
Subsea Equipment	Oceaneering International Inc.	Houston, TX	Н	0%	0%	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	- 100,00	00,000 \$
C = 1,000,001 - 1,500,000 \$	G = 5,000,001 - 7,500,000 \$	K = 20,000,001 - 30,000,000 \$		O = Ov	er 100,0	00,001 \$	<b>3</b>
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 fourth quarter of 2017 was approximately \$56,490 with a content breakdown of 53.91 percent Newfoundland & Labrador, 34.06 percent Other Canadian, and 12.03 percent Foreign. This equates to expenditures totaling approximately \$30,450 Newfoundland & Labrador, \$19,240 Other Canadian, and \$6,790 Foreign (Table 7.1).

The Exploration total to date spend is approximately \$502.11 million, with a content breakdown of 43.75 percent Newfoundland & Labrador, 40.14 percent Other Canadian, and 16.11 percent Foreign. This equates to expenditures totaling approximately \$219.70 million Newfoundland & Labrador, \$201.55 million Other Canadian, and \$80.87 million Foreign (Table 7.1).

### 6.0 Photographs



Husky's Document Control team arranges a Halloween bake sale to raise funds for the Alzheimer Society of NL – October 2017



Husky hosts it's Atlantic Region Wellness Fair to encourage further education on health and wellness – November 2017



Husky employees answer phones at the VOCM Autism Society Radiothon – December 2017



Husky hosts its annual Take Your Kids to Work Day, which included a Virtual Marine tour – December 2017



Members of Husky's Finance team donates gifts to the Single Parents Association of NL – December 2017



Husky staff gather to donate stockings full of items for the patients at Daffodil Place – December 2017