



Canada-Newfoundland and Labrador Benefits

Husky Energy Ref. No.: WR-ADM-RP-0057

QUARTERLY REPORT
October 1 – December 31, 2018

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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, 2018, 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 2018, a total of 1,088 people were reported employed on Husky's White Rose Operations, of which 493 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, 925 or 85 percent, were residents of Newfoundland and Labrador when hired, while another 102, or 9 percent, were residents of other regions of Canada at the time of hire. The number of females employed on White Rose operations was 181, or approximately 17 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, 2018 – White Rose



Atlantic Region Contractor Stats

Head Count By Location
White Rose - Q4 2018

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	14	3	17	14	3	17
Newfoundland - Offshore	432	15	447	38	0	38	6	2	8	476	17	493
Newfoundland - Onshore	337	138	475	48	15	63	23	6	29	408	159	567
Other Canadian	2	1	3	1	0	1	6	1	7	9	2	11
Total	771	154	925	87	15	102	49	12	61	907	181	1,088

Table 2.2 - Employment Summary of Husky and Major Contractors, as of December 31, 2018 - White Rose**Atlantic Region Contractor Stats**

Head Count By Contractor

White Rose - Q4 2018

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
A Harvey	9	2	11	0	0	0	0	0	0	9	2	11
Aker Solutions	33	11	44	0	0	0	3	1	4	36	12	48
ASCO Canada Limited	6	0	6	0	0	0	0	0	0	6	0	6
Atlantic Offshore Medical Services	9	4	13	0	0	0	0	0	0	9	4	13
Atlantic Towing	24	6	30	20	6	26	1	0	1	45	12	57
Atlantic XL	1	1	2	0	0	0	0	0	0	1	1	2
Baker Hughes	2	0	2	0	0	0	0	0	0	2	0	2
Cormorant Ltd.	1	1	2	0	0	0	0	0	0	1	1	2
Cougar	32	9	41	10	1	11	0	0	0	42	10	52
Crosbie Salamis	40	3	43	3	0	3	0	0	0	43	3	46
DBC Marine Services	2	2	4	0	0	0	0	0	0	2	2	4
DOF Subsea	68	4	72	6	0	6	2	0	2	76	4	80
East Coast Catering	15	5	20	0	0	0	0	0	0	15	5	20
East Coast Tubulars	18	2	20	1	0	1	2	0	2	21	2	23
Enhanced Drilling	1	0	1	0	0	0	0	0	0	1	0	1
Expro Group Canada	5	2	7	0	0	0	2	0	2	7	2	9
F1 Oilfield Services Canada ULC	8	0	8	0	0	0	0	0	0	8	0	8
Fugro Jacques GeoSurveys Inc	5	1	6	0	0	0	0	0	0	5	1	6
Halliburton	6	0	6	0	0	0	0	0	0	6	0	6
Husky	223	84	307	31	8	39	20	8	28	274	100	374
Import Tool	2	0	2	0	0	0	0	0	0	2	0	2
Maersk Seabase	31	1	32	2	0	2	0	0	0	33	1	34
Oceaneering International Ltd.	0	0	0	0	0	0	5	1	6	5	1	6
Oceans Ltd	4	0	4	0	0	0	0	0	0	4	0	4
OneSubsea	31	3	34	0	0	0	10	2	12	41	5	46
Pennecon	1	0	1	0	0	0	0	0	0	1	0	1
Provincial Airlines	0	0	0	0	0	0	0	0	0	0	0	0
Schlumberger Services	23	3	26	3	0	3	1	0	1	27	3	30
Score	5	3	8	0	0	0	2	0	2	7	3	10
SGS Canada Inc.	0	0	0	0	0	0	0	0	0	0	0	0
Siemens	9	1	10	0	0	0	0	0	0	9	1	10
SNC Lavalin	2	0	2	1	0	1	0	0	0	3	0	3
Stantec	0	0	0	0	0	0	0	0	0	0	0	0
TechnipFMC	7	1	8	0	0	0	0	0	0	7	1	8
Teekay	34	0	34	0	0	0	0	0	0	34	0	34
Terrapure Environmental	2	0	2	0	0	0	0	0	0	2	0	2
Trans Ocean	111	5	116	10	0	10	1	0	1	122	5	127
Weatherford	0	0	0	0	0	0	0	0	0	0	0	0
Workstrings Canada	1	0	1	0	0	0	0	0	0	1	0	1
Total	771	154	925	87	15	102	49	12	61	907	181	1,088

*Note: Contractors showing "0" headcount, have reported hours for Husky work scopes, however do not meet the requirements for Full Time Equivalents and are therefore reporting a fraction of a full person.

Table 2.3 Employment Summary by Occupation, as of December 31, 2018 – White Rose

Atlantic Region Contractor Stats

Head Count By Occupation

White Rose - Q4 2018

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	7	33	40	0	2	2	0	1	1	7	36	43
Engineers	86	30	116	13	4	17	17	2	19	116	36	152
Management	38	4	42	7	1	8	8	2	10	53	7	60
Marine Crew	156	8	164	9	0	9	0	0	0	165	8	173
Other Field Services	98	6	104	9	1	10	0	0	0	107	7	114
Professionals	128	57	185	29	7	36	11	6	17	168	70	238
Skilled Trades	113	2	115	11	0	11	2	0	2	126	2	128
Technicians & Technologists	145	14	159	9	0	9	11	1	12	165	15	180
Total	771	154	925	87	15	102	49	12	61	907	181	1,088

Note: In Q4 2018, Husky employed 33 co-op students (19 female) on the White Rose project. The students are not included in the head count above because they started and ended their term outside of the reporting system period.

3.0 West White Rose Project Employment Summary

As of December 31, 2018, 2,656 people were reported employed on Husky's West White Rose Project (WWRP), representing 1,624,420 person hours. Of those hours, 1,508,868 or 93 percent, occurred in Newfoundland and Labrador (Table 3.1). The number of females employed on the West White Rose Project was 382, or approximately 14 percent, of the total workforce (Table 3.2).

The majority of person hours expended on the project for this quarter were by SDP for slipforming activities. Hours reported by Wood are related to topsides engineering and procurement of topsides equipment. Hours reported by Husky Energy are related to project management. Arup Canada Inc. hours were for continued CGS engineering design work. Similarly, the hours reported by Kiewit reflect construction of 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.

Table 3.1 Person Hours by Contractor, as of December 31, 2018 - West White Rose Project Employment



Atlantic Region Contractor Stats

Hours By Contractor
West White Rose Project - Q4 2018

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Arup Canada Inc.	37,177	0	37,177	100	7,790	45,067
Husky	26,155	0	26,155	2,348	534	29,037
Kiewit	82,915	0	82,915	0	0	82,915
Kvaerner	4,963	0	4,963	0	1,441	6,404
SDP	1,317,454	0	1,317,454	0	2,220	1,319,674
TechnipFMC	6,441	0	6,441	0	0	6,441
Wood	33,763	0	33,763	0	101,119	134,882
Total	1,508,868	0	1,508,868	2,448	113,104	1,624,420

Table 3.2 Head Count by Contractor and Residency, as of December 31, 2018 - White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Contractor
West White Rose Project - Q4 2018

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.	28	19	47	4	0	4	30	6	36	62	25	87
Husky	62	21	83	6	2	8	2	1	3	70	24	94
Kiewit	189	22	211	0	0	0	2	0	2	191	22	213
Kvaerner	9	2	11	0	0	0	2	0	2	11	2	13
SDP	1,651	244	1,895	40	13	53	29	2	31	1,720	259	1,979
TechnipFMC	9	3	12	0	0	0	1	0	1	10	3	13
Wood	56	9	65	0	0	0	154	38	192	210	47	257
Total	2,004	320	2,324	50	15	65	220	47	267	2,274	382	2,656

Residents of NL comprised 88 percent of the West White Rose Project work force and two percent were residents of Canada (Table 3.2).

The majority of positions in Q4 2018 were associated with other field services supported by skilled trades, engineers and technicians and technologists (Table 3.3).

Table 3.3 Headcount by Occupation, as of December 31, 2018 - White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Occupation
West White Rose Project - Q4 2018

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	9	29	38	0	1	1	0	5	5	9	35	44
Engineers	100	23	123	37	9	46	106	11	117	243	43	286
Management	116	18	134	7	0	7	12	0	12	135	18	153
Other Field Services	918	105	1,023	0	0	0	8	0	8	926	105	1,031
Professionals	77	42	119	3	5	8	11	7	18	91	54	145
Skilled Trades	683	73	756	0	0	0	1	0	1	684	73	757
Technicians & Technologists	101	30	131	3	0	3	82	24	106	186	54	240
Total	2,004	320	2,324	50	15	65	220	47	267	2,274	382	2,656

Note: In Q4 2018, Husky employed 6 co-op students (3 female) on the West White Rose Project.

Table 3.4 Headcount by Location, as of December 31, 2018 - White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Location
West White Rose Project - Q4 2018

Location	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
Foreign	0	0	0	0	0	0	186	41	227	186	41	227
Newfoundland - Onshore	2,003	320	2,323	49	10	59	34	6	40	2,086	336	2,422
Other Canadian	0	0	0	1	5	6	0	0	0	1	5	6
Total	2,003	320	2,323	50	15	65	220	47	267	2,273	382	2,655

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, 2018 and does not necessarily represent full time employees.

Table 3.5 outlines the percentage of women working on the WWRP as of December 31, 2018, against the targets in the project Diversity Plan.

The total workforce of the WWRP for this quarter is 2,656. 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 – 298 (72 female)
- Engineers – 286 (43 female)

- Technicians and technologists – 240 (54 female)
- Skilled trades – 757 (73 female)
- Other field services – 1,031 (105 female)
- see Other* category in Table 3.5

Table 3.5 Women Working on WWRP Compared to Project Targets

Total Workforce: 2,656				
Category	NOC Code	Occupations	Target (% of total workforce)	Actual (% of total workforce)
Managers and other Professionals			30	24.16
Engineers	2131	Civil Engineers	20	14.67
	0211	Engineering Managers	15	15.03
	2133	Electrical and Electronics Engineers		
	2132	Mechanical Engineers		
	2134	Chemical Engineers		
	2141	Industrial and Manufacturing Engineers		
	2144	Geological Engineers		
	2145	Petroleum Engineers		
	2147	Computer Engineers (Except Software Engineers and Designers)		
2151	Architects			
Technicians and Technologists	2231	Civil Engineering Technologists and Technicians	20	22.5
	2251	Architectural Technologists and Technicians		
Foreperson	7205	General Foreperson and Foreperson for the following categories: Bricklayers and Allied Crafts - Concrete Finisher, Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway)	5	1.85
	7302	General Foreperson and Foreperson for the following categories: Plant Operators (Crane Operator, Heavy Equipment Operator, Construction Equipment Operators [Stressing, Slip])		
	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)		

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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	9.8
	7271	Journey Person and Apprentices for the following categories: Carpenters and Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway)	12	6.58
	7252	Plumbers and Pipefitters - Pipefitters Journey Person and Apprentices	5	8.27
	7236	Ironworkers - Rodperson Journey Person and Apprentices, Structural Journey Person and Apprentices and Journey person (shop)		
	7611	Journey Person for the following categories: Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway)	20	11.19
Other*	6541	Security guards	0	50
	3413	First aid attendants		

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


**There was a reporting error on the Q3 Benefits Report for the Actual (% of total workforce) for Managers and other Professionals in Table 3.5. The percentage reported was 56.87 and should have been 26.26, as represented in Table 3.3 and the bullet point above Table 3.5.

The target set for managers and other professionals was not achieved this quarter. The target set for female technicians and technologists' working on the project has been exceeded by approximately 2.5 percent. The target for civil engineers was not met this quarter, while other engineering was exceeded by a fraction of a percent. The target for forepersons or journey persons laborers have not been reached, however, targets for plumbers/pipefitters and ironworkers have been exceeded for Q4 2018.

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

There were no contracts >250,000 awarded for the West White Rose Project for Q4, 2018.

Table 6.1 Contracts Awarded for the White Rose Project – Q4 2018

Husky East Coast Operations Procurement Summary		2018 Q4						
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total	
New Contracts								
Provision of Drill Bits	Schlumberger Canada Limited	St. John's, NL	F	20%	0%	80%	100%	
Flexible Riser Life Extension Engineering Support	2H Offshore Engineering Limited	Aberdeen, UK	B	0%	0%	100%	100%	
Slop Water Treatment Materials	Cetco Energy Services Company, LLC	Houston, Texas	B	0%	0%	100%	100%	
Offshore Crane Maintenance	Liebherr Canada Ltd.	St. John's, NL	H	22%	78%	0%	100%	
Aviation Consulting Services	Contrail Aviation Saftey Ltd.	Calgary, AB	B	0%	100%	0%	100%	
Offshore Supply Vessel (Adhoc) - Maersk Detector	Maersk Supply Service Canada	St. John's, NL	B	90%	5%	5%	100%	
Offshore Supply Vessel (Adhoc) - Skandi Chieftain	DOF Subsea	St. John's, NL	B	79%	0%	21%	100%	
Offshore Hose Management	Atlantic Hose and Fittings Ltd.	St. John's, NL	A	10%	8%	82%	100%	
Provision of Drill Bits	Dreco Energy Services ULC	St. John's, NL	F	24%	5%	71%	100%	
Contract Extensions								
Third Party Quality Control and Inspection	Bureau Veritas North America	Houston, Texas	A	0%	0%	100%	100%	
SeaRose FPSO Structural Integrity Manuals Management	Marine Technical Limited Ltd.	Aberdeen, UK	F	0%	0%	100%	100%	
Offshore Survey Support	EPCO Services Inc.	St. John's, NL	C	100%	0%	0%	100%	
Offshore Pipe Inspection and Cleaning	Afonso Group Limited	St. John's, NL	E	100%	0%	0%	100%	
Technical and Engineering Support Services	Maderra Engineering Inc.	St. John's, NL	B	100%	0%	0%	100%	
Subsea Engineering Services	Technip Canada Limited	St. John's, NL	D	79%	1%	20%	100%	
Intervention Support Services	Technip Canada Limited	St. John's, NL	D	79%	1%	20%	100%	
Casing and Liner Equipment	Import Tool	St. John's, NL	F	35%	56%	9%	100%	
Offshore Satellite Services	Rignet Inc.	Houston, Texas	A	17%	0%	83%	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 \$						

5.0 Exploration

The Exploration total to date spend is approximately \$557.66 million, with a content breakdown of 45.61 percent Newfoundland & Labrador, 38.20 percent Other Canadian, and 16.19 percent Foreign. This equates to expenditures totaling approximately \$254.37 million Newfoundland & Labrador, \$213.02 million Other Canadian, and \$90.27 million Foreign (Table 7.1).

8.0 Photographs



**Husky employees collect and donate sports gear to the Single Parents Association
- October 2018**



**ThriveNL use Husky rental space for its *Boat Building Project*, an initiative where youth connected with the Thrive GED program construct a 17ft dory.
- November 2018**



**Husky employees take the life bus to the Canadian Blood Services clinic to donate blood.
– November 2018**



**Employees at the West White Rose Project site in Argentina collect and donate funds to the Zone 6 Region D Lion's Club.
– December 2018**