



Canada-Newfoundland and Labrador Benefits

Husky Energy Ref. No.: WR-ADM-RP-0061

QUARTERLY REPORT
April 1 – June 30, 2019

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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, 2019, 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 Q2 2019, a total of 1,203 people were reported employed on Husky's White Rose Operations, of which 561 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, 1,015 or 84 percent, were residents of Newfoundland and Labrador when hired, while another 128, or 11 percent, were residents of other regions of Canada at the time of hire. The number of females employed on White Rose operations was 196, 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 June 30, 2019 – White Rose



Atlantic Region Contractor Stats

Head Count By Location
White Rose - Q2 2019

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	1	1	0	0	0	23	5	28	23	6	29
Newfoundland - Offshore	488	18	506	44	1	45	9	1	10	541	20	561
Newfoundland - Onshore	362	144	506	56	21	77	18	4	22	436	169	605
Other Canadian	1	1	2	6	0	6	0	0	0	7	1	8
Total	851	164	1,015	106	22	128	50	10	60	1,007	196	1,203

Table 2.2 - Employment Summary of Husky and Major Contractors, as of June 30, 2019 - White Rose



Atlantic Region Contractor Stats

Head Count By Contractor

White Rose - Q2 2019

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	12	2	14	0	0	0	0	0	0	12	2	14
Aker Solutions	43	10	53	1	0	1	2	0	2	46	10	56
ASCO Canada Limited	6	0	6	0	0	0	0	0	0	6	0	6
Atlantic Offshore Medical Services	8	4	12	0	0	0	0	0	0	8	4	12
Atlantic Towing	56	6	62	25	12	37	2	0	2	83	18	101
Atlantic XL	2	0	2	0	0	0	0	0	0	2	0	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	36	10	46	10	1	11	0	0	0	46	11	57
Crosbie Salamis	32	3	35	4	0	4	0	0	0	36	3	39
DBC Marine Services	2	3	5	0	0	0	0	0	0	2	3	5
DOF Subsea	67	3	70	6	0	6	3	0	3	76	3	79
East Coast Catering	14	5	19	0	0	0	0	0	0	14	5	19
East Coast Tubulars	11	1	12	1	0	1	6	0	6	18	1	19
Enhanced Drilling	3	0	3	0	0	0	0	0	0	3	0	3
Expro Group Canada	7	2	9	0	0	0	4	0	4	11	2	13
FI Oilfield Services Canada ULC	11	0	11	0	0	0	0	0	0	11	0	11
Fugro Jacques GeoSurveys Inc	6	1	7	0	0	0	1	0	1	7	1	8
Halliburton	5	0	5	0	0	0	0	0	0	5	0	5
Husky	225	91	316	35	9	44	11	5	16	271	105	376
Import Tool	1	0	1	4	0	4	0	0	0	5	0	5
Maersk Oceanengineering International Ltd.	59	1	60	2	0	2	0	0	0	61	1	62
Oceans Ltd	5	1	6	0	0	0	0	0	0	5	1	6
OneSubsea	31	3	34	0	0	0	11	4	15	42	7	49
Pennecon	1	0	1	1	0	1	0	0	0	2	0	2
Provincial Airlines	7	2	9	0	0	0	0	0	0	7	2	9
Schlumberger Services	25	6	31	3	0	3	2	0	2	30	6	36
Score	6	1	7	0	0	0	0	0	0	6	1	7
SGS Canada Inc.	0	0	0	0	0	0	0	0	0	0	0	0
Siemens	7	0	7	1	0	1	1	0	1	9	0	9
SNC Lavalin	2	0	2	0	0	0	0	0	0	2	0	2
Stantec	0	0	0	0	0	0	0	0	0	0	0	0
TechnipFMC	10	2	12	0	0	0	0	0	0	10	2	12
Teekay	36	0	36	0	0	0	0	0	0	36	0	36
Terrapure Environmental	3	1	4	0	0	0	0	0	0	3	1	4
Trans Ocean	108	5	113	13	0	13	2	0	2	123	5	128
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	851	164	1,015	106	22	128	50	10	60	1,007	196	1,203

*Note: Contractors showing "0" headcount, may 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 June 30, 2019 – White Rose**Atlantic Region Contractor Stats**

Head Count By Occupation

White Rose - Q2 2019

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	8	34	42	0	8	8	0	1	1	8	43	51
Engineers	97	31	128	15	3	18	15	2	17	127	36	163
Management	42	1	43	11	1	12	9	3	12	62	5	67
Marine Crew	213	7	220	14	0	14	0	0	0	227	7	234
Other Field Services	101	7	108	9	1	10	0	0	0	110	8	118
Professionals	134	64	198	33	8	41	5	4	9	172	76	248
Skilled Trades	104	2	106	14	0	14	7	0	7	125	2	127
Technicians & Technologists	152	18	170	10	1	11	14	0	14	176	19	195
Total	851	164	1,015	106	22	128	50	10	60	1,007	196	1,203

Note: In Q2 2019, Husky employed 38 co-op students (18 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 June 30, 2019, 3,690 people were reported employed on Husky's West White Rose Project (WWRP), representing 1,113,199 person hours. Of those hours, 627,538 or 56 percent, occurred in Newfoundland and Labrador (Table 3.1). The number of females employed on the West White Rose Project was 380, or approximately 10 percent, of the total workforce (Table 3.2).

The majority of person hours expended on the project for this quarter were by SDP for CGS construction. 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 (Marystown) reflect construction of living quarters in Marystown. Kiewit (Texas) hours are related to topsides fabrication. 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 June 30, 2019 - West White Rose Project Employment



Atlantic Region Contractor Stats

Hours By Contractor
West White Rose Project - Q2 2019

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Arup Canada Inc.	20,250	0	20,250	240	5,269	25,759
Husky	25,887	0	25,887	2,177	780	24,844
Kiewit (Marystown)	76,779	0	76,779	0	0	76,779
Kiewit (Texas)	0	0	0	0	423,210	423,210
Kvaerner	3,673	0	3,673	0	336	4,009
Parker Drilling	3,200	0	3,200	0	0	3,200
SDP	478,586	0	478,586	0	3	478,589
TechnipFMC	4,182	0	4,182	0	0	4,182
Wood	14,981	0	14,981	0	53,646	68,627
Total	627,538	0	627,538	2,417	483,244	1,113,199

Table 3.2 Head Count by Contractor and Residency, as of June 30, 2019 - White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Contractor
West White Rose Project - Q2 2019

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	13	30	2	0	2	13	1	14	32	14	46
Husky	61	20	81	7	3	10	4	1	5	72	24	96
Kiewit (Marystown)	153	19	172	0	0	0	0	0	0	153	19	172
Kiewit (Texas)	0	0	0	0	0	0	638	21	659	638	21	659
Kvaerner	7	1	8	0	0	0	1	0	1	8	1	9
Parker Drilling	3	3	6	0	0	0	0	0	0	3	3	6
SDP	2,048	245	2,293	6	3	9	212	27	239	2,266	275	2,541
TechnipFMC	7	2	9	0	0	0	23	0	23	30	2	32
Wood	25	3	28	0	0	0	83	18	101	108	21	129
Total	2,321	306	2,627	15	6	21	974	68	1,042	3,310	380	3,690

Residents of NL comprised 71 percent of the West White Rose Project work force and 1 percent were residents of Canada (Table 3.2).

The majority of positions in Q2 2019 were associated with other field services supported by skilled trades, engineers, technicians and technologists and management (Table 3.3).

Table 3.3 Headcount by Occupation, as of June 30, 2019 - White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Occupation
West White Rose Project - Q2 2019

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	22	29	0	0	0	4	18	22	11	40	51
Engineers	104	32	136	6	1	7	132	19	151	242	52	294
Management	114	16	130	6	0	6	31	0	31	151	16	167
Other Field Services	1,326	124	1,450	0	0	0	124	0	124	1,450	124	1,574
Professionals	78	33	111	3	5	8	4	2	6	85	40	125
Skilled Trades	618	59	677	0	0	0	601	13	614	1,219	72	1,291
Technicians & Technologists	74	20	94	0	0	0	78	16	94	152	36	188
Total	2,321	306	2,627	15	6	21	974	68	1,042	3,310	380	3,690

Note: In Q2 2019, Husky and its contractors employed 26 co-op students (10 female) on the West White Rose Project.

Table 3.4 Headcount by Location, as of June 30, 2019 - White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Location
West White Rose Project - Q2 2019

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	832	67	899	832	67	899
Newfoundland - Onshore	2,321	306	2,627	15	4	19	142	1	143	2,478	311	2,789
Other Canadian	0	0	0	0	2	2	0	0	0	0	2	2
Total	2,321	306	2,627	15	6	21	974	68	1,042	3,310	380	3,690

The head count shown in Table 3.4 is a snap shot of personnel who have charged hours to the project as of June 30, 2019 and does not necessarily represent full time employees.

Table 3.5 outlines the percentage of women working on the WWRP as of June 30, 2019, against the targets in the project Diversity Plan.

The total workforce of the WWRP for this quarter is 3,690. 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 – 292 (56 female)
- Engineers – 294 (52 female)
- Technicians and technologists – 188 (36 female)
- Skilled trades – 1,291 (72 female)

- Other field services – 1,574 (124 female)
- see Other* category in Table 3.5

Table 3.5 Women Working on WWRP Compared to Project Targets

Total Workforce: 3,690				
Category	NOC Code	Occupations	Target (% of total workforce)	Actual (% of total workforce)
Managers and other Professionals			30	19.2
Engineers	2131	Civil Engineers	20	11.47
	0211	Engineering Managers	15	17.69
	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	19.15
	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	3.26
	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)		
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	13
	7271	Journey Person and Apprentices for the following categories: Carpenters and	12	5.2

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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	5.9
	7611	Journey Person for the following categories: Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway)	20	4.2
Other*	6541	Security guards	0	48.78
	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.

The targets set for managers and other professionals, and technicians and technologists were not achieved this quarter. The target set for female engineers, with the exception of civil engineers, working on the project has been exceeded by approximately 2.7 percent. The target for plumbers/pipefitters and ironworkers was exceeded by 1 percent, however the targets for forepersons and trades including plant and heavy equipment operators, carpenters and scaffolders and journey person labourers were not met for Q2 2019.

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

Table 6.1 outlines the new contracts awarded in Q2 2019 and contract extensions exercised in Q2 2019.

Table 6.1 Contracts Awarded for the White Rose Project – Q2 2019

Husky East Coast Operations Procurement Summary		2019 Q2					
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total
New Contracts							
Provision of Wireline Tension Liffame	Professional Rental Tools, LLC	Lafayette, LA	C	60%	0%	40%	100%
Offshore HPHT Advisors	Maersk Training Inc.	Houston, TX	A	100%	0%	0%	100%
WWRP Vendor Support for Uninterruptible Power Supply Systems (UPS)	Borri Power Systems	Vancouver, Canada	B	0%	100%	0%	100%
WWRP Installation, Hookup and Commissioning	Pennecon Hydraulic Systems Ltd.	St. John's, NL	A	88%	4%	7%	100%
Charter of Atlantic Merlin	Atlantic Merlin Limited Partnership	Saint John, NB	F	62%	31%	7%	100%
Licensing of Seismic Data	Multiklient Invest Inc. (PGS)	Norway	I	40%	18%	42%	100%
Vendor Support Services for Nuclear Level Devices	Vega Americas	Cincinnati, OH	A	0%	0%	100%	100%
Vendor Support Services for Potable / Utility Water Package	Aqua Chem	Knoxville, TN	A	0%	0%	100%	100%
Vendor Support Services for Hypochlorite Package	H2O LLC	Lafayette, LA	A	0%	0%	100%	100%
Provision of Downhole Camera Rentals	EV Canada Inc.	Calgary, Alberta	A	0%	100%	0%	100%
Provision of Souring Prediction and Core Flooding Injectivity Studies	Oil Plus Limited	Newbury, UK	B	0%	0%	100%	100%
Subsea Inspection, Maintenance, Repair (IMR) and Support Services	TechnipFMC Canada Limited	St. John's, NL	H	79%	1%	20%	100%
WWRP Drilling Rig Operations and Maintenance	Parker Drilling Canada Company	St. John's, NL	O	95%	5%	0%	100%
Contract Extensions							
MODU Directional Drilling, MWD and LWD Equipment and Services	Baker Hughes Canada	St. John's, NL	H	30%	0%	70%	100%
ROV Equipment and Services	DOF Subsea Canada Corp.	St. John's, NL	G	79%	0%	21%	100%
MODU Cementing Equipment and Services	Schlumberger Canada Ltd.	St. John's, NL	I	9%	19%	72%	100%
MODU Mud Logging Equipment and Services	Schlumberger Canada Ltd.	St. John's, NL	D	67%	7%	26%	100%
MODU ICD and SAS Equipment and Services	Schlumberger Canada Ltd.	St. John's, NL	C	44%	20%	36%	100%
MODU Tubing Conveyed Perforating	Schlumberger Canada Ltd.	St. John's, NL	F	21%	9%	70%	100%
MODU Provision of Swell Packers	TAM International	St. John's, NL	C	30%	45%	25%	100%
MODU Well Tractor Equipment	Welltec Canada Inc.	St. John's, NL	D	8%	79%	13%	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 \$605.55 million, with a content breakdown of 47.46 percent Newfoundland & Labrador, 36.43 percent Other Canadian, and 16.10 percent Foreign. This equates to expenditures totaling approximately \$287.42 million Newfoundland & Labrador, \$220.62 million Other Canadian, and \$97.51 million Foreign (Table 7.1).

8.0 Photographs



The West White Rose Project participates in WRDC's Orientation to Trades and Technology program by offering site tours - April 2019



Husky invites vendors to set up booths in the 351 lobby to educate about making a positive impact on the environment for Earth Day - April 2019



Husky's West White Rose Project SCM team volunteers at the Ronald McDonald House to cook for 48 guests – May 2019



Husky sponsors the 13th Annual Husky Energy Eastern Newfoundland Science and Technology Fair – May 2019



Husky employees participate in the 9th Annual Wade Duggan Memorial Hockey Tournament - May 2019



Husky has had another great year helping young girls get hands on exposure to science through WRDC's annual Techsploration program – May 2019



**Husky donates \$50,000 to the Salvation Army Centre Of Hope
- June 2019**