3 POLICIES AND PROCEDURES

This chapter illustrates Husky Oil’s commitment to the approach described in the previous chapter. The Company’s commitment is reflected in its policies and procedures for planning and executing the White Rose oilfield development. These build on, or see the continued application of, policies which have been in effect since Husky Oil started work on the White Rose project, particularly with respect to training, employment equity, technology transfer, and research and development. These have been, and will continue to be, key factors in increasing the overall capability in the oil industry on the east coast of Canada - for long-term benefits.

3.1 White Rose’s Canada-Newfoundland Benefits Commitments

The following summarizes Husky Oil’s principal Canada-Newfoundland benefits commitments that are consistent with management systems and procedures for the White Rose project:

| Key functions will be performed in Newfoundland and Labrador | Husky is committed to managing the White Rose project from St. John’s. Management activities will include project management, engineering, operations management, procurement, geosciences and reservoir engineering, drilling operations, logistics and project communications. |
|-------------------------------------------------------------|

<table>
<thead>
<tr>
<th>Goods and services on “Best Value” Basis</th>
<th>Goods and services must be acquired on a “best value” basis. Local industry must be encouraged to strive to provide goods and services that will compete effectively in a global marketplace. Consistent with the criteria for competitiveness outlined in the Atlantic Accord Acts, “best value” is defined as a blend of total cost, quality, technical suitability, delivery and continuity of supply and service; and, total cost is composed of initial purchase price plus operating and maintenance cost.</th>
</tr>
</thead>
</table>
**Canada-Newfoundland benefits will be a factor in procurement** - Husky Oil will establish procurement policies and procedures consistent with the requirements of the *Acts* and the C-NOPB. These policies and procedures, without limiting the scope of the *Acts*, will include provisions to ensure that:

- The requirements for goods and services are communicated, in a timely fashion, to Canadian and, in particular, Newfoundland and Labrador firms, and to appropriate departments of the federal and provincial governments.
- The bid packaging, technical specifications, bidding procedures, and bid follow-up provide Newfoundland and Labrador, and other Canadian, firms and individuals with a full and fair opportunity to provide goods and services.
- Where bids are essentially equal on a “best value” basis, first choice will be given to goods and services provided from Newfoundland and Labrador. In all bidding processes, the level and quality of Newfoundland benefits, as well as technical and commercial considerations, shall be selection factors in awarding development contracts.
- Newfoundland and Labrador participation in joint bids is identified – the Proponents will require bidders to fully disclose information relevant to Newfoundland and Labrador benefits content, including:
  - the nature of the arrangements among the participants in the bid, including the respective shares of equity in the consortium;
  - the share and nature of the work to be carried out by each of the participants in the bid;
  - the nature of arrangements for the transfer of technology.

**Supplier identification** – Husky Oil will provide early identification of opportunities for the supply of goods and services required for the project, work with governments and industry organizations to jointly identify potential Newfoundland and Labrador suppliers of such required goods and services, and, on request, provide feedback to unsuccessful suppliers, as appropriate. Husky Oil will also:

- ensure that the names and locations of procurement personnel are communicated;
- require procurement personnel to be familiar with the capacities and capabilities of Newfoundland and Labrador and other Canadian suppliers;
- facilitate the inclusion of technically qualified and financially sound Newfoundland and Labrador, and other Canadian, suppliers on appropriate bid lists; and
- provide the C-NOPB with an indication of upcoming contracts, pre-qualification lists, final bid lists and notification of intent to award major contracts prior to their issuance.
Supplier development - Husky Oil will work with governments and industry organizations to improve local supply capability by providing information about the project requirements and specifications in a timely manner. The Company will also:

- encourage the formation of appropriate business arrangements involving Newfoundland and other Canadian firms that would enhance the ability of domestic firms to compete for project work; and
- evaluate the quality and reliability of appropriate new products from suppliers whose products warrant this opportunity.

Newfoundland and Labrador and Canadian infrastructure use to be encouraged – Qualified offshore fabrication and construction yards in Newfoundland and Canada will be provided a full and fair opportunity to bid, such that:

- The Company will undertake to cause, when competitive under international bidding on a best value basis, the fabrication, assembly and outfitting services associated with the topsides facilities of the FPF, the subsea facilities, the mooring system and the production risers to be performed in Canada.
- Where Newfoundland fabrication/assembly/outfitting facilities exist and are qualified to be capable of undertaking development activity, the Company will require contractors to bid the work using a Newfoundland location in addition to bidding other locations of normal preference.

Project Management and Engineering - The Company will require project management and system engineering work for the FPF and associated systems, subsea equipment, well construction and production operations, to take place in Newfoundland.

Employment and Training - The Company will give individuals resident in the province first consideration for training and employment opportunities with the development, and:

- The Company will provide a human resources plan outlining participation by Newfoundland engineers, geoscientists and other technical and non-technical disciplines, along with an appropriate succession plan to maximize participation of Newfoundland residents and Canadians.
- It is planned for the White Rose production vessel, support vessels and tankers to be Canadian-registered and crewed, consistent with the employment provisions of the Atlantic Accord Implementation Acts.
Contractors and subcontractors will adhere to benefits philosophy – Contractors play a large role in the procurement of goods and services.

- To ensure the benefits objectives and commitments are achieved in all areas, Husky Oil requires all contractors and subcontractors to comply with the benefits principles, objectives and commitments.
- To ensure that the concept of full and fair opportunity is extended to all potential suppliers, Husky Oil requires its contractors and subcontractors to provide full and fair opportunity to Canadian, including Newfoundland and Labrador, manufacturers, consultants, contractors and service companies to participate on a competitive basis in the supply of goods and services to the development.

Technology Transfer, Research and Development – Technology transfer and Research and Development are important components of the Canada-Newfoundland Benefits Plan. Husky Oil supports and encourages initiatives in these areas and, in association with its major contractors, will be developing strategies for achieving its objectives in these areas. Specific initiatives are discussed in Sections 3.3 and 3.4.

3.2 Project Management

Husky Oil has identified the East Coast as a core business area for the company. The Husky Oil project management team, located in Newfoundland and Labrador, has responsibility for development plan execution and ensuring that all operations are conducted safely, in an environmentally responsible manner, and in accordance with all corporate and regulatory policies.

Husky Oil, as operator, has assembled an integrated management team comprising Husky and Petro-Canada personnel, as well as some contractor personnel. This integrated management team reports, through Husky Oil, to a top level Management Committee of project owners established to provide for the orderly planning and supervision of all project activities (Figure 3.2-1). The Technical Planning Committee and the Commercial Committee support this committee in all its endeavours.

The Technical Planning Committee reports to the Management Committee on issues relating to field evaluation, development and operations, including items concerning business, technical, and health safety and environment. The Commercial Committee also reports to the Management Committee, and is responsible for reviewing and providing expert input into the negotiation and execution of major contracts, commercial agreements and owner agreements. This committee will establish a common economic evaluation system for implementation on the project.
Each White Rose co-venturer has the right to appoint one member and one alternate member to any Committee or Subcommittee. The chairperson for each committee or subcommittee is a Husky Oil appointee based on the Company’s responsibility as Operator.

The integrated management team will eventually evolve into a “life-of-field” group as the Project proceeds into the production stage. Part of this evolution will see managers and personnel with specific exploration, delineation and development expertise move on to additional projects (at their various life stages), expanding the local resource pool in project management, procurement, geosciences and reservoir engineering, drilling operations, logistics and project communication. This process will help realize the continuity demanded by a successful oil and gas industry.

To ensure technical competencies are in place for all aspects of the project, required specialized expertise will be contracted to augment the existing Husky Oil staff on an as-needed basis. The task of assembling an integrated management team for the White Rose development, incorporating managers and personnel from within the Husky Oil organization, from project co-venturer Petro-Canada, and from contracted resources, is now well underway.
The following section outlines the general requirements for the project administration on White Rose. Husky Oil and Petro-Canada will continue to identify staffing requirements and ensure the development of the necessary skills. This provides local continuity and increases the ability to apply the lessons learned from Terra Nova. In addition, recruitment from the local community will be an ongoing process to maximize the benefits of the White Rose development to Newfoundland and Labrador and other Canadian residents.

3.2.1 Technical Project Management

Assembling a local competence to handle the White Rose Project is critical for its success. Activities will include the following:

• The General Manager will oversee the construction planning and execution of the Project. This position will lead the integrated project team through the front-end engineering, contractor/partner selection, project sanction and construction phases. The responsibilities of this position include:
  - designing and delivering a complete production facility and transportation systems for offshore production, including special purpose shuttle tankers, on time and on budget,
  - coordinating development planning for additional projects in the White Rose region in order to optimize the area’s resource potential,
  - integrating Husky Oil’s established development and operations team with the contractor’s project management teams, and
  - ensuring project compliance with Husky Oil’s project engineering guidelines, administration procedures, and health, safety and environmental policies.

• Managing a core team of highly experienced specialists for the FPF contractor selection process and then combining them with contractor staff for the execution phase. During the contractor selection phase, senior, experienced personnel will be required to lead the engineering process. After the FPF contract award, the design and fabrication will be conducted by contractor staff with a defined reporting requirement that Husky Oil will review and supervise.

• Organizing staffing resources into three teams: an FPF bid and evaluation team, subsea front end engineering and design (FEED)/bid team and a Project Services support team. It is critical that open communication is maintained between all participants in the project.

• Establishing clear and well-defined tasks for the development team to carry the project through to first oil. This team will include technical specialists, project controls staff and contractor representatives upon award of major contracts for the FPF, the subsea package, and the glory hole excavation.
3.2.2 Benefits Coordination

A benefits team will be responsible for the overall coordination of Canada and Newfoundland benefits among all White Rose project client and contractor groups. As a minimum, this team will initially be comprised of the benefits coordinator, procurement staff, major contractor representatives, and appropriate project staff to advise on specific project components. To ensure that benefits issues receive management attention, senior management will be involved in the ongoing activities of the team. Over the life of the project the team will evolve to suit the requirements of the Project.

The Benefits team will be responsible for developing internal communications and information procedures, as well as for developing compliance monitoring and reporting standards. Members of the team will provide liaison on benefits issues with the supply community, the C-NOPB, other applicable regulators, and key benefits personnel with contractors. The team will also be responsible for the development and implementation of the information systems that support industrial benefits activities.

3.2.3 Key Functions Performed in Newfoundland

Husky Oil opened its East Coast Regional Office in St. John’s in November 1997. This office has the responsibility for managing all operational aspects of Husky Oil’s programs on the Grand Banks. As was noted in the 1999 Benefits Plan submission to C-NOPB (Husky Oil 2000), the project management personnel based in this office have decision-making authority for all operations, including procurement. Consistent with this, Husky Oil’s east coast bid committee held all its 1999 meetings, undertaking procurement evaluations and related decisions, in the St. John’s office.

Husky Oil has committed to managing the White Rose project from St. John’s.

All program decision-making authority consistent with normal corporate business practices will take place in this office. Having decision-making and key management functions in the local office will assist in focusing on local and regional benefits issues, increase understanding of local capabilities and increase sensitivity to local concerns. Activities at this office will include project management, engineering, operations management, procurement, geosciences and reservoir engineering, drilling operations, logistics and project communications. A significant number of personnel at this office, including senior managers, are residents of the province, and this is indicative both of Husky Oil’s commitment and of a maturing process occurring in the province’s oil industry.

3.2.4 Contracting Strategies

The White Rose oilfield development project is confronted with some key challenges that must be effectively addressed if a successful field development is to be achieved. These challenges include a complex reservoir, technical and operational considerations and a harsh operating environment.
Responses to these challenges will require innovative and cost-effective solutions that enhance the project’s long-term economic viability.

In consultation and briefing sessions held with the supply community, it was made evident to Husky Oil that contracting strategies must be clearly communicated to potential Newfoundland and Canadian manufacturers, vendors and suppliers in a timely fashion. This will provide the greatest opportunity for companies and individuals to ascertain ways and means in which their product or service can be used on the project. The following sections provide a description of the contracting approach.

3.2.4.1 Floating Production Facility

Experienced contractors with proven track records of successfully managing and operating similar FPF projects, from design through to production operations, are able to provide the necessary construction and operational expertise and technical support required. It is possible that, by leveraging the contractor’s experience and corporate resources, an aggressive project schedule may be pursued, with a potential reduction in both the commercial and technical risks.

One viable contracting strategy is to appoint a contracting company which provides an FPF under a charter party arrangement that includes all operating and maintenance services throughout field life. Using this strategy, the selection of the contractor best qualified to provide the depth of support will be absolutely crucial to the ultimate success of the White Rose oilfield development.

Several contractors have approached Husky and expressed their interest in participating in the White Rose project. In order to obtain the commercial information needed to sanction the project and facilitate achievement of the project schedule, a competitive bid process for an FPF provider is being conducted. Award of any contract will be contingent upon the regulatory approval and project sanction process.

Issuing a Request for Proposals to interested contractors is the starting point in the evaluation process. Proposals from contractors will be evaluated and will result in the determination of a short list of potential contractors. Furthermore, these proposals will provide a clear indication of the efficacy and feasibility of this contracting strategy. Discussions will then be conducted with the short-listed contractors to determine if this strategy is viable and, ultimately, identify the successful contractor.

The contracting strategy is based on leveraging the value of a contractor’s established FPF operating skills as the key agent throughout the life cycle of an FPF project. The focus on operations is the most critical criterion. This strategy is supported internationally by the increasing number of contracts signed with FPF contractors with a scope of work that covers full project cycle skills.

The FPF contract will be developed through negotiations that will address technical, commercial and Canada-Newfoundland benefits aspects. In addition, a value engineering exercise will be carried out.
that challenges the existing basis for design, targeted at capturing cost reductions and performance enhancements through improvements in design while ensuring health, safety and environmental integrity. These negotiations will commence upon the initial review of the proposals. The FPF Request for Proposal has therefore been issued with the following objectives:

- establishing the basis and criteria for comparing different proposals and contracting strategies;
- defining the scope of work for the FPF contractor, outlining what the required deliverables are for the evaluation and assessing the contractors proposed solutions;
- setting the stage for a value engineering process designed to capture improvements in both cost and performance over proposed target levels and existing benchmarks;
- identifying a recommended contractor, and creating a supporting document that includes a well defined technical definition of the FPF facility, a commercial agreement with terms and conditions agreed to by both parties, a competitiveness assessment, and an industry benchmark analysis; and
- defining specific Canada/Newfoundland benefits for the construction, development and production activities.

Alternatives to the previously described preferred FPF contractor strategy will also be considered. The decision on proceeding with an engineer, procure, install and construct (EPIC) fixed price contract Request for Proposal will be reviewed following the initial review of the short-listed contractors’ submissions.

In addition, to capture potential synergy between the FPF and the transportation of oil to market, the FPF bidders are being asked to provide a proposal that demonstrates advantages to combine the FPF and a transportation solution. The FPF contractors who express an interest in providing such a solution will be included in the shuttle tanker tender process to capture any value in the synergy of combining the two vessels. However, the shuttle tanker will be dealt with as separate tender.

### 3.2.4.2 Subsea

The subsea contract package will consist of all equipment from and including the subsea christmas tree to the riser connection on the FPF. The strategy for this component of the project will be to contract for the complete subsea system in a single contract, which will encompass everything from detailed design to installation, commissioning interfacing and the option of providing ongoing operational support. The first phase of the contract, FEED, will be conducted several months prior to sanction. The installation of subsea equipment for initial development drilling will occur in the months following sanction, with installation of flowlines and risers completed the following year.

The glory hole excavation will be dealt with as a stand-alone contract and bid competitively. In conducting a contractor capacity assessment, it was confirmed that current international projects have restricted the availability of required equipment for this work. Several of the potential contractors have
indicated an ability and willingness to work with Husky Oil to develop a solution, however, they have all indicated the need to plan as much lead time as is possible. To address this situation, a Request for Proposals was issued to qualified companies in June, 2000. The intention is to initiate discussion and to define the process that will generate a cost-effective solution at the lowest risk. Contract award will be scheduled following an in-depth assessment of the contractor’s proposals and again will be dependent on the outcome of the regulatory review and project sanction processes.

In line with the objectives for the project, the preferred solution is to conclude agreements with experienced lead contractors who will manage the supply of all subsea and glory hole services required, preferably under a lump sum “turnkey” contract, or depending on commercial and interface considerations, multiple contracts.

3.2.5 Management/Design Culture

The correct approach to pursuing design (Nervi n.d.):

“…is impossible unless one obeys and is guided by these premises of general character:
  a) A clear idea of the goal to be reached, and an understanding of the methods available to reach it.
  b) An absolute independence of mind with respect to solutions that have already been proposed for similar problems…”

This statement is representative of Husky Oil’s management and design culture in its approach to Canada-Newfoundland Benefits. The goals to be reached, as documented previously in Chapter 2, have been embraced by the White Rose project team. The key to realizing these goals is through the challenge and commitment of individuals to hold up each and every working exercise, regardless of routine, and subject it to a scrutiny that asks:

- Can this service or product be provided in Newfoundland or Canada?
- If not, what are the impediments?
- Are there commercially viable ways to overcome the impediments for White Rose?
- If not, are there commercially viable ways to overcome the impediments for the future (and thereby contribute to the long-term sustainability of the local industry)?

Project management and engineering has become ever more complex in recent years. The traditional roles that dealt with basic issues of project engineering and the various disciplines such as structural, piping, mechanical, electrical and instrumentation now work alongside specialist disciplines of quality assurance, information technology, planning and scheduling, safety, health and environment, and continuous improvement. Engineering now has the additional responsibility to ensure that the work conforms to an array of project commitments prescribed outside the respective disciplines.
In an environment of ensuring project guidelines and budgets are met, these considerations are often considered to be secondary. As a result, there is sometimes a tendency to “get on with the engineering or purchasing effort” and attempt to meet the prescriptive requirements of quality assurance, health/safety/environment or continuous improvement, on an as-required basis. This can lead to designing “in silos”, whereby individual engineering efforts are progressed independent of overall project goals. This can have long-term negative ramifications, and in this atmosphere local benefits opportunities can also be diminished.

Husky Oil is determined, therefore, to elevate Canada-Newfoundland Benefits to a distinct position in White Rose corporate culture. This will see the Company challenging individuals at every level to consider how any preconceptions might compromise local benefits and opportunities.

Canada-Newfoundland benefits discussions in internal workshops will be initiated to encourage Husky Oil employees and contractors in engineering and procurement to pursue methodologies that will encourage regional participation. Facilitated independently, these sessions will:

- explore specific engineering and procurement routines;
- question decision-making processes and examine the effects of actions taken;
- consider how the demands of design, procurement, research and development, testing, and training can be changed or adjusted to enhance Canada-Newfoundland benefits potential;
- record specific avenues to be explored and set actions, responsibilities and time-lines;
- see the results of these investigations and deliberations reported to the C-NOPB;
- act on the concepts considered to have potential; and
- ensure follow-up mechanisms are in place.

3.2.6 Management Systems and Procedures

Husky Oil’s Canada-Newfoundland Benefits Guidelines will continue to serve as the Company’s guiding principle for offshore development in Newfoundland and Labrador.

Management is committed, and staff is mandated, to maintain an open approach to deliver full and fair opportunity for Newfoundland and Canadian companies to participate in the White Rose Project plan.

Procedures pertaining to promoting and monitoring Canada-Newfoundland benefits have been developed and will be documented in Requests for Proposals issued by Husky Oil to prospective contractors. These are presented as attachments within the Request for Proposal and include a copy of the Canada-Newfoundland Benefits Guidelines, a list of contacts for local offshore associations and training establishments and the reporting requirements under the Canada-Newfoundland Benefits Monitoring Programme. The latter document presents and illustrates:
• the methodology whereby Canadian and Newfoundland content is determined;
• specific expectations by way of Research and Development, Supplier Development, Technology Transfer, Training and Compliance; and
• reporting requirements.

Request for Proposals note the following: “Failure to provide the information requested will result in the assumption that contractor’s commitment to Canada-Newfoundland benefits in that area is zero and the bid will be evaluated accordingly.”

3.2.7 Calculation of Canadian and Newfoundland Content

Requests for Proposals issued by Husky Oil to prospective contractors also include, and will continue to include, definitions and examples of content calculation (Appendix C). The examples include detailed explanations of the methodology to calculate labour, materials, equipment, services, transportation charges and overhead charges with respect to Canadian, and in particular, Newfoundland and Labrador content.

3.3 Supplier Development

Husky Oil has made a concerted effort to inform the local supply community of its plans for the project program as soon as they are confirmed, or as aspects of the development become known. The Company has disseminated engineering information throughout the community and has been proactive in updating the information. It has also cooperated extensively with contractors expressing an interest in the project.

Husky Oil has also provided details, as they evolve or become available, to vendor and supplier representatives in the province by conducting information sessions and workshops for NOIA and the St. John’s Board of Trade. NOIA has expressed its support of Husky Oil’s activities to date involving the supplier community (NOIA 2000):

“Husky Oil has conducted its pre-development activity in a professional and open manner, carrying out a series of public consultation sessions throughout the province. Husky Oil has frequently provided information openly to NOIA and has kept the community advised through press releases and presentations as it prepares the various elements of its development plan. NOIA applauds Husky Oil’s transparent and communicative approach.

As part of Husky Oil’s openness, the Company has commonly stated its corporate beliefs and its guiding principles for White Rose South and other projects. These principles reflect confidence in the skills and industrial base of our province and country. Husky
Oil's "Canada - Newfoundland Benefits Philosophy" supports technology transfer, recognizes Newfoundland and Labrador as a principal beneficiary of our offshore oil and gas resources, supports full and fair opportunity for local firms on a competitive basis, and provides first consideration to our province's supply and service companies for delivery of competitive goods and services.

Husky Oil has committed to requiring its contractors and subcontractors to adhere to these beliefs and principles. As evidence to this approach, Husky Oil has stated that key functions - including engineering and related procurement - will be conducted in Newfoundland. NOIA fully supports this approach, which is well-aligned with this Association's own position on local procurement and supplier development. It fully endorses and applauds Husky Oil's commitment, most recently demonstrated by conducting its White Rose Concept Selection Study, right here in Newfoundland. Such action is vital to our local supply and service firms' access to potential business opportunities and, therefore, to our growth.”

3.3.1 Identification of Potential Canadian and Newfoundland Suppliers

Within the framework of Requests for Proposals issued by Husky Oil, prospective contractors are required to identify potential Canadian and Newfoundland suppliers of the required goods and services. Contractors are recommended to make every use of services provided by governments and industry organizations to achieve this end, and support and assistance is offered by Husky Oil in any such investigations by:

- providing information about program requirements and specifications as early as possible;
- encouraging the establishment of new suppliers in Newfoundland and Labrador where needed, and the formation of appropriate business arrangements involving Newfoundland and Labrador firms, with established offshore suppliers where such arrangements are economically viable and enhance the ability to compete for the work;
- encouraging local industry to provide goods and services that compete effectively in a global marketplace; and
- providing technical assistance and advice where necessary.

Once they are in place, the names and contact information for procurement personnel, as well as the details of procurement opportunities, will be made widely available to business community through media, print materials, and electronic means.
In all bidding processes, the level and quality of Canada-Newfoundland benefits, as well as technical and commercial considerations, are selection factors in Husky Oil’s award of contracts. Also, in this context, where joint ventures or other alternative business arrangements exist and where such arrangements add value, it is Husky Oil’s intention to award contracts to the local supplier and not to the international parent company.

3.3.2 Location of Contractor Engineering

In keeping with Husky Oil’s Canada-Newfoundland benefits philosophy, major contractors’ project management and systems engineering activities are to be undertaken in Newfoundland and Labrador whenever practical on a competitive basis.

3.3.3 Encouraging the use of Newfoundland and Labrador and Canadian Infrastructure

Husky Oil will ensure qualified Newfoundland and Labrador and offshore fabrication and construction yards are provided a full and fair opportunity to bid on work.

To this end, the Company has prepared descriptions of Newfoundland and regional Canadian fabrication facilities on the basis of responses to surveys and questionnaires circulated to known interested parties. This assessment is not considered exhaustive, but has been based on companies that have previously provided construction and fabrication services to the offshore industry. These descriptions are provided in Appendix B. Recent labour relations issues at existing Newfoundland fabrication yards are of significant concern to the proponents as such issues may impact the yards’ international competitiveness and, potentially, the viability of effective participation in the White Rose project. A stable, equitable labour relations environment is a critical component to allow the project schedule and viability to be achieved and to reduce risks associated with a marginal economic project.

Throughout the project, and especially during the Project Optimization phase, major contractors will be encouraged to conduct a thorough assessment of the procedures, capabilities, equipment and personnel of local facilities.

3.3.4 Supplier Development Initiatives to Date

Husky Oil has already pursued a number of supplier development initiatives. For example, in 1999 Husky Oil (Husky Oil 2000):

- issued the Request for Proposals for DA preparation only to Newfoundland and Canadian-based companies, resulting in nine of a total of eleven components being awarded to Newfoundland firms. This example is consistent with Husky Oil’s guiding principle that the sizing of work packages should be suited to the capability of local companies to respond;
• issued the Concept Screening bid only to Canadian-based companies, with a requirement that the work be done in Newfoundland;
• contracted Cougar Helicopters to develop and deliver to Husky Oil the Cougar Offshore Personnel System (COPS), thus expanding Cougar’s expertise and providing it additional business opportunities in this area. This saw a phased payment of the development cost over the course of the initial two-well program;
• had glory hole engineering management undertaken locally;
• debriefed potential future supplies which were not yet in a position to bid Husky Oil’s shore-base requirements for the initial delineation program so that they would be fully familiar with requirements and better able to bid work in future years; and
• carried out site visits with potential contractors to educate them to opportunities and requirements related to Husky Oil’s program.

3.3.5 Technology Transfer

The transfer of technology is a critical aspect of Canada-Newfoundland benefits. Each international alliance and co-venture into which the local engineering and manufacturing community enters can be regarded as another building block in the construction of the provincial offshore industry. Under the 1991 Offshore Technology Transfer Fund (OTTF), an $11 million agreement between the Province of Newfoundland and the Hibernia consortium, technology transfer was facilitated to over 30 Newfoundland companies (DITT 1998). This fund (together with other federal/provincial funding arrangements such as the Offshore Development Fund) “was not simply intended to create direct employment and business benefits, and longer-term production revenues; it was seen as part of a strategy to further develop and diversify the provincial economy” (CRS 1995).

Many of the companies that have benefited from technology transfer through the construction and production phases of Hibernia and the construction phase of Terra Nova are regarded as experienced players in the Canadian offshore industry. It is Husky Oil’s desire to build upon this expertise through the continued promotion of technology transfer within these companies and in the inception of new joint ventures.
In the execution of the White Rose oilfield development program, the company will:

- encourage the participation of Newfoundland residents and firms in the development;
- encourage the development of licensing agreements or other business arrangements between Canadian and international firms with Newfoundland and Labrador-based firms where such arrangements add value;
- identify development-specific training program opportunities for qualified Newfoundland residents; and
- require each potential White Rose contractor to detail initiatives that will promote technology transfer to Canadian and Newfoundland companies.

Husky Oil recognizes that it has a role to play in introducing and promoting high-tech, value-chain service providers to Newfoundland. For example, Husky Oil has maintained a close business relationship with several companies which service oil and gas exploration companies with leading-edge technology. Bringing along such specialist companies and introducing them to the east coast oil and gas industry can result in technology transfer to the region and, ultimately, increased employment opportunities to local individuals as these companies set up branch offices and business arrangements locally. Husky Oil’s role in these efforts, together and in concert with those of government and the entire industry, will encourage a broadening of the engineering and technology base in the region. This is yet another step down the road towards a sustained offshore industry.

3.4 Employment and Training

3.4.1 Training Strategies

Husky Oil believes that that the greatest opportunity to increase Canada-Newfoundland benefits is associated with the entire life cycle of the White Rose project and, indeed, with the life cycle of the east coast oil and gas industry. To this end, sustainable industry must recognize that the ongoing development of local skills is essential.

Training requirements for offshore developments cover a broad spectrum from regulated, industry health and safety requirements to skilled trades upgrading, such as welding and pipefitting. With respect to regulatory requirements, as part of the project and human resources planning processes, Husky Oil and its contractors will identify the minimum training standards to staff all phases of the Project. Also as part of the human resources planning, Husky and its contractors will collaborate with government and training institutions to identify existing or anticipated skills gaps and shortages in the labour pool. Based on this gap analysis, Husky Oil will also provide technical advice to training institutions (public and/or private) in the development and/or revisions to trades training programs. Estimates of
expenditures associated with training will be developed in conjunction with contractors and will be available as these plans are completed.

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<tr>
<th>In anticipation of the White Rose development and production stages, Husky Oil will commit to the following:</th>
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<tr>
<td>• the early proactive identification of human resource needs, and the considered analysis of needs that involve foreign hiring at the contractor and sub-contractor level (for example, during the commissioning phase);</td>
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<tr>
<td>• pre-start-up training for key offshore operations personnel that provides for hands-on experience in similar operating environments;</td>
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<tr>
<td>• bringing discipline-specific, offshore operations training expertise to the province;</td>
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<tr>
<td>• the use of existing training infrastructure in the province from classrooms to simulator facilities (process, well control, marine); and</td>
</tr>
<tr>
<td>• the use of established training “centres of excellence” established in Newfoundland and Labrador.</td>
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Contractors, and sub-contractors engaged by Husky Oil are, and will continue to be, required to provide training and learning opportunities relevant to their scope of work. Contact details of local organizations involved in training for the offshore industry are included with Requests for Proposals.

The quality and performance of contractor training will be subject to audit by Husky Oil during the contract term. Husky Oil will establish mechanisms for timely measurement of all training commitments in terms of the number of personnel involved and time expended, training objectives, success rates, and the impact upon local facilities used for such skills enhancement activities. This information will be documented for semi-annual reporting to C-NOPB and on the White Rose website.

### 3.4.2 Succession Planning

Succession planning refers primarily to the replacement, over time, of non-Canadians with qualified Newfoundland residents, and other Canadians. Succession planning must be based on a rational, systematic approach to human resources planning, which takes into consideration operational requirements, competency, safety, training and employee development.

It is recognized that long term benefits to the local community accrue through the planned transfer of expertise and knowledge to individuals from the community. Consistent with Husky Oil’s vision for an emerging petroleum economy in Newfoundland and Labrador, Husky Oil will plan and seek opportunities for the integration of local personnel in all phases of the project life cycle.

Transfer of knowledge and expertise will be facilitated through a range of programs, including mentoring, work-term placements, job enrichment, job sharing initiatives and management development programs. Major contractors will be required to identify succession plans as part of their bid
submissions. Husky Oil will work with its major contractors on the development of these human resource plans, which will set out specific steps relating to the recruitment and advancement of Newfoundland residents and other Canadians, for a full spectrum of positions and capabilities associated with the project. Management capabilities, again at all phases of the project life cycle, will be a focus of attention. Where succession planning is not practical due to the short term nature of specific duties, monitoring will be used to identify and encourage technology transfer of skills to Newfoundland and other Canadian workers.

The succession plan will apply to Husky Oil, and all major contractors involved with the White Rose project, and will be directed in a manner that aims for sustained employment benefits in a long-term, local petroleum economy.

3.4.3 Employment and Training Initiatives to Date

Husky Oil’s approach to education and training is reflected in its success thus far in employing Newfoundland residents and Canadians. For example, in 1999, Husky Oil and its major contractors employed 529 people on the project, of whom 498 (94 percent) were Canadian and 455 (86 percent) Newfoundland residents. This provided 2,218 work-months of employment to these individuals, of which 1,531 went to Newfoundland residents and 307 to other Canadians. These figures exceeded, in both absolute and relative term, commitments made in the 1999 Benefits Plan for the delineation drilling program.

This is, in part, a result of the Husky Oil commitment to giving first consideration to Newfoundland residents for any vacancies in its operations. During its 1999 drilling operations, Husky Oil, in conjunction with Schlumberger IPM, directly employed a total of 20 persons, 14 of whom are Newfoundland residents. The non-Newfoundland residents comprised five Canadians and one non-Canadian. It should also be noted that, as of June 2000, most of the Husky Oil St. John’s management team are Newfoundland residents.

As part of its recruiting strategy, Sedco-Forex (Husky Oil’s drilling contractor) also had a process designed to ensure first consideration for Newfoundland and Canadian workers. In 1999, Sedco-Forex advertised locally, regionally and nationally for qualified candidates to fill approximately 70 positions on the FPS Bill Shoemaker. The approximately 1,200 applications were initially screened to identify basic requirements, with Newfoundland residents then being evaluated first in filling the positions. This process has also been used in filling any subsequent vacancies. It should be noted that this process has been used with respect to all positions, regardless of level.

In 1999, direct training expenditures by Husky Oil, Schlumberger Oilfield Services and Schlumberger Sedco-Forex related to the White Rose program totalled $2,394,558. Husky Oil’s direct training expenditures totalled $84,390, while those of Schlumberger Oilfield Services and Schlumberger Sedco-
Forex, related to the White Rose program, totalled an additional $94,568 and $2,215,600, respectively. Further to this, Husky Oil employed two Memorial University engineering cooperative students during each of the three work-terms over the course of 1999, one each in the St. John’s and Calgary offices, thus providing a total of two person-years of work. Support for the Memorial University of Newfoundland cooperative program is continuing with three students (two engineering and one business) currently on work term in the St. John’s office.

Husky Oil and Sedco-Forex also initiated a training program for two Newfoundland petroleum technology students who were assigned to Sedco to develop their knowledge and experience of drilling and sub-sea engineering. As well, Husky provided $10,000 in support of a Drilling Engineering Association course/workshop in horizontal drilling technology related to the White Rose project. Finally, the Petroleum Engineering Resource Centre at Memorial University, established with seed-funding of $20,000 from Husky Oil, is now operational, providing an important learning resource for Faculty of Engineering students.

3.4.4 Employment Equity

Section 45(4) of the Acts makes reference to affirmative action programs: “The Board may require that any Canada-Newfoundland benefits plan include provisions to ensure that disadvantaged individuals or groups have access to training and employment opportunities and to enable such individuals or groups or corporations owned or cooperatives operated by them to participate in the supply of goods and services used in any proposed work or activity referred to in the benefits plan.”

Husky Oil maintains a documented Workforce Diversity Policy that will be enforced throughout the White Rose project. White Rose contractors operating or hiring in Canada will be obligated to follow policies consistent with those of Husky Oil. The Company is committed to providing equal access to employment opportunities and taking steps to achieve employment equity.

<table>
<thead>
<tr>
<th>The tenets of the policy are such that Husky Oil:</th>
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<tr>
<td>• is committed to building a work environment that is free of discrimination and harassment;</td>
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<tr>
<td>• will ensure its employment policies are implemented in a fair manner and are free of discrimination and barriers;</td>
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<tr>
<td>• is committed to the principle of fair representation of the designated target groups (women, aboriginals, visible minorities and people with disabilities) at all levels of the organization; and</td>
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<tr>
<td>• will take special measures to facilitate the full participation of under-represented designated groups at all levels of the organization.</td>
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This policy is designed to reflect Husky Oil’s desire to create an environment that enables all employees to contribute to their full potential, thereby increasing business opportunity and competitive advantage, and providing employees with a positive and valued work environment. The Company’s commitment
applies to all areas of employment practices, including recruitment, hiring, training, development, promotion, compensation, working conditions, disciplinary action, termination and the general work environment.

As an indication of its support for workforce diversity, in 1999 Husky Oil was presented with the Vision Award, the highest award offered by Human Resources Development Canada (HRDC) to honour companies governed by the Employment Equity Act.

Based on the success of a pilot program begun in 1996, Husky Oil ratified a corporate and business unit initiative designed to assist individuals in attaining the minimum job requirements for employment in non-traditional job areas. The Bridging Program, as it is known, has been one of Husky Oil’s most successful initiatives, and from its original target audience of women, it has been reviewed and expanded in recent years to include people from other designated groups. The program seeks to remove traditional barriers to employment diversity emanating from socialization, myths and lack of awareness through an ongoing program of workshops, training positions, mentoring and communication. After women complete the bridging process, they are encouraged to apply for operation positions, competing with other qualified individuals on an equal footing.

The Bridging Program is specifically aimed at field locations in the oil and gas industry, where a distinct lack of diversity is apparent in the employment base. The White Rose project is considered by Husky Oil to be an ideal opportunity to broaden to its Bridging Program support base.

As promoted within this project, the program will have the following objectives:

- to provide development and career advancement opportunities for women and other designated groups by creating cross-learning;
- to enhance the employment diversity record in offshore Canada;
- to improve the retention of women and other designated groups on the project;
- to create an unbiased system of training and development; and
- to develop a pool of women, and employees in other designated groups, in operating positions, to act as mentors to others in the same group.

Overcoming the obstacles and employment barriers to women and visible minorities is an essential aspect of workforce diversity. Husky Oil is committed to liaise with community-based organizations such as the Women in Resource Development Committee (WRDC) and participate in programs which focus on increasing women’s participation in the oil and gas industry and in related construction and fabrication opportunities. The Company endorses ongoing dialogue that promotes improved understanding of the legitimate concerns of women who will be affected by the development of oil and gas reserves, and considers it necessary and worthwhile to both the industry and the community. This
would serve to assist Husky Oil and all its contractors in developing proactive strategies for implementation of its equity policy, particularly in the areas of employment and training.

The means for monitoring these strategies are also critical, so that success can be measured against time and resources expended.

To this end, Husky Oil plans to collect and maintain gender-based and other related employment data, particularly as they relate to the roles and positions of women. The Company further proposes that a yearly event be structured wherein these statistics are reviewed by stakeholders and Husky Oil’s major contractors. The actions and commitments resulting from this forum will be formally documented and tracked on an ongoing basis.

Husky Oil recognizes that all employees make a valuable contribution to the success of the Company by working effectively and productively. Each individual has the right to work in an environment that is receptive to diversity and free of harassment. Through initiatives such as the Bridging Program, Husky Oil will also continue to seek to employ qualified individuals from disadvantaged groups within the Province of Newfoundland, and remove the barriers and impediments to employment facing these individuals.

3.5 Research and Development

Research and Development (R&D) is an important component of the Canada-Newfoundland Benefits Plan for White Rose. Husky Oil supports and encourages technically worthy R&D activities and programs that have application to its work, and has a history of promoting such programs for technology development in Canada’s on-shore and frontier regions.

Husky Oil will continue to participate with other industry representatives in forums designed to identify R&D priorities and projects which will advance the province’s offshore industry as a whole, and fit with the overall objectives of a sustainable, commercial petroleum economy. At the same time, Husky Oil will also undertake internal consultation processes to identify R&D priorities, which are tangentially related to project activities. Research workshops, conducted annually, and led by the benefits team and technical personnel will result in the production of a multi-year research priority listing and budget.
3.5.1 Research and Development Topics for Consideration

A number of topics are already under consideration by the Company, including:

- the technical aspects and potential benefits of alternative ice protection strategies;
- an engineered basis for FPSO disconnect times;
- ice management studies;
- transportation of compressed natural gas;
- specialized core analysis;
- mooring and riser analysis;
- subsea technology;
- life-cycle value analysis of drillings cutting management;
- produced water and drill cuttings disposal options;
- biophysical and environmental aspects of offshore gas development;
- seismic imaging;
- structural and tectonic characterization of the Grand Banks;
- 3D and 4D seismic technologies; and
- water bottom seismic cable acquisition technology.

Contractors will be obliged to identify facilities and institutions in Newfoundland proposed for any R&D efforts deemed necessary for completion of their scopes of work.

3.5.2 Research and Development Initiatives to Date

Husky Oil is a sponsor of the Centre for Cold Ocean Resources Engineering (C-CORE), located in St. John’s. Together with Petro-Canada and other oil industry companies, Husky Oil was involved with the engagement of C-CORE to undertake research applicable to FPF designs prior to the Terra Nova Development, which included ice-vessel interaction studies, iceberg impact assessment, and the development of engineering guidelines for the design of pipelines for an iceberg scour environment. Husky Oil is also a founding member of the Memorial University Seismic Imaging Consortium (MUSIC).

Husky Oil has already contributed to R&D in Newfoundland through its participation in industry and government committees and workshops and through direct expenditures. As a member of the Canadian Association of Petroleum Producers (CAPP), Husky Oil also contributes to CAPP study initiatives. R&D expenditures committed during 1999 and 2000 comprised:
• $70,000 towards the integrated ice management initiative at the C-CORE at Memorial University;
• $50,000 as its 50 percent share of the C-CORE “Subsea Well Iceberg Prediction Study”. Petro-Canada, Husky Oil’s White Rose co-venturer, spent the same;
• $9,000 per year in support of MUSIC in the Department of Earth Sciences;
• $18,000 in cooperation with Memorial University for a seabird monitoring programme during operations; and
• $15,000 as a contribution to a Newfoundland and Labrador Environmental Industry Association (NEIA) study of the effects on seabirds of shipping traffic oil pollution on Newfoundland’s southwest coast.

Additional “in kind” research-related initiatives included the donation of over $100,000 of seismic data to the Geological Society of Canada (GSC) Atlantic research library, donations of seismic information to Memorial University for research work, funding postdoctoral research at Memorial University of Newfoundland (MUN), and ongoing collaborative work with MUN facility, staff and graduate students.

3.6 Procurement and Contracting

As part of the procurement process, White Rose contractors must communicate requirements for equipment, goods and services in a timely fashion to qualified suppliers in Newfoundland and Labrador, and Canada. In this respect, major contractors are required to demonstrate that they have made sufficient efforts to identify potential Canadian suppliers.

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<th>Major contractors will be required to:</th>
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<td>• have Internet websites dedicated to providing the following procurement information</td>
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<tr>
<td>- dates for submission of bids, placement of the order and delivery,</td>
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<td>- contact information for the buyer responsible for the package,</td>
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<td>- outline technical data, and</td>
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<tr>
<td>- appropriately sized bid packages to afford Newfoundland and Canadian suppliers full and fair opportunity to bid on a competitive basis; and/or</td>
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<tr>
<td>• post this information on, or have it appropriately linked to, the White Rose website to facilitate identification of project requirements by local suppliers.</td>
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The technical specifications and bid procedures used by White Rose contractors are to provide companies and individuals in Newfoundland and Labrador, and Canada with a full and fair opportunity to supply goods and services. This is to ensure that artificial barriers to domestic participation in the project are not created. Specifications, therefore, must be consistent with products or components produced in Canada if such a component is available domestically and is technically acceptable.
Debriefing procedures will be part of the procurement activity, with the objective of constructively informing Canadian and Newfoundland manufacturers and suppliers of specific shortfalls when their bids are unsuccessful. This will assist local industry to:

- further increase competitiveness;
- become more aware of the international marketplace;
- design and provide products in accordance with specific offshore technical demands;
- identify gaps or deficiencies in their product lines; and
- adjust their project management or quality assurance/quality control policies to meet the high specifications required by offshore developments.

3.6.1 Procurement Initiatives to Date

Husky Oil has already undertaken a number of procurement initiatives in such areas as bidding and bid evaluation. In order to facilitate local companies receiving full and fair access to work, Requests for Proposals and calls for Expressions of Interest have been provided to NOIA and other avenues and hence, the supplier community. Some expressions of interest have also been advertised in newspapers, including the St. John’s Telegram.

Husky Oil has, where appropriate, sized bid requests to facilitate easy access by local suppliers with specific expertise. For example, during 1999 and early 2000, Husky Oil (Husky Oil 2000):

- bid weather forecasting, environmental monitoring and ice management requirements either combined or separately, at the bidder’s choice;
- bid waste management separately from its supply base contract;
- separated out its supply boat and rig towing requirement;
- allowed separate bids for each of two required supply boats;
- split its communications services requirements into computers/data and telephones components; and
- provided for bidding on separate components of its medical, environmental services and Development Application requirements.

Further to its commitment to include Canada-Newfoundland benefits as a factor in bid evaluations on a “best value” basis, a Canada-Newfoundland Benefits Questionnaire was used in all Requests for Proposals. As an example, the Canada-Newfoundland benefits weighting component for bid evaluations during the evaluation of individual contracts in the 1999 and 2000 drilling programs ranged from 5 percent (on highly-specialized tasks such as directional drilling services) to 35 percent (for the concept evaluation study) of the total bid evaluation score.
3.7 Monitoring and Reporting

3.7.1 Role of Benefits Policy in Award of Contracts and Sub-Contracts

As they will play a major role in the procurement of goods and services, contractors and subcontractors will be required to adhere to the Canada-Newfoundland Benefits Guidelines.

To ensure that the concept of full and fair opportunity is extended to Canadian, including Newfoundland and Labrador, manufacturers, consultants, sub-contractors and service companies, Husky Oil requires that its contractors also comply with the benefits principles, objectives and commitments set out in the Guidelines.

The critical contract evaluation sequence for Husky Oil is enshrined in the principles of the Atlantic Accord:

- after Newfoundland and Canada have been given full and fair opportunity,
- Newfoundland will be afforded first consideration where competitive.

The monitoring of contracting activities is an essential component of ensuring that a total perspective is maintained vis-à-vis project procurement goals. This will assist Husky Oil and the industry as a whole in identifying future capabilities as companies expand and diversify.

For major procurement activities, Husky Oil will provide the C-NOPB with an indication of upcoming contracts, pre-qualification lists, final bid lists, and notification of the intent to award contracts prior to their issuance.

For major contracts being awarded outside Newfoundland or Canada, Husky Oil will report to C-NOPB the rationale for such a decision, particularly if a shortage in capability or capacity has been integral in the decision. This will assist all levels of government and industry in information gathering to improve local offshore development capabilities to further the goal of a sustainable petroleum economy.

All major sub-contracts are, and will be, subject to approval by Husky Oil. As part of this approval process, contractors are required to demonstrate that their sub-contractors also meet the requirements of the Canada-Newfoundland Benefits Guidelines, and that the levels of benefits to be gained from the sub-contract meet the level identified by the contractor during the bidding phase. Prior to the award of any sub-contract, contractors are required to ensure that their sub-contractor complete the Canada–Newfoundland Benefits Monitoring questionnaire issued as an attachment to each Request for Proposals.
3.7.2 Establishing Canada-Newfoundland Benefits

Husky Oil has put in place the means to establish Canadian and Newfoundland content before contract and sub-contract award. This is achieved through a series of forms that must be completed by each contractor for bid submission. The calculation of Canadian and Newfoundland content is based upon a value-added concept and is a representation of the value of the various components of contractor’s tender expressed as a percentage of contractor’s total cost. These tables are described in Appendix C.

3.7.3 Contractor’s Commitment to Canada-Newfoundland Benefits

Each Request for Proposals issued by Husky Oil also requires the bidder to comply, to a reasonable degree, with the commitments and undertakings in the Summary of White Rose’s Canada-Newfoundland Benefits Commitments as presented in Section 3.1. Contractors are also required to state that they will comply with all statutory requirements with respect to benefits, and that they will comply with the benefits commitments made in their specific proposal concerning research and development, supplier development, technology transfer and training. Canada-Newfoundland Benefits considerations are therefore integrated into the competitive bidding process, increasing the chance for successful achievement of the Company’s goals. Specifically, major contractors will be required to describe the following:

- Research and Development - Canadian and Newfoundland R&D to be conducted or supported for the particular scope of work.
- Supplier Development - Detailed policies and initiatives to promote the development of Canadian and Newfoundland suppliers.
- Technology Transfer - Detailed policies and initiatives to promote technology transfer to the Canadian and Newfoundland participants within the contractor’s company, partnership or co-venture and/or to proposed Canadian and Newfoundland contractors, including
  - a description of the intended technology transfer and the strategy and methods which will be employed to achieve this transfer; particularly, the arrangements for the transfer of technology from non-Canadian participants to Newfoundland and Canadian-led, owned or controlled participants, and
  - the nature of the arrangements amongst the participants, including the respective shares of equity and the long-term intentions for their business entity; and
  - the share and nature of the work to be carried out by each of the participants, and Newfoundland suppliers.
- Succession Planning – Arrangements to replace non-Canadian workers with Canadian and, specifically, Newfoundland residents.
- Training - Detailed policies and initiatives for the development and training of Canadian and Newfoundland employees, including on-the-job training and formal training programs to be carried out in Newfoundland.
3.7.4 Benefits Performance

Husky Oil and the White Rose contractors and sub-contractors are required, and will continue to be required, to actively manage the procurement of goods and services to ensure that benefits objectives and commitments are achieved.

Husky Oil will monitor its performance and that of the contractors and sub-contractors via audits. To assist this process, major contractors are required to provide Husky Oil with a detailed monthly report showing the levels of Canadian and Newfoundland benefits achieved, and their future goals.

Employment activities, technology transfer, education and training, and research and development initiatives are seen as being of particular importance. Reporting to C-NOPB on the measured impact of these benefits will occur on a semi-annual basis. All contracts above a pre-determined threshold value will be evaluated.

An employment benefits audit will be performed at the end of each project phase or major milestone to determine if Newfoundland and Labrador employment benefits goals are being realized, and to develop strategies to ensure continuous improvement in this area, both for future project phases and for the progress of the industry as a whole.

Benefits considerations and commitments are currently included in contracts for all suppliers. Husky Oil is receptive to independent, external audits on its Canada-Newfoundland benefits performance by the C-NOPB on an as-required basis.

3.7.5 Success~Works

Success~Works is an Internet-accessible database of Newfoundland and Labrador industrial and manufacturing companies. It has been developed and is maintained by the provincial DITT. Husky Oil will typically require the use of this database by all its major White Rose contractors and subcontractors for procurement activities, particularly as they relate to the development of vendor lists. The data available from Success~Works include:

- information on each company registered in the system, including details of all management and personnel resident in the province/Canada/abroad, including their position and full-time or part-time status;
- company ownership information, in terms of Newfoundland, Canadian and foreign content (by percent); and
- details on collaboration with other companies and subsidiary information.
The database can potentially be queried on bidding and award of contracts related to the White Rose development. Monitoring bidding efforts can potentially provide a range of information, including the success of any given company (leading to encouragement, inquiry and assistance as required) or the success of Newfoundland companies in general (based on contract values) as compared to the total value of White Rose contracts let.

Given that the applicable product and service of each company is also registered, procurement success of specific contracts could be monitored, leading to the critical exercise of product/service gap identification (that is, supplier capability).

Husky Oil will also explore the potential use of Success~Works as a monitoring tool, and will continue discussions on this emerging database technology with DITT.

3.7.6 White Rose Project Web Page

An Internet website has been established by Husky Oil for the White Rose project ([www.huskywhiterose.com](http://www.huskywhiterose.com)) and will continue to be an important tool in providing early information to manufacturers, vendors and suppliers on upcoming contractor and sub-contractor procurement packages.

In addition to information about the project in general, milestones, schedule, press releases, procurement and employment opportunities, and information on contacting the White Rose project, Canada-Newfoundland Benefits will be a featured headline on the website, and this section will be regularly updated. Benefits reporting, both on the website and in public information material, will include statistical information and updates on the following:

- Labour statistics - these would be presented in terms of numbers of persons employed and in cumulative person-hours.
- Contract awards – the status of contracts (goods and services) awarded in the province, and information on contracts awarded abroad.
- Economic contributions - the effects of the project (in dollars) on the local economy will be presented in terms of direct and indirect contributions.

3.7.7 The White Rose Public Forum

Husky Oil will implement a forum series to encourage the discussion of issues related to the project with the public and with special interest groups.
An open-house or round-table workshop format will be held twice each year to afford attendees a full opportunity to receive input respecting the project and industry and express their concerns and opinions. White Rose Forum topics might include:

- employment prospects and projections;
- procurement opportunities;
- offshore R&D - projects and facilities;
- oil development and the fishery;
- environmental performance; and
- offshore safety.