



# Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT  
OCTOBER 1 – DECEMBER 31, 2007

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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, 2007, 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 East Coast Operations and includes activities of its major sub-contractors as well.

## **2.0 Highlights for the Period**

- Overall Canada / Newfoundland content for the period including OPEX, CAPEX II, Exploration, Delineation and White Rose Area Development costs was 44.7% NL and 26.2% Other Canadian.
- A total of 10.4 million barrels of oil were produced during the period from October 1, 2007 to December 31, 2007 at an average production rate of 113,000 bbls/ day
- Total production from first oil up until December 31, 2007 is 77.36 million barrels
- Total employment in East Coast Operations was 1015 as of December 31, 2007

### 3.0 Employment Summary

As of December 31, 2007, a total of 1015 people were employed on Husky's East Coast Operations. This includes people employed with Husky and its contractors. Of this total 910 or 89.6% were residents of Newfoundland and Labrador when hired, while another 69 or 6.8% were residents of other regions of Canada at the time of hire. All but 1 of these positions was located in Newfoundland and Labrador as at December 31, 2007. There were 610 people working in the offshore.

**Table 3.1 Employment Summary by Location, as of December 31, 2007**


Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Total	Male	Female	Sub-Total	
<b>TOTAL</b>	757	153	909	67	2	69	37	0	37	1015

### 4.0 Expenditure Analysis

For the period October 1, 2007 to December 31, 2007, project expenditures (as a percentage of total cost) were 44.7% Newfoundland and Labrador content, 26.2% Other Canadian and 29.1% Foreign content.

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

There were 4 contracts greater than \$250,000 awarded during the fourth quarter of 2007.

Husky East Coast Operations		2007 - Q4					
Procurement Summary							
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total
Helicopter Survival Suits	Helly Hansen Canada Limited	St. John's, NL	C	47%	33%	20%	100%
Freight Forwarding/Customs Clearance	PF Collins Customs Broker	St. John's, NL	E	100%	0%	0%	100%
Subsea Equipment	Cameron Canada Corporation	Edmonton	K	5%		95%	100%
2008 Glory Hole Work	Codralux S.A.	Belguim	K	25%		75%	100%
							0%

### 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 \$	

## 6.0 Exploration

There were no major exploration activities carried out during the period of October 1, 2007 to December 31, 2007.

## 7.0 Photographs



**Husky Vice President East Coast Operations Ruud Zoon, joined Premier Danny Williams and partners from Petro Canada and the Province's Energy Corporation to announce a framework agreement for the White Rose Satellite Tiebacks - December 2007**



**NL Musicians Fergus O'Byrne and Jim Payne Brought some Christmas Cheer to the crew of the SeaRose FPSO December 30, 2007**



**Members of Husky's Drilling and Completions team show off some of the items bought for Christmas food hampers. East Coast Teams raised over \$4600 in a Christmas fundraiser**