



Canada-Newfoundland and Labrador Benefits

Husky Energy Ref. No.: WR-ADM-RP-0062

QUARTERLY REPORT
July 1 – September 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 September 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 Q3 2019, a total of 1,155 people were reported employed on Husky's White Rose Operations, of which 533 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, 998, or 86 percent, were residents of Newfoundland and Labrador when hired, while another 120, or 10 percent, were residents of other regions of Canada at the time of hire. The number of females employed on White Rose operations was 200, or approximately 17 percent, of the total workforce (Table 2.1).

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

Table 2.1 - Employment Summary by Location, as of September 30, 2019 – White Rose

 **Atlantic Region Contractor Stats**
Head Count By Location
White Rose - Q3 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	18	4	22	18	5	23
Newfoundland - Offshore	467	14	481	43	2	45	6	1	7	516	17	533
Newfoundland - Onshore	357	159	516	53	19	72	8	0	8	418	178	596
Other Canadian	0	0	0	3	0	3	0	0	0	3	0	3
Total	824	174	998	99	21	120	32	5	37	955	200	1,155

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



Atlantic Region Contractor Stats

Head Count By Contractor

White Rose - Q3 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	10	2	12	0	0	0	0	0	0	10	2	12
Aker Solutions	47	16	63	0	0	0	2	1	3	49	17	66
ASCO Canada Limited	6	0	6	0	0	0	0	0	0	6	0	6
Atlantic Offshore Medical Services	10	4	14	0	0	0	0	0	0	10	4	14
Atlantic Towing	57	5	62	25	12	37	2	0	2	84	17	101
Atlantic XL	3	0	3	0	0	0	0	0	0	3	0	3
Baker Hughes	2	1	3	1	0	1	0	0	0	3	1	4
Cougar	35	11	46	10	1	11	0	0	0	45	12	57
Crosbie Salamis	37	4	41	4	0	4	0	0	0	41	4	45
DBC Marine Services	2	3	5	0	0	0	0	0	0	2	3	5
DOF Subsea	64	13	77	4	0	4	1	0	1	69	13	82
East Coast Catering	16	4	20	0	0	0	0	0	0	16	4	20
East Coast Tubulars	13	1	14	2	0	2	1	0	1	16	1	17
Expro Group Canada	14	2	16	1	0	1	4	1	5	19	3	22
FI Oilfield Services Canada ULC	10	0	10	1	0	1	0	0	0	11	0	11
Fugro Jacques GeoSurveys Inc	6	1	7	2	1	3	0	0	0	8	2	10
Halliburton	10	1	11	0	0	0	0	0	0	10	1	11
Husky	216	89	305	30	7	37	2	0	2	248	96	344
Import Tool	0	0	0	2	0	2	0	0	0	2	0	2
Maersk	29	0	29	0	0	0	0	0	0	29	0	29
Oceaneering International Ltd.	0	0	0	0	0	0	9	1	10	9	1	10
Oceans Ltd	3	0	3	0	0	0	0	0	0	3	0	3
OneSubsea	29	4	33	0	0	0	6	2	8	35	6	41
Pennecon	1	0	1	0	0	0	0	0	0	1	0	1
Provincial Airlines	2	0	2	0	0	0	0	0	0	2	0	2
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	0	0	0	0	0	0	7	0	7
SNC Lavalin	4	0	4	1	0	1	0	0	0	5	0	5
Stantec	0	0	0	0	0	0	0	0	0	0	0	0
TechnipFMC	7	0	7	0	0	0	0	0	0	7	0	7
Teekay	34	0	34	1	0	1	0	0	0	35	0	35
Terrapure Environmental	6	2	8	0	0	0	0	0	0	6	2	8
Trans Ocean	111	4	115	12	0	12	3	0	3	126	4	130
Weatherford	0	0	0	0	0	0	0	0	0	0	0	0
Workstrings Canada	2	0	2	0	0	0	0	0	0	2	0	2
Total	824	174	998	99	21	120	32	5	37	955	200	1,155

*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 September 30, 2019 – White Rose

Atlantic Region Contractor Stats

Head Count By Occupation

White Rose - Q3 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	42	50	0	8	8	0	1	1	8	51	59
Engineers	97	34	131	11	3	14	7	2	9	115	39	154
Management	44	4	48	12	1	13	8	1	9	64	6	70
Marine Crew	186	6	192	11	0	11	0	0	0	197	6	203
Other Field Services	106	10	116	9	1	10	0	0	0	115	11	126
Professionals	123	61	184	30	6	36	1	0	1	154	67	221
Skilled Trades	114	2	116	15	0	15	3	0	3	132	2	134
Technicians & Technologists	146	15	161	11	2	13	13	1	14	170	18	188
Total	824	174	998	99	21	120	32	5	37	955	200	1,155

Note: In Q3 2019, Husky employed 35 co-op students (17 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 September 30, 2019, 2,989 people were reported employed on Husky's West White Rose Project (WWRP), representing 1,642,715 person hours. Of those hours, 1,329,221 or 81 percent, occurred in Newfoundland and Labrador (Table 3.1). The number of females employed on the West White Rose Project was 357, or approximately 12 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 September 30, 2019 - West White Rose Project Employment



Atlantic Region Contractor Stats

Hours By Contractor
West White Rose Project - Q3 2019

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Arup Canada Inc.	12,204	0	12,204	160	1,636	14,000
Husky	38,623	0	38,623	15,413	0	54,036
Kiewit (Marystown)	72,996	0	72,996	0	0	72,996
Kiewit (Texas)	0	0	0	0	252,233	252,233
Kvaerner	2,756	0	2,756	0	332	3,088
MHWirth	0	0	0	0	8,785	8,785
Parker Drilling	3,199	0	3,199	0	0	3,199
SDP	1,187,458	0	1,187,458	0	134	1,187,592
TechnipFMC	3,375	0	3,375	0	0	3,375
Wood	8,610	0	8,610	0	34,801	43,411
Total	1,329,221	0	1,329,221	15,573	297,921	1,642,715

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



Atlantic Region Contractor Stats

Head Count By Contractor
West White Rose Project - Q3 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.	14	10	24	1	0	1	5	0	5	20	10	30
Husky	62	31	93	22	12	34	0	0	0	84	43	127
Kiewit (Marystown)	168	22	190	0	0	0	0	0	0	168	22	190
Kiewit (Texas)	0	0	0	0	0	0	355	13	368	355	13	368
Kvaerner	5	1	6	0	0	0	1	0	1	6	1	7
MHWirth	0	0	0	0	0	0	15	5	20	15	5	20
Parker Drilling	3	3	6	0	0	0	0	0	0	3	3	6
SDP	1,722	241	1,963	11	2	13	174	0	174	1,907	243	2,150
TechnipFMC	5	2	7	0	0	0	0	0	0	5	2	7
Wood	14	3	17	0	0	0	55	12	67	69	15	84
Total	1,993	313	2,306	34	14	48	605	30	635	2,632	357	2,989

Residents of NL comprised 77 percent of the West White Rose Project work force and 1.6 percent were residents of Canada (Table 3.2).

The majority of positions in Q3 2019 were associated with other field services supported by skilled trades, management, and engineers (Table 3.3).

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



Atlantic Region Contractor Stats

Head Count By Occupation
West White Rose Project - Q3 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	6	23	29	0	0	0	3	4	7	9	27	36
Engineers	85	29	114	13	2	15	62	3	65	160	34	194
Management	144	26	170	8	0	8	22	2	24	174	28	202
Other Field Services	1,031	96	1,127	3	0	3	133	0	133	1,167	96	1,263
Professionals	84	55	139	10	12	22	4	3	7	98	70	168
Skilled Trades	561	61	622	0	0	0	329	7	336	890	68	958
Technicians & Technologists	82	23	105	0	0	0	52	11	63	134	34	168
Total	1,993	313	2,306	34	14	48	605	30	635	2,632	357	2,989

Note: In Q3 2019, Husky and its contractors employed 25 co-op students (12 female) on the West White Rose Project.

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



Atlantic Region Contractor Stats

Head Count By Location
West White Rose Project - Q3 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	433	30	463	433	30	463
Newfoundland - Onshore	1,993	313	2,306	33	12	45	172	0	172	2,198	325	2,523
Other Canadian	0	0	0	1	2	3	0	0	0	1	2	3
Total	1,993	313	2,306	34	14	48	605	30	635	2,632	357	2,989

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

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

The total workforce of the WWRP for this quarter is 2,989. 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 – 406 (125 female)
- Engineers – 195 (34 female)
- Technicians and technologists – 168 (34 female)
- Skilled trades – 958 (68 female)

- Other field services – 1,263 (96 female)
- see Other* category in Table 3.5

Table 3.5 Women Working on WWRP Compared to Project Targets

Total Workforce: 2,989				
Category	NOC Code	Occupations	Target (% of total workforce)	Actual (% of total workforce)
Managers and other Professionals			30	30.8
Engineers	2131	Civil Engineers	20	11.7
	0211	Engineering Managers	15	17.4
	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	20.2
	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	2.2
	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	21.3
	7271	Journey Person and Apprentices for the following categories: Carpenters and	12	4.7

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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	6.1
	7611	Journey Person for the following categories: Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway)	20	13.1
Other*	6541	Security guards	0	50
	3413	First aid attendants		

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

The targets set for managers and other professionals, and technicians and technologists were 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 percent. Targets for plumbers/pipefitters and ironworkers was exceeded by 1 percent however, targets set for forepersons, journey person and apprentice carpenters and joiners or laborers were not achieved this quarter. Targets for journey person and apprentice plant and heavy equipment operators were met for Q3 2019.

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

Table 6.1 outlines the new contracts awarded in Q3 2019 and contract extensions exercised in Q3 2019.

Table 6.1 Contracts Awarded for the White Rose Project – Q3 2019

Husky East Coast Operations Procurement Summary		2019 Q3					
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total
New Contracts							
Offshore Tubing Cutting Rental Equipment	Claxton Engineering Services	Great Yarmouth, UK	A	0%	0%	100%	100%
Mooring Chain Laser Inspection Sensor	Kraken Robotics System Inc.	St. John's, NL	B	100%	0%	0%	100%
Provision of OLGA Online Leak Detection System Services	Schlumberger Information Solutions Division of Schlumberger Canada Ltd	Calgary, AB	D	0%	100%	0%	100%
Offshore Maintenance Technical Services	Pennecon Technical Services	St. John's, NL	E	85%	10%	5%	100%
Offshore Subsea Marine Base Services	Pennecon Marine Base Ltd.	St. John's, NL	E	100%	0%	0%	100%
Fabrication, Testing, SIT Activities and Ad-hoc Warehouse Space	Pennecon Grand Banks Warehousing Inc.	St. John's, NL	C	100%	0%	0%	100%
Supply of Instrumentation Materials	Petroleum Measurement Integrators	Mount Pearl, NL	B	25%	37.5%	37.5%	100%
Supply of Fire & Safety Equipment	K & D Pratt	Mount Pearl, NL	A	30%	5%	65%	100%
Offshore Satellite Services	RigNet Canada Inc.	Houston, Texas	C	17%	0%	83%	100%
Onsite Shredding Services, IS Tape Storage & Handling, and DCC Document Storage & Handling	Iron Mountain Canada	Toronto, ON	A	100%	0%	0%	100%
OEM Technical Support for Turret Communication Swivel	Focal Technologies Corporation	Dartmouth, NS	A	0%	100%	0%	100%
WWRP OEM Vendor Support Services for Air Handling Units	Wozair Limited	Gillingham, United Kingdom	B	0%	0%	100%	100%
WWRP Operating Procedures	Wood Canada Limited	Oakville, ON	F	10%	65%	25%	100%
WWRP Wellheads and Trees	Schlumberger Canada Limited	St. John's, NL	M	55%	3%	42%	100%
WWRP Vendor Support Services for the Emergency Generator Package	Eureka Pumps AS	Oslo, Norway	B	0%	0%	100%	100%
WWRP OEM Vendor Support Services for Drilling Variable Frequency Drive (VFD) System & Transformers Package	M&I Electric LLC	Houston, Texas	C	0%	0%	100%	100%
WWRP OEM Vendor Support Services for Diesel Filtration Centrifuge, Fuel Gas, and the Oily Water Separator Package	Integrated Flow Solutions LLC (IFS)	Houston, Texas	A	0%	0%	100%	100%
Contract Extensions							
MODU Wellbore Cleanout Tools and Services	Halliburton Group Canada	St. John's, NL	D	33%	28%	39%	100%
MODU Slickline Services	Halliburton Group Canada	St. John's, NL	E	31%	49%	20%	100%
Offshore Lifeboat Maintenance Services	Palfinger Marine Canada Inc.	Langley, BC	F	0%	100%	0%	100%
MODU Lower String Completions	Schlumberger Canada	St. John's, NL	C	10%	10%	80%	100%
MODU Lower String Completions	Halliburton Group Canada	St. John's, NL	H	27%	38%	35%	100%
MODU Liner Hanger and Casing Accessories	Import Tool	St. John's, NL	C	35%	56%	9%	100%
MODU Drill String Rentals	Workstrings Canada	St. John's, NL	C	65%	0%	35%	100%
Information Management System Software	Stratus Technologies Ireland Ltd.	Ballycoolin, Ireland	A	0%	0%	100%	100%
Pressure Safety Device Certification / Recertification Activities	Petrofac Inc.	Houston, TX	A	70%	0%	30%	100%
Chain Measurement Tooling	Oceaneering Canada Ltd.	Paradise, NL	B	0%	0%	100%	100%
Local Courier Services	Fastlane Courier	Mount Pearl, NL	A	100%	0%	0%	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 \$620.43 million, with a content breakdown of 47.03 percent Newfoundland & Labrador, 36.12 percent Other Canadian, and 16.86 percent Foreign. This equates to expenditures totaling approximately \$291.76 million Newfoundland & Labrador, \$224.08 million Other Canadian, and \$104.57 million Foreign.

6.0 Photographs



Husky employees participate in the Pride Week Parade in St. John's, NL - July 2019



Husky hosts Family Fun Day in Argentina for employees and their family members to tour the CGS site - July 2019



Husky's contributes \$3,000 and 2 laptops to the Learning Disabilities Association of NL for their Tech Buddies program – August 2019



Husky donated two computers to the Jimmy Pratt Centre for their Outreach Client Access Centre – August 2019



Husky donates \$10,000 to Easter Seals to help reach their goal to return to regular operations in wake of flooding that disrupted programs and services - August 2019



Husky hosts Husky Day for participants of the Women in Science and Engineering Summer Student Employment Program – August 2019



**Husky becomes first to achieve 'Accessibility Certified Gold' rating under the Rick Hansen Foundation Accessibility Certification™ (RHFAC) program.
- September 2019**