



## **Hibernia Management and Development Company Ltd.**



**Canada-Newfoundland and Labrador Benefits Report for the Period  
April 1, 2018 to June 30, 2018**



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## 1.0 INTRODUCTION

The Hibernia field is located on the northeastern Grand Banks, approximately 315 km south-southeast of St. John's, Newfoundland and Labrador. The field was discovered in 1979 by Chevron et al. when they drilled the Hibernia P-15 well.

On September 15, 1985, Mobil, on behalf of the Hibernia co-venturers, filed the Hibernia Benefits Plan and Hibernia Development Plan with the Federal and Provincial governments. The Hibernia Benefits Plan was approved by the C-NLOPB in June 1986. The Plan covers all phases of the Hibernia project from project development to abandonment. An Amendment was submitted in February 2010 and subsequently approved in September 2010 to address the Hibernia Southern Extension. This was the first amendment to Hibernia's Benefits Plan since the original was approved by the Board in Decision 86.01.

Several key principles of the Plan include:

- The provision for a local office where appropriate levels of decision-making are to take place;
- The requirement for full, fair and timely opportunities for Newfoundland and Canadian industry to participate in the supply of goods and services on a competitive basis;
- Utilizing, to the extent practical and cost effective, the principle of first consideration to Newfoundlanders and Labradorians and Canadians in procurement, contracting and employment policies for the project including the construction, development and operating phases;
- Engineering and construction work that can be performed in Newfoundland and Labrador shall be performed in Newfoundland and Labrador;
- Establishment of a Gender Equity and Diversity Program; and
- Expenditures shall be made for research and development to be carried out in the province and for education and training to be provided in the province.

Hibernia's commitments are monitored by the Canada-Newfoundland and Labrador Offshore Petroleum Board on a quarterly and annual basis.



## 2.0 EXPENDITURES AND CANADIAN-NL CONTENT ESTIMATES

The table below details actual 2018 expenditures for the 2<sup>nd</sup> quarter.

| Q2 2018 Canada-NL Content Estimates |     |     |     |       |
|-------------------------------------|-----|-----|-----|-------|
|                                     | NL  | OC  | NC  | Total |
| Percentage (%)                      | 59% | 22% | 19% | 100%  |

## 3.0 EMPLOYMENT

For the period of April 1<sup>st</sup> to June 30<sup>th</sup>, a total of 1338 people were employed on Hibernia's operations, this includes the Hibernia Southern Extension (HSE) project, and 695 were located offshore. This includes people employed with Hibernia and its contractors, of this 1212 or 90.6% were residents of Newfoundland and Labrador when hired, while another 68 or 5.1% were residents of other regions of Canada at the time of hire. All of these positions were located in Newfoundland and Labrador as of June 30, 2018. The number of females employed on Hibernia operations was 203 or approximately 15% of the total workforce.

| Hibernia/HSE Staffing Residency Summary<br>As of June 30, 2018<br>(Steady State and Transitional Roles) |                          |             |           |           |
|---|--------------------------|-------------|-----------|-----------|
|   | Status (at time of hire) |             |           |           |
|   | No. Filled               | NL          | OC        | NC        |
| Offshore  | 695                      | 653         | 30        | 12        |
| Onshore   | 643                      | 559         | 38        | 46        |
| <b>Totals</b>   | <b>1338</b>              | <b>1212</b> | <b>68</b> | <b>58</b> |
| Percentage  |                          | 90.6%       | 5.1%      | 4.3%      |



| Employment Summary by Discipline<br>Hibernia/HSE Project<br>Q2 2018 |                   |              |            |              |                            |
|---|-------------------|--------------|------------|--------------|----------------------------|
| Discipline  | Number of Persons |              |            |              | Total Number of<br>Persons |
|   | Male              | %            | Female     | %            |                            |
| <b>Administration</b>   | 34                | 32.3%        | 71         | 67.7%        | 104                        |
| <b>Engineers</b>  | 78                | 81.0%        | 18         | 19.0%        | 97                         |
| <b>Labor</b>  | 203               | 95.4%        | 10         | 4.6%         | 213                        |
| <b>Management</b>   | 147               | 84.0%        | 28         | 16.0%        | 175                        |
| <b>Other</b>  | 28                | 86.0%        | 4          | 14.0%        | 32                         |
| <b>Professionals</b>  | 81                | 73.0%        | 30         | 27.0%        | 111                        |
| <b>Skilled Trades</b>   | 289               | 98.6%        | 4          | 1.4%         | 293                        |
| <b>Students</b>   | 22                | 67.6%        | 10         | 32.4%        | 32                         |
| <b>Technicians</b>  | 256               | 91.5%        | 24         | 8.5%         | 280                        |
| <b>TOTALS</b>   | <b>1138</b>       | <b>85.1%</b> | <b>200</b> | <b>14.9%</b> | <b>1338</b>                |

Notes:

- Disciplines are based on the following National Occupational Classification (NOC) Codes:
  - Management** includes: Senior Managers as well as Middle and Other Managers
  - Administration** includes: Administrative & Sr. Clerical Personnel as well as Clerical Personnel
  - Engineers** includes: only those in that NOC code
  - Technicians** includes: Semi-professionals & Technicians
  - Professionals** includes: only those in that NOC code
  - Skilled Trades** includes: Skilled Crafts & trades as well as Skilled Trades & Services
  - Labor** includes: Semi-Skilled Manual Workers, Other Manual Workers as well as Intermediate Sales & Service
  - Students** includes: any student enrolled at a recognized educational institution or accredited academic program and includes both graduate and undergraduate students, cadets or any other student
  - Other** includes: positions that do not fit into any of the other disciplines

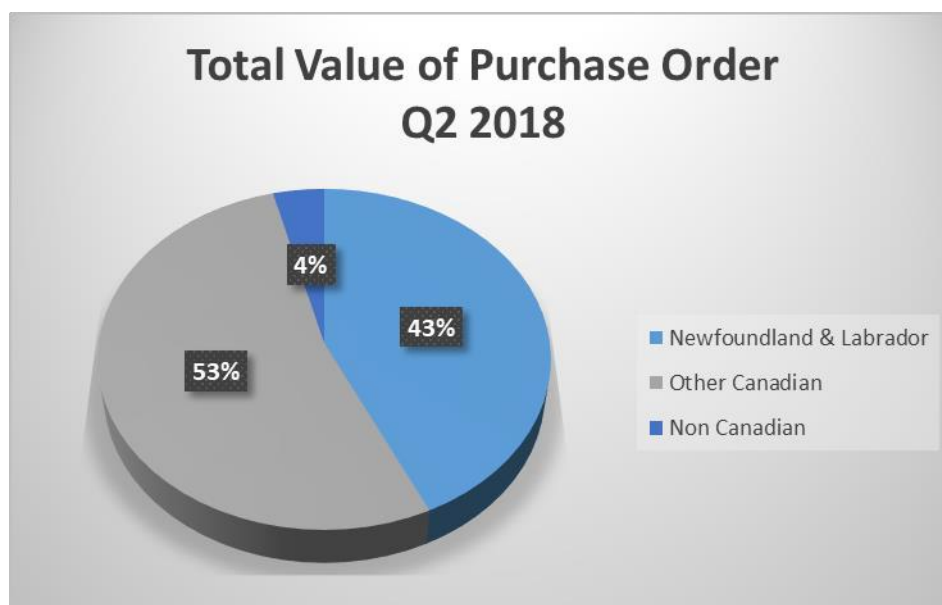


#### 4.0 PROCUREMENT AND CONTRACTING

The table below provides a listing of new service contracts, services contract extensions, material contracts and material contract extensions with a value greater than \$250,000 awarded during Q2 2018. The table includes a description of the contract, name of the contractor and the contractor's location at the time of award.

| Contracting Activity<br>Hibernia Project<br>Q2 2018                              |                               |                                     |
|--|-------------------------------|-------------------------------------|
| Description  | Contractor                    | Contractor Location<br>(NL, OC, NC) |
| <b>NEW SERVICE CONTRACTS</b>   |                               |                                     |
| Provision of Motor Repair and Support Services                                   | NorthPoint Technical Services | NL                                  |
| Supply of Maintenance, Repair, Hydraulics, and Fabrication Services for Hibernia | Hyflodraulic Limited          | NL                                  |
| Marine Surveys and Inspections   | Canadian Global Maritime      | NL                                  |
| <b>MATERIAL CONTRACT EXTENSIONS</b>  |                               |                                     |
| Supply of OEM Rapp Bomek Hy Duty Door Spares                                     | K & D Pratt Ltd.              | NL                                  |

During the second quarter of 2018, 1,392 Purchase Orders (POs) were awarded with a total value of \$16,344,796.10. The table below summarizes the percentage of the total awarded value by location.





## 5.0 HIBERNIA PHOTOS



Jennifer Walck, HMDC President, at the launch of the floor map at the Manuels River Hibernia Interpretation Centre



Scott Sandlin, HMDC President, presents a donation of \$10,000 to the annual Ride for Dad to Co-Chair Dana Chaffey. The Ride for Dad supports prostate cancer research and increasing public awareness of the disease.



Sadie Sellars, R&D Manager, and Jordan Angle from the ExxonMobil Upstream Research Company attended the International Workshop on Environmental Genomics, organized by the Center for Environmental Genomics Applications. The workshop is held annually in St. John's, NL. Also pictured here is Mehrdad Hajibabaei and Steve Barrett from eDNAtec.