



**Hibernia Management and Development Company Ltd.
Canada – Newfoundland and Labrador Benefits
Quarterly Report
January 1 – March 31, 2013**





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Section 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 partners, 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.

Section 2.0 – Employment

As of March 31, 2013, a total of 1558 people were employed on Hibernia's operations, this includes the Hibernia Southern Extension (HSE) project, 727 were located offshore. Included within this number, 1441 or 92.5 % were residents of Newfoundland and Labrador when hired, while another 77 or 4.9 % were residents of other regions of Canada at the time of hire. All of these positions were located in Newfoundland and Labrador as at March 31, 2013. The number of females employed on Hibernia operations was 249 or approximately 15.9 % of the total workforce.



Table 2.1 – Total Employment Summary including the Hibernia Southern Extension

Direct Employment (Total Number of Persons)	Newfoundland and Labrador Residents (%)	Other Canadians (%)	Non-Canadians (%)
1558	1441 (92.5 %)	77 (4.9%)	40 (2.6%)

Notes:

1. Report total number of persons directly employed on the project at end of reporting period, including operator and contractor personnel.
2. Residency status to be reported as of time of hire, based on the following definitions:
Canadian: A person who was born in Canada and has not relinquished his/her Canadian citizenship; or, a person who has been granted Canadian citizenship; or a person who has been granted landed immigrant status
Newfoundland and Labrador Resident: A Canadian citizen or landed immigrant who meets the residency requirements of the Province as defined by *The Elections Act*, SNL 1992, CE-3.1

Table 2.2 – Employment Summary by Location

Location	Total Number of Persons					Total
	Residency Status			Gender		
	NL	OC	NC	Male	Female	
Onshore	755	44	32	607	224	831
Offshore	686	33	8	702	25	727
Total:						1558

**Total is the value of all personnel both male & female for Onshore & Offshore*

Notes:

1. During production phase, report location by "Onshore", "Offshore" activity.
2. For residency status, provide breakdown by NL – Newfoundland and Labrador Resident; OC – Other Canadian and NC – Non-Canadian.



Table 2.3 – Employment Summary by Discipline

Discipline	Number of Persons				Total Number of Persons
	Male	%	Female	%	
Management	178	11.4%	59	3.7%	237
Administration	20	1.2%	70	4.4%	90
Engineers	139	8.9%	49	3.1%	188
Technicians	71	4.5%	16	1.0%	87
Professionals	121	7.7%	24	1.5%	145
Skilled Trades	409	26.2%	11	0.7%	420
Labor	179	11.4%	6	0.3%	185
Students	11	0.7%	4	0.2%	15
Other	181	11.6%	10	0.6%	191
TOTALS	1309	83.6%	249	15.5%	1558
Total:					1558

Percentages taken from total number of employed personnel both male and female

Notes:

- Disciplines are based on the following National Occupational Classification (NOC) Codes:
 - **Management** includes: *Senior Managers* as well as *Middle & 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 & Service*
 - **Labour** 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.



Table 2.4 – Development Phase Person Hour Summary Report Hibernia Southern Extension (HSE) (1Q, 2013)

Category	Persons Hours	Total
Project Management, Administration, and Engineering	10973.3	89988.3
Topsides Fabrication and Integration	20034	
Pipeline, Umbilical, Installation	15574	
Subsea Systems	43407	
Total (quarter):		89988.3

Notes:

1. During development phase, the categories may be adjusted as necessary to be project specific. Categories that are not applicable should be omitted and additional categories should be added as necessary for completeness.
2. During production phase, this table may be omitted as Tables 3.1, 3.2 and 3.3 provides the necessary information respecting employment.

Section 3.0 – Canadian-NL Content Estimates

The table below details actual 2013 expenditures for the first quarter, content is based on major contractors and other payments for the noted period.

Content Based on Major Contractors/Other Payments Respectively					
HMDC			HSE		
NL (%)	OC (%)	For (%)	NL (%)	OC (%)	For (%)
53	33	14	39	3	58
39	42	19	12	1	87



Section 4.0 – Contracting and Procurement

For the period January 1 to March 31, 2013, Hibernia Management and Development Company Ltd. awarded no new services contracts and four (4) service contract extension having a value greater than \$250,000. In addition, three (3) new materials contracts having a value greater than \$250,000 were awarded.

Table 4.1 – Contracting Activity

Description	Contractor	Contractor Location (NL, Other Canada, Foreign)
Warehousing (extension)	ASCO Canada	St. John's, NL
Shorebase Radio Support and Ad Hoc Supply of Radio Operators. (extension)	Stratos Wireless	St. John's, NL
Production Chemicals(extension)	Baker Hughes Canada	St. John's, NL
Environmental Effects Monitoring(extension)	Stantec Consulting	St. John's, NL
Glycol and miscellaneous Chemicals	Brenntag Canada	St. John's, NL
Subsea Hydraulic Oil	Alpha Chemicals	Dartmouth, NS
HVAC Primary & Secondary Filters	Dawe Enterprises	Coley's Point, NL



During the first quarter of 2013, 1014 Purchase Orders (POs) were awarded with a total value of \$5,478,047.85. The table below summarizes the percentage of the total awarded value by location.

Figure 4.1 - Purchase Orders

