



CANADA-NOVA SCOTIA BENEFITS

DEEP PANUKE 2020 ANNUAL REPORT

DMEN-RP-CO-0031.01I

Ovintiv Canada ULC
Halifax, Nova Scotia

November 30, 2020

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I. Executive Summary

This report is submitted in compliance with Condition 10 (Monitoring, Reporting and Auditing) of the Canada-Nova Scotia Benefits Plan Decision Report (“the Decision Report”) for the Deep Panuke Offshore Gas Development as issued by the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB). This report covers activities in 2020 related to the decommissioning and abandonment of the Deep Panuke facilities and wells.

Highlights of the report include:

- Total spending by Ovintiv on Deep Panuke in 2020 was \$240 million Canadian dollars.
- 470,881 person hours of work by Nova Scotians.
- 285,252 person hours of work by Canadians from other provinces.
- 689,264 person hours of work carried out within Nova Scotia.

Person Hours (2020) & Cumulative Hours

	2020	CUMULATIVE
CATEGORY BY RESIDENCE	PERSON HOURS	PERSON HOURS
Nova Scotia Residents	470,881	8,352,010
Canadian Residents from other provinces	285,252	1,658,147

Note: Table above includes all Nova Scotian and all Canadian Person Hours for Deep Panuke.

Deep Panuke decommissioning and abandonment activities were completed on October 17, 2020. Ovintiv’s Halifax office closed on November 30, 2020.

A post abandonment monitoring program for Deep Panuke is planned for the summer of 2021.

II. Local Office

Ovintiv’s local office for Deep Panuke was located at Founders Square at 1701 Hollis Street in Halifax. Ovintiv’s Halifax based employees and contract staff have included personnel responsible for project management, engineering, procurement, commercial arrangements, accounting, regulatory, stakeholder engagement, and environment, health, safety and quality. Ovintiv’s Halifax office closed on November 30, 2020.

In 2020, Ovintiv personnel worked at the Ovintiv office, at the Deep Panuke pipeline landfall in Goldboro, the offshore supply base, offshore at the PFC, offshore on the drill rig Noble Regina Allen and offshore onboard the DOF Skandi Neptune.

SBM Nova Scotia Contractors (SBM), as operator of the Production Field Centre (PFC), maintained an office in Dartmouth led by a Nova Scotian unit manager, with local staffing to support their offshore activities in Nova Scotia. With the removal of the PFC and handover in Halifax Harbour, SBM’s role in the Deep Panuke project was completed in July 2020.

III. Business Opportunities

III.I Communication of Business Opportunities

In 2020, Ovintiv and its contractors continued to share business opportunities for Deep Panuke with the local supply community. Information was posted to the Business Opportunities section of the Deep Panuke pages on the Ovintiv website (www.ovintiv.com/deep-panuke), shared with the electronic bulletin board BIDS Alert, distributed via an email distribution list to disadvantaged group representatives. Business opportunities were also reported through third party organizations such as the Maritimes Energy Association.

Through to November 2020, there were 2,187 unique visitors and 2,648 visits (includes repeat visitors) to Deep Panuke web pages on the Ovintiv website.

IV. Business Expenditures and Employment

IV.I Business Expenditures

The total expenditure for Deep Panuke during the period of January 1 - December 31, 2020 is \$240 million Canadian.

IV.II 2020 Person Hours

Total Nova Scotia Person Hours for Deep Panuke from January 1 to November 30, 2020 were 470,881 and Other Canadian hours were 285,252, with 689,264 hours of work performed within the Province of Nova Scotia during the period.

Nova Scotia person hours focused on support for ongoing operations. Cumulative Nova Scotia Person Hours to date are recorded as 8,352,010. Total cumulative hours of work performed within the Province of Nova Scotia as 10,556,709.

V. Disadvantaged Groups

As in previous years, Ovintiv continued to share information on opportunities from Deep Panuke through contact with groups and organizations representing the business, employment and educational/training interests of disadvantaged groups identified in the Decision Report, including indigenous groups, persons with disabilities, members of visible minorities, and women.

In 2020, Ovintiv continued its liaison with representatives of indigenous groups in Nova Scotia on fisheries and environmental issues. As in previous years, any new hires to Deep Panuke participate in on-line Aboriginal Awareness Training offered by Ovintiv.

Data from voluntary responses to Ovintiv's annual diversity survey of staff and data received from Ovintiv contractors supporting Deep Panuke is reported as follows:

Group	Responses Received
Aboriginal Peoples	10
Women	66
Members of Visible Minorities	6
Persons with Disabilities	0
	Note: Individual survey forms may include responses to more than one group.

Ovintiv donated surplus used furniture to nine organizations/groups: The O.N.E, The Station Food Hub, Haley Street Centre, Halifax YMCA, Shaar Shalom Synagogue, , Inclusive Opportunities Association, Deep Clean cleaning staff; Ummah Mosque & Community Centre and Pictou County Regional Enterprise Network.

Surplus new and used office supplies were also donated to the N.S. Health Authority, Early Childhood Development Pre-School, Pictou County Regional Enterprise Network and Inclusive Opportunities Association.

Following the de-installation of the PFC, SBM donated 2,141 kgs of food to FEED Nova Scotia in July 2020. Ovintiv also raised funds for FEED Nova Scotia by holding an auction for staff to bid on surplus televisions and video screens from boardrooms and offices.

In 2020, Ovintiv funded training totaling approximately \$6,700 for its own staff working on Deep Panuke, with cumulative training totaling \$633,482. In 2020, contractors and service providers working on Deep Panuke reported 233 placements for training totaling approximately \$91,229.

VI. Activity Forecast for 2021

The Ovintiv team in Halifax continued to manage operations for marine, helicopters, logistics and other support activities until the completion of decommissioning and abandonment activities in October 2020. SBM was responsible for the ongoing operations of the PFC and maintained responsibility for offshore labour, equipment maintenance, inspection, medical services, catering and housekeeping services until the de-installation of the PFC in July.

Decommissioning activities during 2020 are summarized by program activity in the table below.

Activity	Status	Duration
Gas Pipeline and Onshore		
Onshore facilities removal and restoration	Completed (July-Sept 2020)	1 month
Subsea		
Flowline/umbilical disconnects at wells and platform	Completed (March-May 2020)	7 weeks
Subsea structures removal	Completed (Sept-Oct 2020)	1 month
Well Plug and Abandonment		
Offshore execution	Completed (Feb-Aug 2020)	6 months
Production Platform		
Platform decommissioning	Completed (July 2020)	-
Platform de-installation	Completed (July 2020)	2 weeks

A request for proposal (RFP) for the 2021 Post-Abandonment Offshore Survey was issued on October 6, 2020 with a closing date of November 4, 2020. The Board has identified this package as one of interest including CGSB reporting requirements.

A report from the winning bidder providing labour hours and expenditures will be submitted to the Board shortly following completion of the offshore survey.