

Sable Offshore Energy Project
Canada-Nova Scotia Benefits Report 2020

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2020

Submitted to the
Canada-Nova Scotia Offshore Petroleum Board

By
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Executive Summary

The 2020 Sable Offshore Energy Project (SOEP) Canada - Nova Scotia Benefits Report is submitted to the Canada Nova Scotia Offshore Petroleum Board (CNSOPB) by ExxonMobil Canada Properties (EMCP) as Operator. It is submitted in satisfaction of the requirements of the CNSOPB Benefits Plan Decision Report for the SOEP and includes information on the SOEP offshore and onshore activities for the reporting period of January 1, 2020 to December 31, 2020.

The 2020 SOEP related expenditures in Nova Scotia were \$58.8 million. The cumulative SOEP expenditures in Nova Scotia since project sanction in 1998 is \$3,340.6 million or 40.0% of the overall project expenditures.

Removal of the offshore facilities in accordance with approved SOEP development plan was completed in November 2020. Removal of the hydrocarbon processing equipment from the Point Tupper Fractionation Plant started in March 2020 and concluded in June. Removal of the Goldboro Gas Plant equipment started during Q2 and carried on through year end 2020. The pipeline connecting these two plants was abandoned according to the regulatory approved plan during Q4.

1.0 Introduction

The 2020 SOEP Canada-Nova Scotia Benefits Report includes the economic impact data arising from the SOEP decommissioning activities conducted in 2020. It is submitted to the CNSOPB by ExxonMobil Canada Properties (EMCP), the SOEP Operator. The report includes cumulative data compiled since project sanction in 1998.

The SOEP facilities included in the scope of this report are listed below.

Offshore	Onshore
<ul style="list-style-type: none">– Thebaud Central Processing Platform– Venture Platform– North Triumph Platform– Alma Platform– South Venture Platform– Export and Inter-field Pipelines	<ul style="list-style-type: none">– Goldboro Gas Plant– Point Tupper Fractionation Plant– Interconnecting NGL Pipeline

The local supply community supported the SOEP decommissioning activities that were conducted during the year. Some examples of services provided to the SOEP are listed in Table 1 below.

Table 1 – Supply Community Services

Safety, Health and Environment	<ul style="list-style-type: none"> - Safety training and advisory services - Safety equipment - Environmental monitoring and testing services - Medical personnel and associated services - Weather monitoring and forecasting; sea state monitoring (waves and currents)
Decommissioning	<ul style="list-style-type: none"> - Aviation services - Supply vessels and marine crews - Catering personnel - Logistics and stevedoring - Staffing services - Equipment rentals and consumables - Skilled Trades and services (welding, mechanical fabrication, electrical, rigging and general labour) - Fabrication services - Equipment and tool rentals - Scaffolding services - Marine fuel - Port services - Waste treatment, recycling and disposal
Engineering and Technical	<ul style="list-style-type: none"> - Technical support staff, engineering design and data analysis - Equipment inspection services - ROV inspection services and personnel - Certification of facility design, maintenance and integrity
Business Services	<ul style="list-style-type: none"> - Customs clearance, brokerage and warehousing - Staffing services - On-land transportation services - Office materials and support, courier and communication services

2.0 Project Update

Producing operations at the Sable Project ceased on December 31, 2018. A well plug and abandonment program, supported by the jack-up drilling rig Noble Regina Allen, was completed in December 2019. The hydrocarbon inventory was removed from the both the subsea interconnecting pipelines and the onshore natural gas liquids pipeline during 2019. The pipelines were then flushed and the subsea pipelines filled with seawater.

In May 2020 the semi-submersible crane vessel (SSCV) Thialf was mobilized to the Sable field to begin the final phase of the Sable Project – the removal of all offshore platforms and the removal or mitigation of potential commercial hazards. The work was completed in November.

Removal of the hydrocarbon processing equipment from the Point Tupper Fractionation Plant started in March 2020 and concluded in June. Removal of the Goldboro Gas Plant equipment started during Q2 and carried on through year end 2020. The pipeline connecting these two plants was abandoned according to the regulatory approved plan during Q4.

All phases of the work was completed safely with no lost time incidents for employees or contractors during the year.

3.0 Economic Impact

The Sable Project 2020 economic impact data is provided below for the following metrics:

- Project Expenditures (Table 2) and
- Project Employment Person (hours of employment - Table 3 and residency of new hires - Table 4)

Expenditures have been classified in one of three categories (Nova Scotia, Other Canadian or Foreign) based on the *Canadian General Standards Board (CGSB) Method*, which has been adopted by the CNSOPB for local benefits reporting purposes.

Person hours of work are categorized as 'Nova Scotia', 'Other Canadian' or 'Foreign' based on the residency of the person performing the work.

In compiling the economic impact data EMCP reviewed information provided by SOEP vendors, the scope of work for the vendor and the guidance available from the CGSB reporting guidelines. Data quality assurance methods used in the preparation of previous Benefits Reports were applied in the preparation of this report.

Table 2 – SOEP Expenditures (2020 and Cumulative)

	2020 Expenditures		Cumulative (1998-2020)	
	(\$million)	% of Total	(\$million)	% of Total
Nova Scotia	58.8	15.2%	3,340.6	40.0%
Other Canadian	60.7	15.7%	1,516.7	18.2%
Foreign	268.1	69.1%	3,493.1	41.8%
Total	387.6	100%	8,350.4	100%

Table 3 – Person Hours of Employment (2020 and Cumulative)

	2020 Person Hours		Cumulative (1998-2020)	
	Thousands	% of Total	Millions	% of Total
Nova Scotia	396.6	32.5%	27.45	64.9%
Other Canadian	297.5	24.4%	4.65	11.0%
Foreign	525.0	43.1%	10.18	24.1%
Total	1,219.1	100%	42.28	100%

The Nova Scotia person hours of work conducted for SOEP activities in 2020 was 396,627 which represents 198 full-time equivalent positions. The average of the cumulative Nova Scotia person over the 23 year period (1998 – 2020) was 1.2 million or 597 full time equivalent positions.

With the mobilization of the SSCV Thialf to the Sable field in May 2020 there were a number of “new-to-Sable” persons brought onboard as crew members, tradespeople and support staff. These “new-to-Sable” persons are considered new hires in that they may not have worked on Sable Project activities previously. Data on the number of new hires engaged in 2020 is presented in Table 4 below.

Table 4 – Residency of New Hires

Year	Nova Scotia	Other Canadian	Foreign	Total
2020	116	152	282	550

4.0 Diversity and Inclusion

During 2020 EMCP and the Sable Owners provided support to sustainable initiatives related to training, capacity building, contracting and employment of disadvantaged individuals and groups. This approach provides support for opportunities and the removal of barriers beyond the scope of the SOEP and oil and gas industry. Examples include:

- Techsploration, a program aimed at school aged girls and young women that inspires and mentors them to pursue careers in science, trades and technology. In 2020 Techsploration expanded from its Nova Scotia roots into Ontario. Techsploration is now considered a national best-practice model for the attraction of young women to careers in science, engineering, trades, and technology, and the program continues to grow here in Nova Scotia. There are 23 schools currently participating in Techsploration's core programming in Nova Scotia. The program extends into Mi'kmaq communities including We'koqma'q M'kmaw School, Eskasoni Elementary and Middle School, Indian Brook School and Wagmatcook First Nation School.
- Sable owners continued to support the Mi'kmaq Regional Science Fair. This annual science fair provides an opportunity for Indigenous students learn about and present their research on a variety of scientific topics. The fair is divided into four categories for the students in Grades 3-4, 5-6, 7-9 and 10-12.
- Sable owners ExxonMobil and Imperial Oil are founding supporters of the Indigenous Women in Community Leadership program at the Coady Institute at Saint Francis Xavier University. The program has been offered at the Coady Institute since 2011.
- The Sable onshore facility demolition contractor, Golder, engaged with Nova Scotia based Indigenous companies in preparation for the facility removals at the Goldboro and Point Tupper plants and subcontracted with Mi'kmaq Crane Services of Eskasoni to support some of the equipment removal activities at the sites.
- Since the 1980s, an endowment created by Mobil has funded three \$5000 scholarships annually for deserving third-year engineering students at Dalhousie University. The final phase of the Sable Project coincides with the growing global awareness of past injustices suffered by Indigenous people and African-Canadians. As a gesture of recognition, ExxonMobil Canada will alter the terms of its endowment so that first consideration be given to Indigenous and African-Canadian students for two of the scholarships.

5.0 Capacity Development

Capacity development includes oil and gas related training and education activities, supplier development and technology transfer. Information on initiatives carried out in these areas is provided below.

Cooperative Education - EMCP and the major Sable contractors have supported cooperative education and work placement programs for university and college students since 1998. Due to the specialized nature of the offshore activities conducted in 2020 and the limitations imposed by COVID-19, there were no cooperative education placements during the year. Over the 22 year period from 1998 to 2019 there were almost 700 cooperative education placements at EMCP offices or at some of the major Sable contractors. The program provided learning opportunities and in some cases led to a career in the oil and gas industry for engineering or business students.

Training Programs – The training needed to complete the offshore removals campaign was completed in-house and in classroom sessions onboard the SSCV Thialf. External training opportunities and access to training facilities were restricted or not available in the timeframe required due to COVID-19. The cumulative training and education expenditures for the Sable Project since sanction in 1998 exceed \$55 million.

Supplier Information – Information regarding the decommissioning of the Sable Project and contracting opportunities continued to be available through the Sable Project website (www.soep.com). Representatives of EMCP and the major contractors provided an update on decommissioning activities to attendees at the 2020 Superport Days in July and continued to engage with Indigenous communities in Nova Scotia.

Technology Transfer – An example of technology transfer occurring during the offshore removals campaign was the equipment used to cut and lift the topsides and jacket structures. Tools specifically designed for internal cutting and lifting of the Sable structures were used onboard the SSCV Thialf. The Nova Scotia and Other Canadian tradespeople who joined the offshore workforce for the removals campaign learned how the tools would be positioned and operated to safely lift facility to the deck of the SSCV Thialf or transfer the facility to a nearby barge.

Research and Development – During 2020 EMCP and the Sable owners continued to support a research study comprised of regular surveys and analysis to gather data on Sable Island beached birds. The research is aimed at monitoring and assessing trends in the number and rate of oiling observed in beached seabirds and has been conducted over a number of years and the results have been published in the Proceedings of the Nova Scotia Institute of Science ([Link](#)) and elsewhere. The Sable Project cumulative expenditures on R&D exceed \$34M over the period 1998 – 2020.

6.0 Community Education and Participation

EMCP, the Sable owners, and the employees support the communities in which we live and work by donating time, talent or money. This helps strengthen the many organizations that provide needed services or enhance the culture of the community. Some examples from 2020 are provided in the table below.

United Way	During 2020, Sable employees supported the annual fund raising campaign on the Metro United Way and the United Way of Pictou County.
Feed Nova Scotia	The mission of Feed Nova Scotia is to increase food security through food distribution, education and collaboration. The organization was supported in 2020 through the employee choice donation program.
Phoenix Youth Programs Charitable Foundation	Phoenix is a non-profit, community based organization located in Halifax. Since 1987, Phoenix has been dedicated to supporting youth between the ages of 11 and 24, their families, and communities across multiple locations in Halifax.
Mi'kmaq Regional Science Fair	Supports student learning in elementary through high school grades by participation in science fairs.
ExxonMobil Canada Bursary Program	This program assists deserving high school graduates in communities where we operate by providing financial support for post-secondary education.
Techsploration	A not-for-profit organization that provides young women from grades nine through twelve with opportunities to explore science, trades and technology occupations, while creating awareness about the critical role of work in their lives.

Appendix 1
Sable Project Person Hours 2020
EMCP and Major Contractors

	NS	OC	FOR	TOTAL
AMEC Black and MacDonald	51,045	-	-	51,045
ExxonMobil Canada	50,000	-	2,000	52,000
Helicopter Services	22,889	9,457	0	32,346
Heerema Marine Contractors	233,579	281,953	522,790	1,038,322
London Offshore Consultants	626	2	250	878
Golder	38,488	6,055	0	44,542
TOTAL	396,627	297,466	525,040	1,219,133

Legend:

NS – Nova Scotia

OC – Other Canadian

FOR – Foreign (Non-Canadian)