

IN THE PROVINCIAL COURT OF SASKATCHEWAN

C A N A D A  
PROVINCE OF SASKATCHEWAN

HER MAJESTY THE QUEEN

v

HUSKY OIL OPERATIONS LIMITED

ORDER PURSUANT TO S. 85 OF THE ENVIRONMENTAL MANAGEMENT AND PROTECTION ACT, 2010

HAVING BEEN CONVICTED on June 12, 2019 at Lloydminster, Saskatchewan of a contravention of sections 8(1) and 84(2) of *The Environmental Management and Protection Act, 2010*;

AND PURSUANT TO section 85 of *The Environmental Management and Protection Act, 2010*;

THE COURT, having regard to the nature of the offence and the circumstances surrounding its commission, HEREBY ORDERS THAT HUSKY OIL OPERATIONS LIMITED SHALL:

1. Complete surface water monitoring and sample analysis during both open water and ice cover time periods during the 2019 calendar year as outlined in section 5.2.2 of the Environmental Protection Plan Volume 3 (EPP), a copy of which is attached to this order, and provide the results of the analysis and monitoring to the Saskatchewan Water Security Agency (WSA) by June 30, 2020 or such later date as may be agreed to by Husky Oil Operations Limited (Husky) and the Saskatchewan Ministry of Environment (ENV) in writing.
2. Complete the analysis of the Husky 16TAN related aquatic invertebrate biological monitoring samples collected by Husky Oil Operations Limited, any of its affiliated companies or consultants and submit the results to the WSA within 6 months of the date of this order or such later date as may be agreed to by Husky and ENV in writing. Husky shall also provide petroleum related monitoring data and metadata coincident with biological monitoring site data to the WSA within the same period.
3. Complete river sediment quality monitoring and sample analysis during the 2019 late summer low flow period using a systematic sampling design and targeted approach focusing on the

area from the 16TAN spill point of entry to Highway 21 (core area), at kilometer 27 and near North Battleford as described in section 5.2.3 of the EPP.

4. Complete shoreline monitoring and cleanup as outlined in section 5.2.1 of the EPP.
5. Address the need for any future monitoring and remediation that may arise from the application of the adaptive framework within the EPP subject to review by and approval of the WSA and the Saskatchewan Ministry of Environment.
6. Permit all data and metadata provided to the WSA or ENV as a result of the 16TAN spill to be publicly accessible and Husky or any of its consultants or contractors shall not retain any proprietary interest in such data or metadata.

AND IT IS FURTHER ORDERED THAT any dispute regarding the terms and conditions of this order shall initially be attempted to be resolved amongst Husky, the WSA and the Saskatchewan Ministry of Environment. Should such attempts fail, an application may be made by either Husky or by an agent of the Attorney General of Saskatchewan to this Honourable Court to seek a resolution or direction.

DATED AT THE City of Lloydminster, in the Province of Saskatchewan, this 12<sup>th</sup> day of June 2019.



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HER HONOUR JUDGE LORNA DYCK  
A JUDGE OF THE PROVINCIAL COURT OF SASKATCHEWAN

I hereby acknowledge on behalf of HUSKY OIL OPERATIONS LIMITED that it has received a copy of this order at Lloydminster, Saskatchewan this 12<sup>th</sup> day of June, 2019.



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Brad Gilmour, counsel for HUSKY OIL OPERATIONS LIMITED

IN THE PROVINCIAL COURT FOR SASKATCHEWAN  
SITTING AT LLOYDMINSTER

BETWEEN:

**HER MAJESTY THE QUEEN**  
as represented by the  
Office of the Director of Public Prosecutions

APPLICANT

- and -

**HUSKY OIL OPERATIONS LIMITED**

RESPONDENT

BEFORE HER HONOUR ) ON WEDNESDAY, THE 12<sup>TH</sup>  
L. DYCK, A JUDGE OF THE )  
PROVINCIAL COURT OF ) DAY OF JUNE, A.D. 2019  
SASKATCHEWAN )

**SENTENCING ORDER**

**HUSKY OIL OPERATIONS LIMITED** of Calgary, Alberta, having been convicted this day of the following offences pursuant to the *Fisheries Act* (the “**FA**”) and the *Migratory Birds Convention Act, 1994* (the “**MBCA**”):

**Count #1:**

*That on or between 20 July 2016 and 21 July 2016, did deposit or permit the deposit of a deleterious substance, namely blended heavy crude oil, in water frequented by fish or in a place where the deleterious substance may enter water frequented by fish, namely the North Saskatchewan River near Maidstone, Saskatchewan, contrary to subsection 36(3) of the Fisheries Act, R.S.C. 1985, c. F-14, thereby committing an offence contrary to subsection 40(2) of the Fisheries Act, R.S.C. 1985, c. F-14.*

AND

**Count #9:**

*That on or between 20 July 2016 and 21 July 2016, did deposit or permit the deposit of a substance that is harmful to migratory birds, namely blended heavy crude oil, in waters or in an area frequented by migratory birds or in a place from which the substance may enter such waters or such area, near Maidstone,*

*Saskatchewan, contrary to subsection 5.1(1) of the Migratory Birds Convention Act, 1994, S.C. 1994, c. 22, thereby committing an offence contrary to subsection 13(1) of the Migratory Birds Convention Act, 1994, S.C. 1994, c. 22.*

**AND WHEREAS** section 40(6) of the *FA* and section 13.2(1) of the *MBCA* require that all fines received by the Receiver General for offences committed under the *FA* and *MBCA* be paid to the Environmental Damages Fund;

**AND WHEREAS** having regard to the circumstances of the offences and the offender, a fit and appropriate sentence for the offences are as follows:

**Count #1** – A fine of **Two Million, Five Hundred Thousand (\$2,500,000) Dollars** (To be allocated equally between each day of the discharge or, more specifically, One Million, Two Hundred and Fifty Thousand (\$1,250,000) Dollars per day)

**Count #9** – A fine of **Two Hundred Thousand (\$200,000) Dollars** (To be allocated equally between each day of the deposit or, more specifically, One Hundred Thousand (\$100,000) Dollars per day)

**IT IS HEREBY ORDERED THAT** the total fine amount of **Two Million, Seven Hundred Thousand (\$2,700,000) Dollars** be paid to The Receiver General of Canada in trust to the Environmental Damages Fund (the “**EDF**”), care of Environment and Climate Change Canada, Centre of Expertise: Toronto AR Collections, 4905 Dufferin Street, Rm 4N501, Toronto, Ontario M3H 5T4 – Attention: Environmental Damages Fund;

**AND IT IS FURTHER HEREBY ORDERED** that the fine amount be used for purposes related to the following:

- 1) That \$2,500,000 be directed to the EDF for purposes related to the conservation and protection of fish or fish habitat and/or the restoration of fish habitat in the North Saskatchewan River, and/or Saskatchewan River and their associated watersheds within the Province of Saskatchewan;

-AND-

- 2) That \$200,000 be directed to the EDF for purposes related to the conservation or restoration of the environment in relation to migratory birds in the North Saskatchewan River and/or Saskatchewan River and associated watersheds within the Province of

Saskatchewan or, alternatively, research into the effects of hydrocarbon contamination on migratory birds and/or migratory bird habitat in these locations;

-OR-

- 3) For the administration of the EDF.

**AND IT IS FURTHER HEREBY ORDERED** that payment of the full amount ordered will be made to the Clerk of the Court in Lloydminster, Saskatchewan, to be paid out in accordance with the terms of this Order forthwith; and

**AND IT IS LASTLY ORDERED:**

- 1) That pursuant to section 79.2 of the *FA*:
- a) That by June 30, 2019 and by way of a stand-alone document, Husky Oil Operations Limited shall notify all employees and shareholders of the particulars of the 16TAN oil spill and Husky Oil Operations Limited's acceptance of responsibility for the spill and its environmental consequences and the penalties that have been imposed in the environmental prosecution.

**DATED** at Lloydminster, Saskatchewan, this 12<sup>th</sup> day of June, 2019.




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A Judge of the Provincial Court of Saskatchewan

**APPROVED AS TO FORM and content this 12 day of June, 2019.**



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Brad Gilmour  
Solicitor and Agent for Husky Energy Inc.  
and Husky Oil Operations Limited

**APPROVED AS TO FORM and content this 12 day of June, 2019.**



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Carol Carlson/Stephen Jordan  
Counsel – Public Prosecution Service of Canada