

## **HSE REQUIREMENTS**

<b>ARTICLE 1 – PURPOSE.....</b>	<b>2</b>
<b>ARTICLE 2 – HEALTH, SAFETY AND ENVIRONMENTAL (‘HSE’) PLANNING.....</b>	<b>2</b>
<b>2.1 ISNetworld Health &amp; Safety Management System Evaluation.....</b>	<b>2</b>
<b>2.2 Health Safety Environment (HSE) Site Planning. ....</b>	<b>2</b>
<b>2.3 Project Safety Management Plan (PSMP) .....</b>	<b>2</b>
<b>2.4 Project Environmental Management.....</b>	<b>2</b>
<b>2.5 Hazard Recognition, Assessment and Control.....</b>	<b>3</b>
<b>ARTICLE 3 – RIGHT TO STOP UNSAFE WORK.....</b>	<b>3</b>
<b>ARTICLE 4 – SITE-SPECIFIC ORIENTATION AND TRAINING .....</b>	<b>4</b>
<b>ARTICLE 5 – HSE KICK-OFF MEETINGS .....</b>	<b>4</b>
<b>ARTICLE 6 – HSE MEETINGS .....</b>	<b>4</b>
<b>ARTICLE 7 – ALCOHOL AND DRUG POLICY.....</b>	<b>4</b>
<b>ARTICLE 8 - PRE-ACCESS TESTING VERIFICATION (SAFETY SENSITIVE POSITIONS)...</b>	<b>4</b>
<b>ARTICLE 9 – FIT FOR DUTY .....</b>	<b>5</b>
<b>ARTICLE 10 – INCIDENT MANAGEMENT.....</b>	<b>5</b>
<b>10.1 Incident Reporting Timelines.....</b>	<b>5</b>
<b>ARTICLE 11 – INSPECTIONS AND COMPLIANCE ASSESSMENTS.....</b>	<b>5</b>
<b>ARTICLE 12 – OWNER EVALUATION OF THE CONTRACTOR.....</b>	<b>5</b>
<b>ARTICLE 13 – REGULATORY INSPECTIONS .....</b>	<b>6</b>
<b>ARTICLE 14 – IMMEDIATELY DANGEROUS TO LIFE AND HEALTH SITUATIONS.....</b>	<b>6</b>
<b>ARTICLE 15 – FINDINGS AND CORRECTIVE ACTIONS .....</b>	<b>6</b>
<b>ARTICLE 16 – DOCUMENTATION AND RECORDS MANAGEMENT.....</b>	<b>6</b>

## **ARTICLE 1 – PURPOSE**

This document outlines the Owner’s Health, Safety and Environmental requirements (the “Requirements”) associated with the Work that the Contractor is required to follow.

## **ARTICLE 2 – HEALTH, SAFETY AND ENVIRONMENTAL (‘HSE’) PLANNING**

### **2.1 ISNetworld Health & Safety Management System Evaluation.**

“ISNetworld” or “ISN” means the 3rd party contractor management system that Owner uses to verify HSE qualifications among other things. Contractors completing on site work activities for the Owner must be registered in ISNetworld (ISN) in advance of Contractor selection and participate in the Health and Safety Management System evaluation process hosted by ISN. Contractors shall not enter the Site or other property controlled by Owner or its Affiliates unless;

- a) They are a member of ISN;
- b) Have an Alcohol and Drug Policy that meets the requirements set out in ISN. Should the Contractor not have an Alcohol and Drug Policy they shall be required to follow Capital Power’s Alcohol and Drug Program for Contractors;
- c) Have designated Capital Power Corporation as an “Owner Client” entitled to view Contractor information;
- d) Have been assigned an ISN grade for the purposes of evaluating the Contractors Health and Safety program for acceptability to Owner requirements (“ISN Grade”);
- e) If applicable have implemented a Risk Mitigation Plan as required by Owner in its sole discretion which shall be maintained for the Term of the Contract.
- f) If the Contractor’s ISN Grade is “A”, no Risk Mitigation Plan would be required.

### **2.2 Health Safety Environment (HSE) Site Planning.**

During the period between contract award and the start of Work at the Project Site, the Contractor shall meet with an Owner representative to review these requirements and the required documents.

No Work shall commence at the Project Site until Owner has confirmed the planning requirements as described in these Requirements have been satisfied by Contractor.

Owner may make recommendations for improvements to any of the documents set out in these Requirements. Contractor shall cooperate with Owner in connection to those recommendations and shall support Owner’s desire to positively influence HSE performance.

Any review, comments or recommendations by Owner related to any documents set out in these Requirements will not relieve the Contractor of full and complete responsibility and liability for HSE compliance associated with the Work.

### **2.3 Project Safety Management Plan (PSMP)**

Contractor and all Subcontractors shall follow Owner’s Project Safety Management Plan where applicable.

### **2.4 Project Environmental Management**

When applicable, Owner will develop a Project Environmental Management Plan (PEMP) that describes environmental requirements for the project. Contractor shall adhere to and comply with all project’s environmental objectives and protection measures. This includes all requirements outlined in the Owner’s PEMP and associated documentation, all commitments to regulatory agencies and project stakeholders, all

permit and approval conditions, and any other applicable environmental regulatory requirements. The PEMP and associated documentation may be updated from time to time.

Contractor shall be responsible for all environmental aspects of the Work. Contractor shall monitor and ensure that all subcontractors follow the PEMP.

Contractor will follow Owners Project Environmental Management Plan (PEMP). These may include:

- a) Environmental Resourcing Plan, including an organization chart indicating key Contractor personnel with environmental roles & responsibilities;
- b) Environmental Awareness & Training Plan;
- c) Wildlife Management Plan;
- d) Vegetation, Weed & Pest Management Plan;
- e) Hazardous Materials & Waste Management Plan;
- f) Spill Prevention, Control & Countermeasure Plan (SPCC);
- g) Stormwater Pollution Prevention Plan (SWPPP);
- h) Cultural, Archaeological and Paleontological Resource Management Plan;
- i) Dust, Noise & Nuisance Management Plan;
- j) Restoration Plan;
- k) Environmental Incident Reporting & Management Plan; and
- l) Any other plans or documents required by the PEMP.

## **2.5 Hazard Recognition, Assessment and Control**

Contractor shall follow Owner's documented processes to identify, assess and control potential hazards associated with the Work. This process shall include:

- a) Job Hazard Assessments identify the following:
  - The Work to be performed,
  - Steps associated with performing such Work,
  - Hazards associated with each step, and
  - Means to eliminate or control all such hazards.

- b) Field Level Hazard Assessments

Contractor shall complete/review and sign on to a Field Level Hazard Assessment prior to starting Work in the field each day.

Contractor shall monitor the Work to ensure hazard control procedures and execution are effective and all hazards remain adequately controlled. Contractor shall stop Work immediately if hazards cannot be adequately controlled.

## **ARTICLE 3 – RIGHT TO STOP UNSAFE WORK**

Any worker, whether in the employ of Owner, Contractor, or any Subcontractor, shall have the right to stop all Work for unacceptable health, safety, or environmental risks. Work stoppage is considered a near miss incident and shall be investigated, documented, and reported to the Owner.

## **ARTICLE 4 – SITE-SPECIFIC ORIENTATION AND TRAINING**

It is mandatory that all workers working at the Site attend the Owner's HSE Site orientation before they gain access to the Site.

Contractor shall ensure workers understand all relevant aspects of the PSMP and PEMP, including the successful integration of any workers who do not speak English.

## **ARTICLE 5 – HSE KICK-OFF MEETINGS**

Contractor shall attend a formal HSE kick-off meeting with the Owner. Contractor shall conduct a formal, documented HSE kick-off meeting with Subcontractors and any other appropriate parties as applicable. Owner may attend and fully participate in these meetings.

## **ARTICLE 6 – HSE MEETINGS**

Contractor shall attend regular HSE meetings in accordance with the PSMP.

## **ARTICLE 7 – ALCOHOL AND DRUG POLICY**

Contractor shall follow their Alcohol and Drug Policy when deemed acceptable by Capital Power. Contractors with a policy that does not meet Capital Power expectations will follow the risk mitigation plan as agreed to. Contractors without an A&D Policy will be asked to follow Capital Power Alcohol and Drug Program for Contractors as provided by Capital Power.

## **ARTICLE 8 - PRE-ACCESS TESTING VERIFICATION (SAFETY SENSITIVE POSITIONS)**

Except for Contractor Workers who are participants in the Alberta Canada, "Rapid Site Access Program", all Workers in an identified Safety-Sensitive Position are to undergo an Alcohol and Drug test as precondition to commencing work for Owner. Failure to pass the test(s) or refusal to participate means the Worker is not eligible to perform Work for Owner or gain access to Site. Testing types: Canada - Breath Alcohol and Urine Express Panel 5. US – Breath Alcohol and Urine Lab Panel 5 (DP7N). The use of urine or oral fluid laboratory testing for site-access is acceptable.

The test shall be completed 90 days or less before deployment to Site and confirmation of compliance shall be provided to Owner by means of an acceptable clearance letter from the testing provider or on the Owner's Contractor Site Access A&D Compliance Form.

Pre-Access testing is not required for Contractor Workers who are subject to pre-employment testing by the Contractor as long as they have been in constant employment with the Contractor and have not had a negative testing result. Confirmation of compliance shall be provided to Owner by submitting the Contractor Site Access A&D Compliance Form.

When pre-access testing is waived by Owner, Contractor shall ensure that every supervisor and employee provides a signed declaration before being permitted to commence work on site. This form shall be completed ONCE upon initial arrival in lieu of pre-access testing.

To mitigate risk in this circumstance Contractor shall conduct/complete the Contractor Fit for Duty Declaration Form.

Owner reserves the right to request and review compliance to the pre-access testing requirements or the Contractor Fit for Duty Declaration Form

## **ARTICLE 9 – FIT FOR DUTY**

Contractor shall verify all Contractor personnel are fit for duty relative to medical and physical considerations.

## **ARTICLE 10 – INCIDENT MANAGEMENT**

- a) Contractor shall follow Owner’s event management standard.,
- b) Contractor shall provide injured parties with adequate medical care and shall perform the appropriate level of case management,
- c) Contractor shall report all HSE incidents and near misses to Owner in accordance with regulatory requirements and Owner requirements and the PEMP,
- d) Contractor shall fully investigate all incidents, including near miss incidents to identify root causes and corrective measures to prevent reoccurrence,
- e) Contractor shall provide incident investigation findings to Owner, and upon request review such findings with the Owner. Owner may require or make recommendations for improvements to these investigations. Contractor shall cooperate with Owner in connection to those recommendations to ensure investigations identify root causes and have corrective actions that will help prevent reoccurrence,

### **10.1 Incident Reporting Timelines**

Contractor shall provide the Owner with the following:

- a) Immediate verbal notification for all incidents and near misses, unless impracticable in which case as soon as practicable,
- b) A preliminary written notification within twenty-four (24) hours of an incident, and
- c) A detailed incident report or investigation status update in writing within forty-eight (48) hours of the incident. The incident status update shall include the specific date by which a final report will be completed.

## **ARTICLE 11 – INSPECTIONS AND COMPLIANCE ASSESSMENTS**

If applicable, Contractor shall conduct HSE inspections and compliance assessments as outlined in the PSMP and PEMP.

Inspections and compliance assessments shall involve both visual and documented observation and assessment of field performance of Work activities.

## **ARTICLE 12 – OWNER EVALUATION OF THE CONTRACTOR**

Owner may evaluate the Contractor to monitor compliance with HSE Laws or with these Requirements. The frequency of evaluations will be determined by Owner on an ongoing basis dependent upon the scope of Work and the Contractor’s HSE performance.

Owner shall inform the Contractor when HSE deficiencies are identified and may make a report to the Contractor with findings and recommendations for improvements. Contractor shall cooperate with Owner in connection to those recommendations and shall support the Owner's desire to positively influence HSE management.

### **ARTICLE 13 – REGULATORY INSPECTIONS**

Communication with and inspection by environmental regulatory agencies shall be coordinated with the Owner. The Contractor shall give immediate verbal notification to the Owner regarding any regulatory inspections.

Findings, reports, demands, requests, citations, or any similar documents from regulatory agencies shall be promptly provided to the Owner. Any responses or reports to regulatory agencies must be made available to Owner for review and comment before being provided to the regulatory agency if possible. Owner may make recommendations for improvements in such responses or reports. Contractor shall cooperate with Owner in connection to those recommendations and shall support Owner's desire to positively influence HSE performance and management.

### **ARTICLE 14 – IMMEDIATELY DANGEROUS TO LIFE AND HEALTH SITUATIONS**

If any situations that present immediate danger to life, health or the environment are found during any incident or near miss investigation, inspection, compliance assessment, regulatory inspection or by any other means, immediate corrective actions shall be taken, and all affected Work shall be stopped until appropriate corrective actions are implemented.

### **ARTICLE 15 – FINDINGS AND CORRECTIVE ACTIONS**

Contractor is responsible to document, promptly take corrective actions and close in writing all incident or near miss investigation, inspection, compliance assessment, audit and regulatory inspection findings of non-compliance or matters for improvement (the "Findings"). Contractor shall store any reports related to findings at the Project Site and provide any reports or documents related to corrective actions and their closure to Owner at any time upon request. Contractor shall report on progress of any corrective actions, including implementation schedule until they are completed.

Owner may make recommendations for improvements to any corrective actions. Contractor shall cooperate with the Owner in connection to those recommendations and shall support Owner's desire to positively influence HSE performance and management.

In the event Contractor fails to implement any corrective actions within a reasonable period of time taking into account the Contractor's implementation schedule, Owner may take actions it deems appropriate. Should these actions increase the Owner's costs in any way, including costs associated with the Work, Owner may charge Contractor for these costs.

### **ARTICLE 16 – DOCUMENTATION AND RECORDS MANAGEMENT**

Contractor shall retain all HSE documents generated in connection to these Requirements related to the Work at the Project Site and in accordance with any applicable Laws. Owner shall be provided all such documents when requested.

