



**NALCOR ENERGY
ALCOHOL AND DRUG PROGRAM
REQUIREMENTS FOR CONTRACTORS**

At Nalcor Energy, safety is our top priority. We take collective pride in our commitment to ensuring employees, contractors and visitors go home safely each and every day.

We are committed to preventing workplace injury and illness, which is achievable through active safety leadership and open reporting. Our safety culture is built on a foundation of learning and engagement, thus ensuring the safety conversation does not stop at the end of the work day. This commitment, combined with the hazardous nature of the work involved in the electricity industry, and other activities involved in the energy sector, provide the foundation for this Program.

The use of illicit drugs or other mood altering substances, and the inappropriate use of alcohol and medications can have serious adverse effects on job performance and can be a threat to the safety and well-being of employees, contractors and members of the public. This statement of Alcohol and Drug Requirements for Contractors is intended to outline in more detail the requirements and expectations associated with alcohol and other drug use for all contractors performing work on our behalf.

RESPONSIBILITIES

i. Contractors are expected to:

- inform their representatives of the expectations set out in this document;
- ensure that their representatives comply with these Requirements and remain free from any adverse performance effects of alcohol and/or other drugs when on Nalcor business. This includes work being done on or off Nalcor premises and worksites, or when operating vehicles and/or equipment as part of their work; and
- sign the contractor acknowledgement form.

Contractors are encouraged to implement an Alcohol and Drug Policy of their own which meets or exceeds these Requirements, however having their own Policy is not obligatory.

ii. All contract workers assigned to Nalcor work are expected to:

- report fit for work, and remain fit throughout their work day or shift;
- adhere to the fitness for work standards that have been set out below;
- maintain a valid driver's license if it is a condition of their work, and report any



- loss or restriction to their license immediately to a Nalcor representative;
- conduct themselves in an appropriate manner and in full compliance with these Requirements while on Nalcor business, premises, and worksites;
- co-operate with an investigation into a violation including any testing requirements;
- advise a Nalcor representative of any individual performing Nalcor work, or who is on Nalcor premises, who may be in violation of these Requirements; and,
- be aware of these requirements as well as the consequences of a violation.

REQUIREMENTS

i. **Illicit Drugs:** The following are prohibited:

- the use, possession, distribution, offering or sale of illicit drugs or other mood altering substances, as well as illicit drug paraphernalia;
- reporting for work or being at work while under the influence of illicit drugs or other mood altering substances; and
- a positive drug test as determined through the testing program.

ii. **Alcohol:** The following are prohibited:

- the use, possession, distribution, offering or sale of beverage alcohol;
- reporting to work or remaining at work under the influence of alcohol from any source;
- consumption of any product containing alcohol during the workday or shift including during meals and breaks;
- consumption of alcohol after an incident, or until tested or advised a test is not required; and
- an alcohol test of .02% BAC (Blood Alcohol Content) or greater, as determined through the testing program.

iii. **Medications:** Contract workers are expected to use prescribed and over the counter medications responsibly and in accordance with directions from their doctor or pharmacist, and any information provided on the product label. They should investigate (through their doctor or pharmacist) whether a medication can affect their fitness for work (due to potential negative side effects of the medications) and take appropriate steps to minimize the associated risk. This would include notifying their Company representative or a Nalcor representative of the need for modified work when necessary. The contractor must take appropriate steps to address any modified work request, including removal from work for safety reasons.



In addition to the above, the following are prohibited:

- the possession of prescribed medications without a legally obtained prescription;
- the distribution, offering or sale of prescription medications (trafficking); and
- the intentional misuse of medications (e.g. using the medication not as it has been prescribed, using someone else's prescription medication, combining medication and alcohol use against direction).

INVESTIGATIONS:

i. Unfit for Work Investigation- Contractor's Employee, Subcontractor or Agent:

Nalcor reserves the right to require a Contractor to fully investigate a possible violation of these Requirements if a contract worker is at work and deemed to be in an unfit condition, including the requirement for a reasonable cause alcohol and drug test. In this situation:

- the Nalcor representative will disengage the worker from the work, escort the individual to a safe place, and advise the Contractor;
- the Contractor will be expected to investigate the situation to the Nalcor representative's satisfaction, including conducting a reasonable cause test as appropriate;
- the Contractor must satisfy Nalcor that there was not a violation of these Requirements; or
- if the Contractor confirms that a violation has occurred they are required to take the appropriate steps to address the situation and to ensure that no further violations take place.

ii. Unfit for Work Investigation – Single or Small Proprietors: If the contract worker is a sole provider or small independent contractor, the individual will be removed from the immediate worksite and an appropriate investigation will be undertaken by a Nalcor representative following the same procedures for employees, as outlined in the Alcohol and Drug Program. As a part of the investigation process, Nalcor reserves the right to request an alcohol and drug test at their discretion.

iii. Incident Investigations: Nalcor reserves the right to require a contract worker to be tested for alcohol and drugs as part of an investigation into a serious incident. The decision to refer someone or a group of individuals, for a test will be made by the Nalcor representative investigating the incident in consultation with their employer, as appropriate. Any required testing may be through the contractor's



program, provided it meets the requirements set out in Appendix II, Testing Procedures.

- iv. Site Access Testing:** Pre-site access alcohol and drug testing may be required at certain locations as determined by Nalcor, and must be conducted in accordance with the procedures attached in Appendix I. Contract workers will be required to pass a test to gain access to certain sites/facilities, and failure to pass the test means they do not meet the requirements for site access. Contractors will be informed, prior to work beginning if pre-site access testing is required for their workers.
- v. Failure/Refusal to Test:** Failure to report directly for a test, refusal to submit to a test or to agree to disclosure of a test result to the Designated Program Administrator, an attempt to tamper with a test sample, or failure to report an incident which may require testing, are violations of these Requirements. Further details are provided in the definition section.
- iv. Access to Testing Services:** Minimum standards for the testing program are provided in Appendix II. In situations when testing is required, Nalcor may allow contractors to utilize the Company's testing services or to independently obtain testing services (following procedures consistent with those set out in this document).

Any contractor utilizing Nalcor's testing services will be required to sign a waiver indemnifying Nalcor from any legal liability associated with the provision of testing services. Nalcor reserves the right to invoice the contractor for reasonable and customary charges associated with this service.

If a contractor chooses to obtain testing services outside of the services provided by Nalcor, they must ensure that the workers sign a release form allowing the name of the donor and the test results (positive, negative or tampered) to be released to Nalcor. Also, if the contractor chooses to utilize the Nalcor employee testing services the individual being tested must confirm in writing that their results can be released to the Nalcor Program Administrator.

- v. Impaired Driving Situations:** If required to operate a Nalcor vehicle, contract workers must report the loss of their driver's license immediately to a Nalcor representative. They are also required to immediately report an impaired driving charge, or an administrative license suspension to their contract manager or supervisor if it is received while operating a vehicle on behalf of Nalcor, and to comply with all investigation procedures and consequences.



- vi. **Possession of Alcohol or Drugs:** Nalcor reserves the right to conduct investigations when there are reasonable grounds to believe that prohibited substances, devices, and/or products are present on Nalcor premises or worksites in violation of these Requirements and applicable site rules. Individuals involved in this situation will be removed from site and an investigation will be initiated. A contract worker who refuses to submit to an investigation requested by a Nalcor representative will be removed from the premises.

CONSEQUENCES OF A VIOLATION:

A positive alcohol or drug test, or confirmed refusal to test, are violations of these Requirements. Failure of a Contract worker to abide by these provisions may result in immediate removal from the worksite and/or disqualification from future contracts. Should Nalcor permit the contract worker to be reassigned, they will be required to adhere to any conditions governing their return to work as determined by Nalcor.

Failure of the Contractor or the Contractor's representatives to meet these expectations may be considered a breach of the contract, and may result in triggering penalty clauses under the contract, or suspension or termination of the contract.

KEY DEFINITIONS:

Nalcor Business refers to all business activities undertaken by contract workers in the course of performing work for Nalcor, whether conducted on or off Nalcor premises.

Nalcor Premises and Worksites includes but is not necessarily restricted to all land, buildings, structures, facilities, work sites, and mobile equipment or vehicles owned, leased or otherwise controlled by Nalcor for the purpose of conducting Nalcor business.

Nalcor Representative refers to the person accountable for a particular facility, department or area including management or supervisory positions who direct others, and/or oversees the work or project.

Contractor refers to any individual or firm engaged by Nalcor on a contract, sub-contract, or consulting basis, including on-site labour performed under a purchase order without more formal contract documents.

Drug means any substance, including but not limited to alcohol, illicit drugs, medications, or other mood altering substances, the use of which has the potential to



change or adversely affect the way a person thinks, feels or acts. For purposes of these Requirements, drugs of concern are those that inhibit a worker's ability to perform his or her job safely and productively.

- 1) Alcohol refers to beer, wine and distilled spirits, and includes the intoxicating agent found in medicines or other products.
- 2) Illicit Drug means any drug or substance that is not legally obtainable and whose use, sale, possession, purchase or transfer is restricted or prohibited by law (e.g. street drugs such as marijuana and cocaine).
- 3) Medication refers to a drug obtained legally, either over-the-counter or through a doctor's prescription.
- 4) Mood Altering Substance refers to any other product that is legally or illegally used, resulting in cognitive or physical limitations that negatively impact performance on the job. (e.g. synthetic marijuana, "bath salts", doda, khat, glues, aerosols, and other similar products).

Drug Paraphernalia is any personal property that is associated with the use of any drug, substance, chemical or agent, and the possession of which is unlawful in Canada. This would also include any product or device that may be used to tamper with a test sample.

Fitness for Work in the context of these Requirements means being able to safely and acceptably perform assigned duties without any limitations due to the use or after-effects of alcohol, illicit drugs or medications.

Refusal to Test would include:

- failure of an employee to report directly for a test, refusal to submit to a test;
- failure to provide a valid specimen, absent a documented medical condition;
- a confirmed attempt to tamper with a test sample;
- refusal to agree to disclosure of a test result to the Company Program Administrator;
- attempting to avoid a test by failing to report involvement in an incident which may require testing or by avoiding participating in an incident investigation;
- failing or refusing to attend a medical evaluation where required under the these Requirements;
- any attempt to disrupt the testing process as described in the these Requirements.



Serious Incident would be one involving an incident with a severity of 5 or an overall risk rating of 15 or higher on the Risk Matrix, including any incident or near miss having the clear potential to meet those risk ratings. Examples include:

- a fatality;
- a “serious injury” as defined in the Occupational Health and Safety Regulations, 2012;
- an environmental incident that is reportable under provincial or federal regulations;
- serious loss or damage to property, equipment or vehicles;
- significant loss of Company or customer revenues; or
- serious safety incidents that are required to be reported under provincial or federal regulations, or to the Public Utilities Board.

APPENDIX I: PRE-SITE ACCESS TESTING REQUIREMENTS

i. Contractors Requiring Pre-Site Access Testing:

- All unescorted contractors performing on-site work at locations designated as requiring pre-site access testing.
- All unescorted contractors who are returning to the site after an absence of 30 days or more.

ii. Exceptions:

- Contractors who can verify, with documentation, that a negative alcohol and drug test (that is consistent with Nalcor’s testing requirements and procedures) has been conducted within the last thirty (30) days and have not had a non-compliant test result within that timeframe.
- Contractors who have previously completed a negative alcohol and drug test (that is consistent with Nalcor’s testing requirements and procedures), and have remained in continuous employment with the current contract company since the date of that test, and have not had a non-compliant test result in that time. Continuous employment means without termination of employment or lay-off for a period of 30 days or more.
- Contractors will not be required to be tested if present on Nalcor premises for temporary, short term, day by day access. This would include but is not limited to vendor representatives, visitors, government agents, or consultants that may



from time to time access Nalcor premises for training sessions, visits, tours, inspections or deliveries. These individuals must be escorted at all times while on Nalcor premises by a Nalcor representative.

iii. Testing Requirements

- A drug test must be administered in compliance with the testing standards set out in the Nalcor Alcohol and Drug Testing Procedures (Appendix II) using a trained collector and a laboratory that is certified by the U.S. Department of Health and Human Services (DHHS) using procedures consistent with those set out by DHHS. All samples that do not test negative must be reviewed by a Medical Review Officer who is independent of the laboratory and provides the donor with an opportunity to discuss the result.
- Contract companies may use point of collection testing (quick tests) for initial screening, provided they are satisfied with the reliability and accuracy of the test results, and that adulteration checks are done at the time of collection. All non-negative tests must be forwarded to a certified laboratory for confirmation.
- The test must conclude that no drug was detected at levels in excess of the limits set out in the Nalcor Alcohol and Drug Testing Procedures (Appendix II), and that no evidence of tampering with or substitution of the sample was found.
- The test must be completed and results known before deployment to Nalcor premises and within the last 30 days unless the individual qualifies for an exception.
- It is the sole responsibility of the contract company to organize, administer, implement and pay for all activities related to the required pre-site access tests performed on its employees and representatives. The contract company must maintain sufficient records to demonstrate compliance to these Requirements promptly upon request by a Nalcor representative.
- A positive alcohol test is one in which the blood alcohol concentration in the sample identified by the confirmation test is in excess of the limits set out in Nalcor Alcohol and Drug Testing Procedures (Appendix II).
- A positive drug test is one in which the amount of drug in the sample identified by the confirmation test is at or exceeds the cut-off levels set out in the Nalcor Alcohol and Drug Testing Procedures (Appendix II).



APPENDIX II: ALCOHOL AND DRUG TESTING PROCEDURES

Sample collection, testing and reporting of results must be conducted in accordance with standards established by the U.S. Department of Health and Human Services (DHHS) and accepted in Canada, in order to ensure the accuracy and integrity of results. Rigorous sample collection, storage and chain-of-custody procedures must be followed.

- Testing will be conducted in those circumstances outlined under the Nalcor Alcohol and Drug Requirements for Contractors to determine the presence of the following classes of drugs: cannabinoids, amphetamine/ methamphetamine, cocaine, opiates, phencyclidine and alcohol. The testing program will cover alcohol and the specified drugs only; contractors who wish to test for other substances must do so under their own Policy.
- Alcohol tests must be administered using a calibrated breathalyzer from the U.S. government Conforming Products List with a printout of test results. Only in those situations when a breath analyzer is not readily available can alcohol testing be done with a saliva strip and urine collection or oral fluid collection for analysis in the laboratory.
- All drug tests must be administered by using split sample urine collection for analysis in the lab. A “point of collection” (quick test) urine drug screening test can be administered in reasonable cause and post incident situations provided appropriate adulterant checks are utilized and any result that is not negative is forwarded to a laboratory for confirmation analysis. Any company wanting to use oral fluid testing for drug presence must have prior clearance from the Nalcor Program Administrator.
- Collection of urine specimens and administration of alcohol tests must be performed by trained collection agents. In post incident and reasonable cause testing situations, samples will be collected as soon as possible after the triggering incident, but collection attempts will end eight (8) hours after the incident for an alcohol test, and thirty-two (32) hours after the incident for a drug test. Any reason for a delay beyond two hours must be documented and provided to the Nalcor representative.
- All individuals who are tested are required to sign a form to acknowledge the accuracy of the employee and employer information and authenticity of the specimen(s). They will be given a copy of the Drug Testing Custody and Control Form and the Breath Alcohol Testing Form for their records.



- Urine samples must be analyzed by a fully qualified laboratory accredited by the U.S. Department of Health and Human Services (DHHS) using a two-step process with initial screening by immunoassay and all confirmations being performed by gas chromatography/mass spectrometry (GC/MS).
If a point of collection screening device is used, any non-negative result must be forwarded to a DHHS certified laboratory for confirmation analysis.
- Confirmed positive test results must be reviewed by a qualified Medical Review Officer who is independent of the laboratory and who will provide the donor an opportunity to discuss the result in an effort to determine whether a positive test could have resulted from the legitimate use of medications or other medical explanations. The individual concerned must be given an opportunity to explain the finding to the MRO who will then determine whether the result will be reported to the company as a negative or a verified positive or adulterated test.
- For the purpose of these Requirements, a positive alcohol test is one in which the blood alcohol concentration is at or above .02% BAC.
- A positive urine drug test is one in which the amount of drug in the sample identified by the confirmation test is at or exceeds the cut-off levels noted below which have been established for workplace testing programs throughout North America.

Drug	Initial Test Levels (ng/ml)*	Confirmation Test Levels (ng/ml)*
Marijuana	50	15
Cocaine	150	100
Opiates	2,000	
Morphine		2,000
Codeine		2,000
Oxycodone	300	300
6-acetylmorphine	10	10
Phencyclidine (PCP)	25	25
Amphetamines	500	250
Methamphetamine		250
MDMA		250
MDA	500	250
MDEA		250

* A ng/ml means nanograms per millilitre. A nanogram is one billionth of a gram. A millilitre is one thousandth of a litre.



- In the case of a verified positive test result of a urine test conducted in accordance with these Requirements, the person who has been tested may request the MRO to direct the split sample to be tested by an accredited laboratory of that person's choice within seventy-two (72) hours of receiving their results. Where split samples are not collected, the donor can request that their original sample be reanalyzed. In both cases, associated costs would apply.
- Any positive test result will be considered a violation of these Requirements, whether or not the drugs or alcoholic beverage were actually consumed on Nalcor business, premises, or worksites. Failure, or refusal, to test is also a violation of the Requirements.
- All test results for individuals directed for testing by a Nalcor representative using the Nalcor testing services will be reported directly to the Nalcor Program Administrator or designate who will communicate the result to the contractor. Contractors using independent testing facilities will be expected to advise Nalcor management whether any individual under their direction is in violation of these Requirements, or any agreement of continued assignment.
- Nalcor reserves the right to audit the contractor's testing program to ensure it meets these standards.