APPENDIX G “SUBSTANCE ABUSE PROGRAM FOR CONTRACTORS”

GENERAL

Indianapolis Power and Light Company (IPL) is committed to ensuring a drug and alcohol free workplace for its people and contractors. This program was developed to ensure that only those contractors that share this commitment perform work for IPL. This program is compliant with the IPL substance abuse policy for contractors.

Program Scope: The IPL Contractor Drug and Alcohol Program applies to all contractors, and subcontractors, performing work at IPL facilities or on IPL controlled projects. Contractors performing construction and/or maintenance type work (i.e., using a tool, performing physical labor, or working in high risk environments), or providing medium and high risk services (i.e., janitorial, snow removal, line clearing, lawn care, painting, vacuum truck operations, etc.) are expected to comply with Appendix G “Substance Abuse Program for Contractors”.

High risk work environments and activities would include, but not limited to, entering confined spaces, working at heights where wearing of fall protection equipment is required, working on or near exposed energized parts, working from scaffolding, entering excavations, working on equipment that falls under the requirements of hold cards and/or lockout/tagout, or design of, or decision making with critical path equipment.

Scope Exceptions: The IPL Contractor Drug and Alcohol Program does not apply (under normal circumstances) to non contracted work, consulting services, engineering services, transportation and delivery services that fall under jurisdiction of the U.S. Department of Transportation, and low-risk service providers; as described below:

1. Non Contracted Work is defined as indirect services provided to IPL such as postal type deliveries (US mail, UPS, FedEx), utilities performing work in easements on IPL property, sales people, and contractors performing work activities of behalf of the government, and, there is not a contract to perform services between IPL and the provider.

2. Consulting services are defined as services where IPL has entered into a contract to receive intellectual property not related to onsite construction and/or maintenance work.

3. Engineering services are defined a services related to project design, failure analysis, performance improvement, environmental and safety evaluations and audits, and other technical related services where the primary product is data collection and analysis; and where the employees performing these services are not exposed to high risk work activities or environments.
4. Transportation and delivery services are defined as services related to the delivery of goods to IPL facilities and worksites.

5. Low-risk service providers are those providers that are onsite to perform minor, short duration, tasks and adjustments related to maintaining office equipment, performing minor repairs, decorating, catering, and other low risk services not related to construction and/or maintenance work.

6. Other exemptions may be granted by the IPL Director of Occupational Health and Safety.

“Scope exemptions” only applies to Appendix G “Substance Abuse Program for Contractors” of the IPL Contractor Health and Safety General Terms and Conditions. All other provisions of the IPL Contractor Health and Safety General Terms and Conditions are required as appropriate based on the work scope.

If a bidder is unsure if they are covered by the scope of Appendix G, they must contact IPL Supply Chain prior to submitting a bid.

**CONTROLLED SUBSTANCES IN THE WORKPLACE**

IPL prohibits the unlawful use, possession, consumption, manufacture or distribution (by sale or otherwise) of controlled substances in the workplace. Contractor or subcontractor employees violating this prohibition will be banned from all IPL jobsites and facilities.

**PERIODIC TESTING**

IPL reserves the right to subject all Contractor employees and subcontractor employees working on or visiting IPL jobsites or facilities to annual testing, pre-work assignment testing, testing for reasonable suspicion, post-accident testing and random testing as defined below:

A. "Annual or Pre-work Assignment" testing: All Contractor employees and subcontractor employees shall show proof of a negative drug test within the last twelve (12) months before the start of any work at IPL jobsites or facilities. IPL will only accept Metro Indianapolis Coalition for Construction Safety (MICCS) drug cards or cards from programs that have been granted reciprocity with MICCS. Exceptions can only be granted by the IPL Corporate Safety Director. The Controlling Contractor must become a Construction Safesite card manager and set up a program with Construction Safesite (www.constructionsafesite.org) to validate its employees’ drug cards. The Contractor must validate that the drug cards are “available” through the Construction Safesite database and provide the IPL Contractor Representative with a copy of a current MICCS (or MICCS-reciprocal program) drug card and the computer print out (from construction
safesite) for each employee under its control who is expected to perform work for IPL before allowing any such employee to report for work on an IPL project. IPL is not responsible for the costs of annual drug or pre-work testing.

B. "Reasonable suspicion" is defined as the objective evidence associated with the worker's conduct which would cause a reasonable person to believe that the worker demonstrates signs of impairment due to alcohol or other drugs. Examples of "objective evidence" include but are not limited to difficulty in maintaining balance, slurred speech, odor and erratic or atypical behavior. The Contractor shall make immediate arrangements to transport the employee under reasonable suspicion to the testing facility and then to the employee's local residence. Any employee sent for testing shall not return to work until the confirmation results of the drug and alcohol tests are received from the laboratory. A contractor employee whose test results are confirmed “negative” will be paid for straight time hours missed during the “pending status” period. IPL is not responsible for the costs of reasonable suspicion testing.

C. "Post-accident" drug and alcohol testing is required for any Contractor or subcontractor employee whose actions contributed to the occurrence of an on-the-job accident causing injury to himself or others and/or substantial property damage (estimated by IPL at $500.00 or more.) All employees involved in such accident will be subject to an alcohol and drug screen, provided that:

1. The preliminary on-site investigation reveals that the negligence or carelessness of the employee could have contributed to the cause of the accident, i.e. violation of a safety rule or practice; and
2. The condition of the employee allows such an examination to be performed without interference with prescribed medical treatment.

The Contractor's or subcontractor's Competent Person is responsible for conducting the on-site investigation immediately after the accident and for ordering the drug and alcohol test when applicable. Alcohol testing should be administered within two hours after the accident. Unless there is a positive initial drug and/or alcohol test result or reasonable suspicion as defined above, employees subject to post-accident testing may return to work until confirmation laboratory results are received. A contractor employee whose test results are confirmed “negative” will be paid for straight time hours missed during the “pending status” period. IPL is not responsible for costs associated with the post-accident drug and alcohol testing.

D. "Random" testing is an unannounced, unscheduled drug and/or alcohol test pursuant to an objective method for random selection of employees to be tested. The objective method shall be neither discriminatory nor arbitrary. Upon notification, the employee must immediately report to the designated testing
facility. Employees whose initial results of the random testing are “positive” for drugs and/or alcohol will not be allowed to continue to work on IPL-controlled job sites or facilities unless a “negative” confirmation of that test is received from the laboratory. A contractor employee whose test results are confirmed “negative” will be paid for straight time hours missed during the “pending status” period. The IPL Safety Director, IPL Team Leader or Occupational Health Nurse shall approve the use of random testing before its implementation at the site. All costs associated with random testing shall be paid by IPL, except that the Contractor shall be responsible for payment of tests which produce a positive result.

REPORTING TO WORK

All Contractor or subcontractor employees must report to work with acceptable evidence of a negative drug test within the last 12 months as described in the “Annual or Pre-work Assignment” testing requirements above. If such evidence is not provided, the Contractor employee may, at the sole discretion of the IPL Corporate Safety Director, be temporarily allowed to work on IPL jobsites or facilities if such employee is first properly tested and acceptable proof of a negative drug test is provided to the IPL Contractor Representative. The Contractor shall remain responsible for ensuring that the IPL Contractor Representative receives such employee’s issued MICCS (or MICCS-reciprocal program) drug card within one week from the date of a “negative” confirmation of that test from the laboratory. If a “positive” confirmation of the test is received from the laboratory, the Contractor must immediately notify IPL and such employee will be prohibited from working on IPL jobsites or facilities until a current MICCS (or MICCS-reciprocal program) drug card can be provided for such employee. The costs associated with Contractor or subcontractor employee drug testing for reporting to work is the responsibility of the Contractor or subcontractor.

AUDITING

IPL reserves the right to audit a Contractor’s or its subcontractor’s records on the current status of the Contractor’s or subcontractor’s employees’ drug cards or other evidence of compliance with the requirements of this program. It is the Contractor’s responsibility to have the proof and results of testing readily available to IPL for audit. If compliance cannot be reasonably established for a Contractor’s or subcontractor’s employee, that employee will be prohibited from working at all IPL jobsites and facilities until acceptable proof of testing and negative results are produced. If the Contractor cannot produce a current MICCS (or MICCS-reciprocal program) drug card for such employee, the procedures contained in the “Reporting for Work” section above shall be followed.

BANISHMENT FROM IPL JOBSITES AND FACILITIES
Contractor employees shall be banned from all IPL jobsites and facilities for any of the following offenses: testing positive for drugs or alcohol above the designated limits; refusal to take a test or unreasonably delay in reporting for a test as required by this program; evidence of intentionally adulterating or diluting a required sample or using a counterfeit drug card. The period of time for the employee’s banishment shall be determined by IPL in its sole discretion after review of the circumstances.

TESTING MECHANICS

A. All drug testing must come under the control and supervision of a physician. Employees’ confidential information shall be protected in accordance with state law and the "American Medical Association’s Code of Ethical Conduct for Physicians Providing Occupational Medical Services" or the Medical Review Officer (MRO) Manual as developed by the Department of Health and Human Services (DHHS.)

B. The Contractor or subcontractor employee shall provide an appropriate sample for the drug test. Only laboratories approved by the Substance Abuse and Mental Health Services Administration (SAMHSA) may perform the drug testing.

C. A positive drug test result shall mean that test levels on the confirmatory test exceed the levels recognized by the "U.S. Mandatory Guidelines for Federal Workplace Drug Testing" programs. A positive test result will first be reported to the employee and then to the employer by the Medical Review Officer (MRO). If an MRO is unable to contact an employee within a reasonable amount of time, the employer or its designated representative will be contacted without further attempts on the part of the MRO to contact the employee. Cut-off levels and confirmation levels are as follows:

<table>
<thead>
<tr>
<th>substance</th>
<th>initial screening cut-off levels</th>
<th>confirmation cut-off limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amphetamines/MDMA-Ecstasy</td>
<td>500 ng/ml, 50 ng/ml</td>
<td>250 ng/ml, 250 ng/ml</td>
</tr>
<tr>
<td>Cocaine</td>
<td>150 ng/ml</td>
<td>100 ng/ml</td>
</tr>
<tr>
<td>PCP-Phencyclidine</td>
<td>25 ng/ml</td>
<td>25 ng/ml</td>
</tr>
<tr>
<td>Opiates</td>
<td>2000 ng/ml, 2000 ng/ml</td>
<td>2000 ng/ml, 2000 ng/ml</td>
</tr>
<tr>
<td>6-AM-Heroin</td>
<td>10 ng/ml</td>
<td>10 ng/ml</td>
</tr>
<tr>
<td>THC-Cannabinoids</td>
<td>50 ng/ml</td>
<td>15 ng/ml</td>
</tr>
<tr>
<td>Ethanol (Alcohol)</td>
<td>.04% w/vol. (enzyme assay)</td>
<td>.04% w/vol. (GC/FD)</td>
</tr>
</tbody>
</table>
D. A Breathalyzer unit, similar to those used by law enforcement officers for sobriety tests, will be used for the alcohol test.

E. A positive alcohol test result shall mean breath alcohol levels which exceed 0.04.

F. All substance abuse testing shall, at a minimum, be conducted in accordance with the U.S. Department of Health and Human Services "U.S. Mandatory Guidelines for Federal Workplace Drug Testing" programs.

G. An employee who tests positive shall have the right to have the secured portion of the urine sample independently retested by a SAMHSA-certified laboratory of the employee’s choice at his/her expense. If the independent retest is negative, the employee shall be allowed to resume work immediately.

H. No adverse action shall be taken against any employee on the basis of any "unconfirmed positive" result of the substance abuse test. Confirmation of positive results shall be conducted using the Gas Chromatography/Mass Spectrometry (GCMS) method as recognized by the U.S. Department of Health and Human Services.

I. The Contractor must use a SAMHSA-certified laboratory for all testing performed by the Contractor.

J. The testing requirements of this program may supplement but shall not supersede applicable DOT requirements for those jobs that fall under DOT jurisdiction.