

Electric Transmission Texas, LLC Supplemental Safety Terms and Conditions

These Supplemental Safety Terms and Conditions are intended to supplement and not replace the safety provisions in the general terms and conditions of Electric Transmission Texas, LLC (ETT or Owner). In the event of a conflict between the applicable general terms and conditions and these Supplemental Safety Terms and Conditions, the terms of these Supplemental Safety Terms and Conditions shall apply.

These Supplemental Terms and Conditions shall also apply to any subcontractors that Contractor may use for the Work. **Contractor is responsible for ensuring that its subcontractors are aware of and comply with these Supplemental Safety Terms and Conditions.**

Contractor's failure to comply with these Supplemental Safety Terms and Conditions shall be cause for the Contract to be terminated and Contractor to be removed from Owner's Bidders List.

Unless and until Contractor is notified otherwise by Owner, American Electric Power Service Corporation (AEPSC) is authorized to exercise all of the rights of, and act on behalf of, Owner pursuant to these Supplemental Safety Terms and Conditions.

1.0 GENERAL

- 1.1 The Safety Policy of American Electric Power, attached hereto as Exhibit 1 - Contractor Safety Oversight Program, will apply to work under the Contract.
- 1.2 Contractor's safety performance will be monitored and evaluated during the project by AEPSC.
- 1.3 Contractor shall adhere to all pertinent local, state and federal regulations and all rules and policies set forth in Contractor's own safety manual. Contractor shall immediately correct any deficiency brought to the attention of Contractor by AEPSC. Repeated safety violations, severe violations, incidents, or accidents are cause for the Contract to be terminated and Contractor removed from Owner's Bidders List.
- 1.4 AEPSC shall have the authority to immediately stop Contractor's Work indefinitely for operations, which in the opinion of AEPSC, constitute a safety concern. It is the responsibility of Contractor to adequately satisfy AEPSC of any remediation necessary to provide a safe and healthful workplace.
- 1.5 Contractor shall have qualified and competent supervision at the Site at all times to direct and observe the Work.
- 1.6 Contractor shall appoint a qualified and competent representative anytime Contractor has subcontractors working onsite without Contractor present. This representative shall be onsite at all times while Work is being performed by subcontractors.
- 1.7 If Contractor in good faith believes that any rule or procedure set forth in these Supplemental Safety Terms and Conditions will put its employees or others at risk, Contractor shall immediately notify Owner and shall cooperate with Owner to develop a mutually acceptable alternative procedure.

2.0 CONTRACTOR SAFETY REPRESENTATIVE

- 2.1 Contractor shall provide a full-time on-site safety person for each project with twenty of more employees (Contractor and its subcontractors). This individual shall have successfully completed the OSHA 30 hour training. AEPSC may request verification of qualifications for review and approval.
- 2.2 The full-time on-site safety person shall initiate, enforce, maintain, and administer job site safety and other loss prevention programs associated with the work.
- 2.3 AEPSC may request Contractor to provide a full-time safety person for work with fewer than 20 employees if AEPSC determines the nature of the work justifies additional safety oversight.

3.0 MONTHLY SAFETY REPORTING

- 3.1 Contractor must report the following:
 - Hours worked monthly and year-to-date on ETT projects
 - First Aid incidents monthly and year-to-date on ETT projects
 - OSHA recordable incidents and year-to-date calculations on all ETT projects
 - Lost time and restricted duty case severity rates monthly and year-to-date on ETT projects
 - Preventable vehicle accidents monthly and year-to-date on ETT projects

The above requirements must be reported by the 10th day of the following month by e-mail to: transsafetycoord@aep.com or fax to (614) 552-1122, utilizing the AEP Transmission Contractor Performance Report Instructions and Forms (Exhibit 2). This information will be used by AEPSC to evaluate Contractor's safety effectiveness and performance.

4.0 INCIDENT REPORTING

- 4.1 Contractor shall report all incidents immediately to the AEP project Transmission Construction Representative (TCR). Incidents of a more serious nature shall also be reported to the AEP Transmission Contractor Safety Administrator immediately (verbal reporting is sufficient). Incidents of a more serious nature include, but are not limited to, injuries requiring transport to a hospital or other medical facility and customer outages.

An initial written report shall be e-mailed to transsafetycoord@aep.com or faxed to (614) 552-1122 by 8 am the following day. Incidents to be included are: all near miss incidents, first aid and minor incidents, all OSHA recordable injuries, flash accidents and vehicle accidents. This written report should be in sufficient detail to identify the nature of occurrence, the extent of injury (if any) and contact name and number of person leading investigation.

Within 48 hours, Contractor shall submit an in depth written report by e-mail to transsafetycoord@AEP.com or faxed to (614) 552-1122. This report must have time and date of incident, location of incident, name of injured employee, injured employees experience on the job, description of incident, factors that caused the incident, corrective actions and person responsible for corrective actions.

- 4.2 All environmental spills must be reported immediately to the TCR.

5.0 TASK HAZARD ANALYSIS

- 5.1 Before any Work begins and before any changes in work procedures or activity at any location, Contractor shall perform a documented Task Hazard Analysis (THA) and in a written report identify all potential work site risks. The THA shall include: 1) step by step plan for the task to be performed, 2) risks/hazards associated with the task, and 3) control measures that Contractor will take to eliminate or control these potential risks/hazards.
- 5.2 Contractor's assigned supervisor / lead shall review the THA with each crewmember prior to the start of each task and anytime the work procedure changes. Each crewmember must sign their name verifying they understand and will follow the THA.
- 5.3 Contractor's supervision shall provide a review of the THA to all visitors to the job site.
- 5.4 Contractor shall make its THA reports available to AEPSC upon request.

6.0 PERSONAL PROTECTIVE EQUIPMENT REQUIREMENTS

- 6.1 Contractor is responsible for requiring the use of appropriate personal protective equipment in all operations where there is an exposure to hazardous conditions.
- 6.2 Contractor and subcontractor employees shall wear at a minimum the following personal protective equipment (PPE) while in any construction area:
 - Safety glasses or safety prescription glasses with side shields
 - Hardhat
 - Work gloves that provide protection for type of work
 - Approved hearing protection devices in designated areas
 - Protective toe footwear that meet the safety-toe specifications of ASTM F2413-05 with a compression rating of C75 (i.e. safety toe shoes).
 - Employees that climb structures shall wear a shoe with a defined heel.
 - 100% fall protection when climbing on wooden structures.

Additional foot protection and or PPE may be required based on Contractor's PPE assessment. Open-toed, open-heel, athletic footwear and tennis shoes are prohibited.

- 6.3 Contractor employees shall wear fire retardant clothing when working on or near energized equipment. While not all-inclusive, the following list provides examples:
 - When working within the minimum approach distances
 - When rubber gloves or rubbers gloves and sleeves are required
 - When performing hot-stick work
 - When bonding or working "bare hand method"
 - When grounding conductors or equipment
 - When testing lines or equipment to be de-energized
 - When performing switching operations
 - When entering enclosed/confined spaces with energized lines or equipment
 - When disconnecting or connecting testing meters
 - When as employee is required to physically assist with energized work on lines or equipment where mechanical failure or human error could expose employee to a flash

When a shirt is worn as the outer layer, it must be FR rated with long sleeves. Sleeves shall be rolled down and buttoned with shirt tails tucked into trousers. When an

additional layer is required, the coat worn as the outer layer must be 100% natural fiber fabrics of 11 ounces per square yard or greater.

Pants must be 100% natural fiber fabrics of 11 ounces per square yard or greater.

All other layers shall be 100% natural fiber fabrics.

Additionally, an employee entering a station under the control of a dispatch authority shall be required to wear fire retardant clothing unless specifically exempted by AEPSC.

7.0 SUBSTATIONS/SWITCHYARDS

- 7.1 Contractor shall have all employees in a supervisory role qualified to enter an energized substation. This training is commonly referred to as Station Entry training. Supervisory employees shall be trained and competent in the skills and techniques necessary to distinguish exposed live parts from other parts of electric equipment, the skills and techniques necessary to determine the nominal voltage of exposed live parts, the minimum approach distances corresponding to the voltages to which the qualified employee will be exposed. A record of this training must be maintained by Contractor and made available to AEPSC upon request.
- 7.2 Employees not OSHA station qualified shall be under direct supervision of a qualified supervisor. In this case, if the supervisory employee leaves an electrical station site where Work is being performed, all employees must leave the site as well.
- 7.3 Gates in station fences shall be closed and locked when they are not under the observation of an attendant.

8.0 FIREARMS, ALCOHOL and DRUGS

- 8.1 Firearms, alcohol, illegal drugs (marijuana, cocaine, etc.) or drugs taken for non-medicinal purposes are prohibited on all Owner project sites.
- 8.2 Contractor shall be responsible for its and its subcontractor employees who are under the care of a physician and are taking prescribed medicine, which may alter the employee's physical or mental ability. Contractor shall determine the necessity to change and adjust accordingly the employee's job assignment while undergoing treatment.
- 8.3 If firearms or suspected illegal drugs are discovered on any ETT site, the following guidelines should be followed by whoever discovers the firearms or suspected illegal drugs:
 - First, if possible without putting themselves or others in harms way, attempt to secure the location and ensure that others cannot come in contact with the firearms or suspected illegal drugs. Do not handle or move firearms or suspected illegal drugs from their discovered location.
 - Second, immediately contact the AEPSC Project Manager or TCR and together make a decision whether or not the situation requires a call to the local law enforcement authorities. Immediately call the local law enforcement authorities and report the discovered items if (a) neither the AEPSC Project Manager nor the TCR is available; (b) there is a threat of harm to any person; or (c) there is a risk of improper removal or disposal of the firearms or illegal drugs.
 - Third, call local AEP Security personnel or call the general AEP Security hotline at 1-866-747-5845.

- Fourth, for incidents involving Contractor personnel, Contractor shall submit reports according to Section 4.0 Incident Reporting.

9.0 DRUG/ALCOHOL TESTING

9.1 All of Contractor's and its subcontractors' employees must complete and pass the following drug/alcohol screenings:

- AEP Pre-employment (48 hours or less prior to first employment on any ETT site)
- Post incident on all employees involved in any safety related incident
- Random
- Reasonable suspicion

If not subjected to a test listed above, Contractor and subcontractor employees must be tested a minimum of once every twelve months.

9.2 Screening substances and their associated cut-off limits will be the same as listed in the applicable general terms and conditions. Contractor shall incur all costs associated with the drug testing identified in this Section 9.0.

9.3 Contractor shall share test results with AEPSC upon request to the extent allowed by applicable federal, state or local law. If applicable, Contractor will ensure that employees, agents, subcontractors or independent contractors and the employees of subcontractors or independent contractors sign an appropriate authorization prior to such tests being conducted, acknowledging the tests are being conducted and authorizing the information obtained to be provided to AEPSC.

9.4 Contractor shall have and ensure compliance with a substance abuse/drug and alcohol policy that complies with all applicable federal, state and/or local statutes or regulations.

10.0 TRAINING REQUIREMENTS

10.1 Contractor's and its subcontractors' employees shall be appropriately trained, qualified, and competent to perform assigned tasks and associated work. Qualifications and training shall be documented by Contractor and available to AEPSC upon request.

10.2 Contractor's and its subcontractors' Site Supervision shall have successfully completed the appropriate OSHA 30 hour training. "Site Supervision" is defined as personnel with responsibility for making job site work assignments, personnel with overall responsibility for the Work and any person leading a crew or work group (Foreman, Superintendent, Crew Leader, Lead Lineman, etc). Newly appointed or hired supervision shall complete the OSHA 30 hour training before assuming the supervisory position.

10.3 All Contractor and subcontractor employees who are performing work on Owner's projects shall have successfully completed the appropriate OSHA 10 hour training. New employees shall be trained within two weeks of starting their first assignment on an ETT project.

- If Contractor and subcontractor employees have training that is equivalent to the OSHA 30 hour or OSHA 10 training, Contractor shall submit an overview of the program and documentation of this training to AEPSC. AEPSC may require OSHA training in addition to such training, provided Contractor shall be responsible for the sufficiency of its training program.

- 10.4 Contractor and subcontractor shall incur all costs associated with the training of their employees. Training shall be valid for a three-year period, which thereafter requires OSHA 10 hour training or equivalent classroom training accepted by AEPSC.

11.0 INDIVIDUALS RESTRICTED FROM ACCESS TO AEP WORK SITES

- 11.1 AEPSC may deny access to Owner's work Sites for any individual who fails to comply with the safety provisions set forth in the applicable general terms and conditions or these Supplemental Safety Terms and Conditions or who, in AEPSC's judgment, otherwise demonstrates a lack of safety performance. Examples of a lack of safety performance include, but are not limited to, the following:

- Unsafe job performance
- Failure to pass drug/alcohol test
- Refusal to submit to a drug/alcohol screen
- Displaying incompetence in performing their job
- Employees that are determine to be unfit for project employment
- Playing of pranks, horseplay or practical jokes
- Failure to report injuries and/or accident
- Fighting or acts of aggression
- Theft or vandalism

- 11.2 Prior to entering the Site and during the term of the Contract, Contractor shall provide to AEPSC a list of all of individuals (whether its or its subcontractors' employees), which Contractor intends to use at Owner's Site. The list shall identify the individuals by their name and the last three digits of the individuals' Social Security numbers. This list shall be submitted by e-mail to transsafetycoord@AEP.com or by fax to (614) 552-1122.

- 11.3 Contractor shall provide AEPSC with the names and reasons when an employee is removed from Owner's property due to lack of safety performance or not meeting the drug/alcohol testing requirements.

- 11.4 Owner and AEPSC, each in its sole discretion, may deny access to any individual who has previously been removed from a project by Owner or AEPSC for safety reasons. In addition, AEPSC is authorized to deny access to any individual who has previously been removed from a project by AEPSC or any of its affiliates for safety reasons.

- 11.5 Contractor may request a restricted employee to be cleared for work. A letter addressing the original safety violations or reason for suspension with any documentation supporting the request shall be sent to AEPSC for approval. The employee shall not work at any of Owner's work Sites until approved by AEPSC, which approval may be withheld in the sole discretion of AEPSC.

12.0 JOB SITE COMPLIANCE AUDITING

- 12.1 A Contractor safety professional shall perform and document one job site audit on each project job site a minimum of once a month.

- 12.2 Contractor site supervision shall perform and document a minimum of one job site safety audit per week.

- 12.3 Contractor management personnel shall perform and document one job site safety audit quarterly.

- 12.4 Audits shall be maintained for the duration of the project and shall be made available upon request of AEPSC.

13.0 EMERGENCY PLANNING

- 13.1 All job sites must have emergency communication and an emergency response plan that has been communicated and understood by all employees. The plan shall include at a minimum:

- Emergency contacts
- Location and name of local emergency services
- On-site communication methods
- Location and directions (including maps) to the nearest medical facility
- Procedures to follow in the event of an emergency

14.0 BILINGUAL REQUIREMENTS

- 14.1 At a minimum, Contractor shall provide one English speaking employee for each non English-speaking crew of up to 10 people. The English speaking crewmember(s) shall be able to communicate with all other crewmembers.

15.0 HAZARDOUS COMMUNICATION

- 15.1 Contractor shall submit a chemical inventory prior to mobilizing onto ETT projects. This inventory shall be submitted by e-mail to transsafetycoord@AEP.com or by fax to (614) 552-1122.
- 15.2 MSDS shall be kept on file by Contractor and available for Contractor's employees and AEPSC's review upon request.

EXHIBIT 1: AEP Contractor Safety Oversight Program

EXHIBIT 2: AEP Transmission Contractor Performance Report Instructions and Forms