

SaskEnergy Incorporated
Drug & Alcohol Policy Standard
FOR
CONTRACTORS



Drug and Alcohol Standard for Contractors

Overview

SaskEnergy Incorporated and its subsidiaries (collectively and individually referred to as the "Company") place a priority on minimizing health and safety risks associated with its business activities.

The inappropriate use of Unauthorized Substances and/or Unlawful Substances, including drugs, alcohol and medication, may have serious adverse effects on health, safety and job performance. This in turn can negatively impact other personnel working on site, members of the public and the environment.

For these reasons, appropriate measures are necessary to ensure the safe and successful conduct of the Company's operations. These measures are explained in the Company's Drug & Alcohol Policy (the "Policy") and in this Standard for Contractors.

Scope

This Standard applies to all Contractors and Contract Workers performing Safety Sensitive activities, as defined by the Company, in all circumstances when on Company Sites or performing Company Business.

General Requirement

Contractors are expected to enforce the requirements of the Company's Policy among their employees, subcontractors and agents, who are all considered to be Contract Workers for the purposes of this Standard, when assigned to Company Business or to perform work on Company Sites.

Contractors must have an alcohol and drug policy in place with requirements that meet or exceed those set out in the Company's Policy in order to respond to any violations of the Policy. Where it is impractical for sole proprietors and other very small Contractors to establish their own policy and testing services, they will be contractually required to comply with the terms of the Company's Policy.

Full copies of the Company's Policy are available from the Company and the Company's Purchasing department will provide copies of the Policy and this Standard to Contractors with their contracting agreements.

Contractors must maintain an account at a Testing facility that uses a SAMHSA certified laboratory. Contractors are responsible for arranging their own Testing services and for ensuring that the Testing facility provides written confirmation of test results to Contractors. Contractors must also maintain and promptly provide sufficient records to the Company in order to demonstrate full compliance with this Standard upon request.

Contractors must notify the Company's Contract Administrator of any confirmed Policy violations.

Alcohol and Substance Testing

Pre-Access Testing for Safety-Sensitive Positions (Effective September 1, 2013)

Contract Workers in Safety-Sensitive Positions who were not actively employed with the Contractor and performing Company Business prior to September 1, 2013 will be required to undergo pre-access Testing for Unlawful and Unauthorized Substances prior to beginning work on Company Business.

Only Contract Workers who Test negative for Unlawful and/or Unauthorized Substances will have Access granted and maintained. Testing must be completed not more than ninety (90) calendar days prior to beginning work on Company Business.

The pre-access Substance Test will be valid for Access for:

- a) A period not more than ninety (90) calendar days from the date the Test was completed.
- b) As long as the Contract Worker remains in continuous employment with the same Contractor and continues working on Company Business.
- c) The Contractor will maintain a current list of Drug and Alcohol tests results for Contract Workers working on Company Business. Upon request, these results will be made available to the Company.

Exceptions to Pre-Access Testing

A Contract Worker will not be required to complete a pre-access Substance Test for initial Access if the Contract Worker has previously worked on other Company Business in accordance with this Standard and not more than ninety (90) calendar days have elapsed since a pre-access Substance Test for that Contract Worker was completed.

Contract Workers and other non-Company personnel will not be required to be Tested if they are not performing Safety-Sensitive duties.

Company's Testing Services

Contractors may be permitted to use Company's Testing Services (if available) for reasonable cause and post-incident Testing.

Because Contract Workers must complete pre-access Substance Testing prior to beginning work on Company Business, the Company's Testing Services for pre-access Substance Testing are only available in extenuating circumstances.

Any Contractor who wishes to use the Company's Testing Services will be required to sign a service agreement, indemnifying the Company of any legal liability associated with the provision of testing services. The service agreement is available from the Company's legal department. The Company reserves the right to invoice Contractors for reasonable and customary charges associated with providing this service. Test results will be disclosed only to the Contractor.

Violations

Access will be revoked for a Contract Worker who violates the Company's Policy or this Standard.

Access for a Contract Worker may be reinstated after the Company is satisfied that the applicable requirements of both the Company's and the Contractor's policy have been met. Written verification is required from the Contractor that all remedial steps set out in the Contractor's policy have been, and continue to be, followed in order for Access to be reinstated.

Confidentiality

Confidentiality will be maintained except where limited disclosure is required in accordance with the Company's Policy, where the Company determines that the health and safety of workers and/or the public is at issue (e.g. there is deemed to be a potential for risk to self, others or the Company), or when disclosure is required by law.

Definitions

Words that start with capital letters in this Standard have specific meanings. Those that are unique to this Standard are defined below. The rest are defined in the Company's Policy.

- "Company's Testing Services" means a professional alcohol and drug testing organization that has been chosen by the Company to perform testing for Unauthorized Substances and Unlawful Substances
 - "Contractor" means a contract company that has been engaged by the Company to complete a specified scope of work for or on behalf of the Company
 - "Contract Worker" means all regular full-time, seasonal, part-time, casual and temporary employees of Contractors performing work on behalf of the Company. Contract Worker shall also refer to employees of sub-contractors performing work on behalf of the Company
 - "Policy" means the Company's Drug and Alcohol Policy
 - "Access" means a Contract Worker is permitted entry onto Company Sites and/or is permitted to work on Company Business
 - "Substance Test," "Test" or "Testing" means an alcohol and/or drug test for Unauthorized Substances and Unlawful Substances
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SaskEnergy Incorporated

Drug & Alcohol Policy



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Drug and Alcohol Policy

A. *Purpose or Objective*

The objective of this Policy is to provide standards and guidelines that support the Company's commitment to maintain a safe and healthy workplace, free from the negative effects of alcohol, drug or other substance use. This Policy is one more component of our overall health and safety program, and is being implemented to complement the Employee and Family Assistance program (EFAP), wellness programs and other safety initiatives in the workplace. The Company is committed to complying with health, safety and environmental policies of all relevant legislation including the Occupational Health and Safety Act and Regulations as well as all the Company's policies and practices.

The Company is committed to protecting the health and safety of Employees, contractors, customers and the general public, both in the workplace, and in the community in which we operate. The inappropriate use or abuse of drugs, alcohol and/or medications adversely affects workplace safety, and introduces unacceptable safety risks, as well as reducing productivity and impacting the well-being of Employees, their families, customers and the general public.

The Company's goal is to minimize safety risks by addressing the inappropriate use and abuse of drugs, alcohol and medications in the workplace. The Company seeks to do this through increased Employee awareness and an emphasis on individual responsibility. Clear communication of the Policy's objectives, assistance towards rehabilitation, and leading by example, will help the Company and its Employees to create the safe and healthy work environment that is necessary for a high performing organization.

Employees affected by this Policy will receive:

- respectful and individual consideration
- testing (where applicable) conducted in a discrete and private manner
- the highest level of confidentiality possible

Any Employee who wishes to access services for treatment for an Addiction Disability is encouraged to contact the Employee and Family Assistance Program.

B. Application and Scope of Policy

This Policy applies to all Employees working for the Company in all circumstances when Employees are conducting Company Business or are on Company Sites.

One of the tools used in this Program is alcohol and drug testing. The Company recognizes that alcohol and drug tests do not necessarily demonstrate impairment nor do they necessarily reveal a substance abuse problem or Addiction Disability. A verified positive alcohol and/or drug test only means that there is a drug or alcohol in the donor's system. However, a positive alcohol and/or drug test coupled with other indicia of impairment may demonstrate that a worker is not Fit for Duty.

The Company realizes that substance dependency is considered an Addiction Disability under human rights legislation. This Policy provides for the accommodation of Employees with Addiction Disabilities.

While this Policy applies to all Employees, alcohol and drug testing will only be required of those Employees who work in Safety-Sensitive Positions, and only in the following circumstances:

1. pre-employment or pre-placement in a safety-sensitive position;
2. for reasonable cause;
3. post-incident/accident, or after a near miss; and
4. return-to-duty and unannounced follow-up testing as part of a Return-to-Work Agreement after a Policy violation.

Random drug and/or alcohol testing is not part of this Policy.

C. Definitions

In this policy:

Accommodation

- Means adjustments to the conditions of employment, as and to the extent required by human rights law, in order to allow an Employee with a disability to continue his or her employment.

Addiction Disability

- Means a primary, chronic, neurobiological disease with genetic, psychosocial and environmental risk factors in its development and manifestations. It is characterized by behaviors that include one or more of the following: impaired control over substance use, compulsive use, continued use despite harm, craving and relapse. The diagnosis is made by doctors and other Substance Abuse Professionals and not by Company personnel.

Alcoholic Beverage

- Means any beverage, mixture or preparation, including any medication, containing Alcohol in a concentration of one half of one percent (0.5%) or more.

Company

- Means SaskEnergy Incorporated, TransGas Limited and Bayhurst Gas Limited.

Company Business

- Refers to all activities undertaken in the course of Company operations, whether conducted on or off Company Sites.

Company Sites

- Includes but is not necessarily restricted to, all land, property, structures, installations, vehicles (including personal vehicles used for Company business), and equipment owned, leased, operated or otherwise directly controlled by the Company, operated under the direction of the Company, or under the Company's operating authority.

Disability

- Means a disability as defined by human rights law.

EFAP

- Means the Company Employee and Family Assistance Program.

Employee

- Means all full-time, part-time, temporary, and seasonal employees of the Company, and includes students.

Fit for Work/Duty

- Means being able to safely and acceptably perform assigned duties, including while assigned to standby, call-out or overtime work, without any limitations due to the use or after-effects of Unauthorized Substances and/or Unlawful Substances.

Human Resources

- Means the Company's Human Resources departments located at Head Office in Regina, Saskatchewan, and includes those individuals in the Human Resources departments who are from time to time assigned the responsibilities of Human Resources under this Policy.

Lawful Substances

- Means substances, which an individual may lawfully possess or use, but which can impair physical or mental capacity. These include over-the-counter medications, controlled substances (prescription medications) for which the individual has a valid prescription, and Alcoholic Beverages.

Manager

- Means all Company Employees who have managerial responsibility over Employees, whether or not on Company Sites, and includes Managers, Area Managers, General Managers, Department Heads, Human Resources and others with Managerial authority. In most circumstances, this Policy envisions that Managers will be responsible to administer this Policy at Company Sites, under the direction of the appropriate management personnel, who shall act in conjunction with and on the advice of Human Resources.

Medical Review Officer

- Refers to the licensed physician responsible for interpreting and assessing the results of the testing for Unauthorized Substances and Unlawful Substances under this Policy.

Positive Screen or Test Result

- Means the detection of Unlawful or Unauthorized Substances at or above the threshold level stated in this Policy.

Return-to-Work Agreement

- Means an agreement between the Company, an Employee and the Employee's certified bargaining agent, where applicable, which governs the terms under which an Employee will return to work after a Policy violation, and which includes provision for accommodation, where required.

Safety-Sensitive Positions

- Means any position where impaired performance, impaired motor skills or lack of judgment could result in a significant incident affecting the health and safety of Employees, customers, contractors, the public, property or the environment, and includes those persons in a managerial or supervisory position who either oversee workers in Safety-Sensitive Positions, or are responsible for, or actually perform the same duties as, workers in Safety-Sensitive Positions.

The positions which the Company deems Safety-Sensitive Positions are listed in Appendix B. This list is subject to review and updating.

Substance Abuse Professional (SAP)

- Means a licensed physician or a licensed or certified psychologist, social worker, employee assistance professional, or Addiction Disability counsellor with knowledge of and clinical experience in the diagnosis and treatment of drug and/or alcohol addiction disorders.

Test Collection Site

- Means the facility designated by the Testing Agent that has been selected by the Company to perform testing for Unauthorized and Unlawful Substances.

Test Sample

- A sample of breath, urine or saliva which is gathered for the purpose of testing for the presence of an Unauthorized Substance and/or Unlawful Substance in the body.

Testing Agent

- Means an independent, professional drug and alcohol testing organization that has been chosen by the Company to perform testing for Unauthorized Substances and Unlawful Substances.

Unauthorized Substances

- Includes the following:
 1. Alcoholic beverages on Company Sites.
 2. A Lawful Substance that is being abused or for which there is a pattern of improper use; e.g. misuse, excessive use, or recreational use of over-the-counter medication or prescription drugs.
 3. A Lawful Substance that has been used in a proper manner, but has resulted, could result, or is likely to result in impairment of an individual's physical or mental capacity and create a threat to the health or safety of the employee or others.
 4. Designer, synthetic or "look-alike" substance which, although derived from one or more Lawful or Unlawful Substances, are manufactured, designed, or intended to resemble and/or mimic the effects of Unauthorized Substances or Unlawful Substances.

Unlawful Substances

- Means illegal drugs and any other substances or materials, the use, possession, consumption, delivery, distribution, exchange, manufacture, sale, purchase or transfer or which are prohibited by applicable laws and regulations.

Workplace or Worksite

- Includes but is not limited to Company facilities, vehicles whether owned or rented, parking lots, lunch rooms, and locker rooms, and any place that an Employee is conducting his/her work, even when this work is performed off Company Sites.

D. Policy Standards

In addition to any other rules, requirements, policies and procedures in force as a result of legislation or other policies, all Company Employees will be governed by the following requirements:

1. Employees shall not possess, sell, purchase, deliver, or store any Unauthorized Substances or Unlawful Substances on any Company Site or Worksite, or while conducting Company Business.¹
2. Employees shall report for work Fit for Duty and free from the effects of any Unauthorized Substances or Unlawful Substances. Company vehicles and equipment, and other vehicles and equipment on Company Sites, shall not be operated by any Employee while impaired by any Unauthorized Substances or Unlawful Substances.

The requirement to be Fit for Duty applies to all Employees within those classifications who are subject to stand-by. Employees not on stand-by who are requested to respond to an emergency situation, and are not Fit for Duty, must decline the work. Employees declining work for such reasons will not be subject to discipline for declining the work.

3. Where an Employee is not scheduled to be available for work and is called into work, the employee shall be required to advise the Company if the employee is not Fit for Duty, and in that case, the Employee shall not be required to report to work.
4. Employees shall not use any Unauthorized Substances or Unlawful Substances while performing Company Business or while on Company Sites. Employees may use medication that does not cause impairment and that is being used as directed or as prescribed by the Employee's physician.
5. It is the responsibility of every Employee, when any medication is prescribed by a physician, or when taking any over-the-counter medications, to review their job duties with their physician to confirm that the use of the medication will not impair the safe and efficient performance of the job duties.
6. Employees must bring to the attention of a Manager any circumstances that, as a result of a suspected violation of this Policy, appear to compromise safety.

¹ 1. The responsible possession, sale, purchase, delivery, storage or use of Alcoholic Beverages is permitted at Company sponsored social functions such as a holiday party or retirement party. In such instances, the possession, sale, purchase, delivery, storage or use of alcohol beverages will be permitted in strict accordance with provincial legislation and regulation.

7. Employees must submit to testing for Unauthorized Substances and/or Unlawful Substances in the limited circumstances described in Part F, as one method of promoting adherence to this Policy.

While the Company recognizes the obligation to provide accommodation to those who are disabled by an Addiction Disability, failure to comply with this Policy may lead to disciplinary action up to and including dismissal taking into account all relevant factors and circumstances, and adhering to the principles of just cause.

E. Policy Violation

1. General

The following actions constitute some examples of conduct in violation of this Policy:

1. Reporting for duty, or performing job duties with an alcohol level that exceeds forty milligrams of alcohol in one hundred milliliters of blood (.04% BAC) or the equivalent concentration for breath, urine or saliva. In post-treatment or return-to-work/follow-up situations, a positive alcohol test will be anything in excess of zero milligrams of alcohol in one hundred milliliters of blood (0.0% BAC).
2. Using any Unauthorized Substances or Unlawful Substances, at any time, such that the Employee's ability to perform his or her job duties is in any way compromised, and then reporting for work. The Company does not seek to control what Employees do when their conduct is unrelated to their responsibilities to the Company. However, impairment from Unauthorized Substances and/or Unlawful Substances is not always apparent until an unfortunate event occurs. Employees who consume Unauthorized or Unlawful Substances do so at their own risk and are responsible for any impairment that results.
3. Reporting for duty or performing job duties with the presence of Unauthorized Substances or Unlawful Substances listed in Appendix A in breath, urine or saliva at or above the threshold levels stated therein.
4. Consuming any Lawful Substances, where there is any reason to believe that impairment may result, and subsequently reporting for work. Where it is necessary to use medication during work hours and a physician has advised the Employee that the substance may potentially affect his or her ability to safely perform the duties required, a Manager should be consulted. The Manager may require, in the appropriate circumstances, physician certification that the Lawful Substance is required during work hours and that it does not compromise safety. Employees who must take medications that may cause impairment should seek accommodation and must not compromise safety.

5. Consuming any Unauthorized Substance or Unlawful Substance between the time an Employee is asked to submit to a test for Unauthorized and/or Unlawful Substances and the time the samples are provided.
6. Testing positive (a Positive Screen) after submitting to testing for Unauthorized Substances and/or Unlawful Substances, in situations where testing negative is an agreed upon term of a Return-to-Work Agreement, either as part of accommodation or as part of a disciplinary process.
7. Refusing to submit to testing for Unauthorized Substances and/or Unlawful Substances as required by this Policy or obstructing or attempting to obstruct the testing process or any investigation pursuant to this Policy.
8. Attempting to operate or operating any vehicle or equipment located on Company Sites or Worksites, including vehicles not owned by the Company, after the testing process referred to in Part G below has been initiated.

2. Refusal to Consent to a Test

After an Employee has received notice to report for testing for Unauthorized Substances and/or Unlawful Substances, that Employee will be considered to have refused to submit to a test in violation of this Policy when he or she:

1. Expressly refuses to comply with test procedures or to provide samples.
2. Refuses to proceed to a Test Collection Site as directed or within a reasonable time frame without reasonable excuse.
3. Fails to consent in writing to the testing of samples or to the disclosing of the results of the test to Human Resources or fails to consent to any other procedure required by the Testing Agent in order to receive, store, or analyze samples, or to record the result of testing of such samples.
4. Fails to provide an adequate breath sample without a valid medical explanation.
5. Fails to provide adequate urine or saliva for testing without a valid medical explanation.
6. Engages in conduct that obstructs, or is intended to obstruct, the testing process, or in any way alters tests.

3. Consequences of Failing to Comply With This Policy

Employees

Employees who fail to comply with this Policy will be required to identify whether their conduct results from an Addiction Disability. Those Employees who believe that they

may have an Addiction Disability will be referred to a SAP for assessment or the Company can require the referral where the Company may have a duty to accommodate. Where an Addiction Disability is identified, accommodation to the point of undue hardship will be pursued. Where there is no Addiction Disability, discipline up to and including termination may be appropriate, having regard to all of the circumstances of each case. As part of accommodating its Employees, or as a means of implementing discipline short of termination, the Company will normally require any Employee who has violated this Policy to enter into a Return-to-Work Agreement, a requirement of which may be that the Employee submits to periodic testing for Unauthorized and/or Unlawful Substances as described below.

External Applicants for Employment

External applicants who have been given a conditional offer of employment in a Safety-Sensitive Position who refuse to be tested will not be considered for employment in that position.

This section also applies to Employees who are already employed by the Company but who are applying to transfer to a Safety-Sensitive Position, unless the Employee already occupies a Safety-Sensitive Position.

F. Alcohol and Drug Testing

To achieve the goals of this Program, the Company may conduct testing of breath, urine and/or saliva to detect the presence of Unlawful or Unauthorized substances in an Employee's body. The Company will conduct testing under the following circumstances:

1. Pre-Employment and Pre-Placement Testing for Safety-Sensitive Positions

- a) As part of the recruitment process, all successful applicants to a Safety-Sensitive Position will be required to undergo and pass testing for Unauthorized and Unlawful Substances.
- b) Employees who are already employed in a non-Safety-Sensitive Position, but who are transferring to a Safety-Sensitive Position will also be required to undergo and pass testing for Unauthorized and Unlawful Substances.
- c) Applicants and candidates for employment or for reassignment to a Safety-Sensitive Position will be advised of the requirement to undergo and pass testing for Unauthorized and Unlawful Substances prior to being hired into or transferred to a Safety-Sensitive Position.
- d) Applicants for employment in a Safety-Sensitive Position who refuse to be tested, or who fail to attend for testing without acceptable reason, will not be considered for employment in that position. Applicants for employment whose tests result in a Positive Screen may be given a second opportunity to test after a reasonable period of time. Applicants who test positive on a

first occasion, but subsequently test negative, may be subject to further testing as a condition of hire, or promotion to a Safety-Sensitive Position.

2. Reasonable Cause Testing for Employees in Safety-Sensitive Positions

- a) When the Company has reasonable grounds to believe that the actions, appearance or conduct of an individual while on duty are indicative of the use of Unauthorized Substances or Unlawful Substances, testing for Unauthorized or Unlawful Substances will be required.
- b) Absent an immediate health or safety concern, whenever possible, the decision to test must only be made by a trained Manager, with the concurrence of a second trained person (preferably Human Resources, or, if unavailable, another trained Manager).
- c) The following procedures will apply to all reasonable cause testing:
 - (i) the basis for the decision to request a test must be documented as soon as possible after the request has been made;
 - (ii) the referral for a test will be based on specific, direct observations including, but not limited to:
 - observed use, possession, storage, sale, solicitation or transfer or evidence of use, possession, storage, sale, solicitation or transfer of an Unauthorized and/or Unlawful Substance during Company Business or while on Company Sites;
 - observed abnormal conduct or erratic behaviour while at work, which may include errors in judgment, needless risk taking, and/or disregard for safety;
 - unusual and unexplained absenteeism, tardiness, deterioration in work performance, carelessness and mistakes;
 - apparent poor concentration and/or a failure to understand or fully appreciate direct communications; and/or
 - observed and unexplained changes in the physical appearance or speech patterns of an Employee.
 - (iii) in all situations when a Manager believes that an Employee is not Fit for Work, responsible escort procedures will be followed;

- d) reasonable cause testing must be conducted as soon as reasonably practicable once the determination has been made that reasonable cause exists; and
- e) if a breath alcohol test cannot be conducted within 8 hours of the initial request for a test, or a test for Unauthorized and Unlawful Substances, excluding alcohol, cannot be conducted within 32 hours of the initial request, the Employee must be referred to Human Resources for an assessment by an SAP and the Manager must provide Human Resources with the reason why the test could not be completed.

3. Post-Incident/Accident Testing for Employees in Safety-Sensitive Positions

- a) As part of a complete investigation, testing for Unauthorized and/or Unlawful Substances will be required for Employees involved in a “significant work-related incident” or “high potential incident” (as defined below), unless there is clear evidence (e.g., structural or mechanical failure) that the acts and omissions of the Employee could not have been a contributing factor to the incident. Because post-incident testing is part of an investigative procedure, testing will be required even in the absence of direct evidence indicating that Unauthorized and/or Unlawful Substance impairment was a contributing factor. In addition, management may, at its discretion, require a post-incident test after any other work-related incident or near miss as part of an investigation where there are reasonable grounds to believe that Unauthorized and/or Unlawful Substance use may have been a contributing factor.
- b) The following procedures will apply to all post-incident testing:
 - (i) Generally, a “significant work-related incident” or “high potential incident” will include all incidents which resulted or could have resulted in:
 - a fatality or serious personal injury to an Employee, contract worker, member of the public or any other individual;
 - an environmental incident with significant implications;
 - significant loss or damage to Sites, equipment or vehicles (with a corporate minimum threshold of \$5,000.00);
 - significant loss of Company or customer revenues (with a corporate minimum threshold of \$20,000.00); or

- c) The reasons for a decision to conduct a test or not to conduct a test should be documented as part of the preliminary investigation as soon as reasonably practical after the triggering event;
- d) The decision to refer an Employee for testing must only be made by a trained Manager investigating the incident, in conjunction with a second trained person (preferably Human Resources or, if unavailable, another trained Manager) wherever possible;
- e) Post-incident testing must be conducted as soon as reasonably practicable following the incident. If a breath alcohol test cannot be conducted within 8 hours of the incident, or a test for Unauthorized and Unlawful Substances, excluding alcohol, cannot be conducted within 32 hours of the incident, the Employee must be referred to Human Resources for an assessment by an SAP and the Manager must provide Human Resources with the reason why the test could not be completed;
- f) Employees referred for a test will only be those who had a reasonable possibility of being directly involved in the chain of acts or omissions leading up to the incident;
- g) Employees to be tested must not use Unauthorized or Unlawful Substances, including Alcoholic Beverages, until after the test has been completed;
- h) Failure to report a significant work-related incident or high potential incident is a violation of this program and will constitute grounds for discipline.

4. Unable to Test

As noted above, if a breath alcohol test cannot be conducted within 8 hours of an initial request for a test or an incident, or a test for Unauthorized and Unlawful Substances, excluding alcohol, cannot be conducted within 32 hours of an initial request for a test or an incident, the Manager should cease attempting to obtain a sample. In these situations the Employee will be held out of service for at least 24 hours (with pay), and an investigation will take place to the Company's satisfaction. The Employee will not be allowed to return to work for the Company without written permission from Human Resources and will be required to adhere to any conditions governing his or her return.

5. Return to Work and Unannounced Follow-Up Testing After Program Violation or Treatment

In any situation where employment is continued after a violation of this Policy, individuals will be required to pass testing for Unauthorized and Unlawful Substances, including breath alcohol testing, before returning to work. In addition, the Employee will

be subject to unannounced testing for a defined period under the terms of a Return-to-Work Agreement.

Where an Employee has been treated for an Addiction Disability through the workplace and is returning to work after treatment upon approval from the treatment provider and Human Resources, their return will be subject to an aftercare program.

The aftercare program will be designed by the Company's treatment professionals to support the Employee as he/she works to successfully manage an Addiction Disability after treatment. As part of this managed program the Employee may be subject to follow-up (unannounced) testing, while being permitted to return to work. The duration of time when the Employee may be subject to unannounced, follow-up testing will be determined by Human Resources in consultation with an SAP and/or the Employee's treatment facility, and will be documented in a Return-to-Work Agreement between the Company, the Employee, and the Employee's certified bargaining agent, where applicable.

G. Testing Procedures

1. Specimen Collection

A Testing Agent designated by the Company will collect and process breath, urine and/or saliva specimens to test for Unauthorized Substances and Unlawful Substances, as required. All testing must meet or exceed the guidelines and standards of the Substance Abuse and Mental Health Services Administration which is the certifying agency for forensic drug testing laboratories in Canada and the United States.

There are three methods of testing for Unauthorized Substances and Unlawful Substances:

1. Urinalysis with a screening test.
 - Used for pre-employment testing or when an Employee is unable to produce a saliva sample.
2. Saliva test.
 - Used for reasonable cause and post-accident/incident and near miss testing.
3. Urinalysis with a screening test and additional laboratory substance testing.
 - Used in addition to a saliva test where the Employee's behavior is abnormal, unusual or erratic.

The method of testing for Unauthorized and Unlawful Substances will be determined by the Company based on the circumstances of the situation requiring testing.

2. Collection Privacy

The Company and the Testing Agent will ensure that only professionally trained collection personnel are used and that quality assurance requirements for urine, saliva and breath testing and analysis, as well as strict confidentiality requirements, are followed. All testing will be conducted at a designated location that affords sufficient privacy to prevent unauthorized persons from seeing or hearing test results.

3. Alcohol Screen Testing (Breath Alcohol Testing)

Alcohol screen testing will be conducted with an approved evidential breath tester. All alcohol screening tests at .04 or higher will be confirmed with an approved evidential breath alcohol testing device.

4. Testing Results

1. Alcohol:

The Employee will be deemed positive if the original screen test and a second test taken shortly thereafter both identify a positive result.

If the test is positive, the Medical Review Officer (MRO) will contact the Employee, advise him or her of the Positive Screen and the Testing Agent and/or MRO shall contact Human Resources to advise of the Positive Screen.

2. Unauthorized and Unlawful Substances, excluding alcohol (drugs):

If the screening test is negative, the Testing Agent and/or MRO will contact the Employee and advise him or her of the negative test result and the Testing Agent and/or MRO will contact Human Resources to advise the negative test result.

If an Employee's test result is deemed non-negative after the original screening test, the Testing Agent and/or MRO will contact the Employee, advise him or her of the non-negative test result. Furthermore, the Testing Agent and/or MRO will contact Human Resources to advise of the need to have lab testing to confirm the test result.

- If the lab test is positive (which will take a minimum of 2 – 3 business days to confirm) the MRO shall contact the Employee and advise him or her of the Positive Screen and discuss any specific information pertinent to the test result. If, in the opinion of the MRO, the Positive Screen is valid, the Testing Agent and/or MRO will then contact Human Resources to advise of the Positive Screen.
- If the lab test is negative (which will take a minimum of 2 – 3 business days to confirm) the Testing Agent and/or MRO shall

contact the Employee, advise him or her of the negative test result and the Testing Agent and/or MRO will also contact Human Resources to advise of the negative test result.

- Where additional laboratory testing for Unauthorized and/or Unlawful Substances is required in addition to a screening test, a urine specimen will be sent to the lab for additional substance testing. Results may take several days longer (7 to 14 days).

H Test Results

1. Negative Test Results

If the Employee has negative test results it may be possible to return the Employee to work on the next shift or the remainder of the current shift if time permits, subject to dealing with any behavioral or performance problems that resulted in the testing. When the test is negative the following procedure will be followed:

- Human Resources will contact the Employee, indicate when the Employee is to return to work and request that the Employee report to his or her Manager upon returning.
- Human Resources, in conjunction with the appropriate Manager, may then deal with the performance or behavioral situation that resulted in the testing, as not related to impairment from an Unauthorized or Unlawful Substance. This may involve no action, a warning, or more serious disciplinary consequences. Accommodation of other disabilities may also be appropriate.
- Even when the test results are negative, depending on the circumstances, it is possible that the Employee may have an Addiction Disability. The Employee should be allowed to self-identify any Addiction Disability.
- Employees are encouraged to access the Company's EFAP whenever necessary.

2. Positive Test Results

When an Employee has a Positive Screen for Unlawful or Unauthorized Substances, this will be considered a violation of this Policy and the following steps must be taken:

- Human Resources will contact the Employee to inform him or her that a violation of the Policy has been established.
- Human Resources will assign a Substance Abuse Professional (SAP) to determine whether there is an Addiction Disability involved.

- The Employee may also choose to contact his or her preferred SAP. Where an Employee chooses to contact his or her preferred SAP, the Company may require appropriate proof to establish the SAP is appropriately qualified.
- The Company will only accommodate an Addiction Disability if there is a professional diagnosis.
- If there is no Addiction Disability, the violation of the Policy will be dealt with as a potentially disciplinary matter.
- If an Addiction Disability is established, the Employee will be expected to participate in a treatment plan. Time away from work is a usual part of a treatment program, and the Employee may be on an approved disability or other leave of absence for this purpose. EFAP is always available for Employees.
- Human Resources will make a determination whether the Company can accommodate the Employee's proposed treatment plan.
- If no Addiction Disability is present or if Addiction Disability was not the causal factor, the Employee may be subject to discipline, up to and including termination.

I. Privacy (Test Results)

Testing for Unauthorized and/or Unlawful Substances (drug and alcohol testing) is considered a medical procedure. Test results will be treated as highly confidential. Without exception, testing and test results must be handled in accordance with the Company's Privacy Policy and with consideration of the Health Information Protection Act. All tests conducted will be recorded via encrypted e-mail. A copy will be stored confidentially in the Employee's personnel file.

J. Accommodation

1. Accommodation

The Company will provide reasonable accommodation to the point of undue hardship in respect of any disability disclosed in the administration of this Policy or otherwise communicated to the Company by any Employee. Nothing in this Policy negates the duty to accommodate or relieves the Company from meeting a just cause standard to impose discipline.

2. Support

The Company will provide the support necessary to enable Employees who have an Addiction Disability to undertake a rehabilitation program, including, but not limited to, providing leaves of absence to allow Employees to receive treatment, unless it can be

shown that such accommodation is not possible without causing the Company undue hardship

3. Cost

The Company is responsible for the cost of testing for Unauthorized and Unlawful Substances. Employees will be responsible for the costs of any treatment, counselling, or leaves of absence that are not covered by the provincial health plan, or by the Company's benefit plans for Employees.

APPENDIX A

Unauthorized Substances and Unlawful Substances Testing Standards Positive Threshold Levels*

Type of Drug or Metabolite	Initial Test (EMIT) ng/mL EMIT = Enzyme Multiplied Immunoassay Techniques	Confirmation Test (GC/MS) – (ng/mL) GC/MS=Gas Chromatography/Mass Spectrometry
Marijuana metabolites	50	15
Cocaine metabolites	150	100
Phencyclidine (PCP)	25	25
Amphetamines, Methamphetamine, and MDMA, MDA, MDEA	500	250
Opiate Metabolites	2000	2000
Alcohol	Initial Test Level	Confirmation Test Level
Breath Alcohol	0.04% or greater BrAC	0.04% BrAC

ng/mL = nanogram per millilitre

BrAC = Breath Alcohol Content is the amount of alcohol in a volume of breath and is expressed in terms of grams of alcohol per 201 litres or exhaled air as indicated by a breath test

ng/mg = nanogram per milligram

Due to precision of lab testing, the threshold of testing is lower for some substances compared to the original testing levels.

*SAMHSA(Substance Abuse and Mental Health Services Administration) Guidelines for Workplace Testing Programs Revised 2010 utilized by all accredited forensic testing laboratories in North America.

Appendix B

SAFETY SENSITIVE POSITIONS

(* as of 2013 May 23 - List is under continual review and subject to change at any time)

Job Type Description

1	President & CEO	EXE
2	Executive Vice President	EXE
3	Vice President, TGL Operations, Engineering & Construction	EXE
4	Construction Superintendent	OS
5	Director, Construction Services	OS
6	Executive Director, System Integrity & Standards	OS
7	Executive Director, Distribution Customer Service	OS
8	Executive Director, Pipeline Control & Planning	OS
9	Executive Director, Transmission Operations	OS
10	General Manager, Distribution	OS
11	General Manager, East District & Maintenance	OS
12	General Manager, Transmission	OS
13	Manager, Construction Services	OS
14	Manager, Gas Control	OS
15	Manager, Health & Safety	OS
16	Manager, Materials Management	OS
17	Manager, Sask 1st Call	OS
18	Operations Manager, Distribution	OS
19	Operations Manager, Transmission	OS
20	Supervisor, Operations & Plan Maintenance	OS
21	Compression Analysis Technician	CEP
22	Controls Technician	CEP
23	Controls Technician Apprentice	CEP
24	Crew Supervisor	CEP
25	Customer Service Collection Agent	CEP
26	District Mechanic Operator Apprentice	CEP
27	District Mechanic Operator I	CEP
28	District Mechanic Operator II	CEP
29	District Operations Supervisor	CEP
30	District Operator	CEP
31	Engineering Technologist, Distribution	CEP
32	Engineering Technologist, Measurement Support	CEP
33	Engineering Technologist, Operations Support	CEP
34	Engineering Technologist, System Integrity	CEP
35	Engineering Services Superintendent	CEP

36	Equipment Operator	CEP
37	Gas Controller	CEP
38	Instrument Technician	CEP
39	Instrument Technician Apprentice	CEP
40	Labour & Materials Administrator	CEP
41	Labourer	CEP
42	Labourer, Meter Shop	CEP
43	Maintenance / Service Technician	CEP
44	Maintenance Technician I	CEP
45	Meter Shop Supervisor	CEP
46	Meter Technician	CEP
47	Meter Technician - In Training	CEP
48	Metering Systems Operator	CEP
49	Operations Assistant	CEP
50	Operations Supervisor	CEP
51	Pipeline Welder	CEP
52	Pipeline Welder Apprentice	CEP
53	Planning & Dispatch Rep 24/7	CEP
54	Planning & Dispatch Rep I	CEP
55	Planning & Dispatch Rep II	CEP
56	Quality Assurance Technologist	CEP
57	Salvage Technician	CEP
58	Service Technician (QP)	CEP
59	Service Technician I	CEP
60	Shipper / Receiver II	CEP
61	Sr. Shipper / Receiver	CEP
62	Survey Technician	CEP
63	Technical Support Supervisor	CEP
64	Utility Operator	CEP

Appendix C
CONSENT FOR TESTING

APPENDIX C PART 1
DRUG AND ALCOHOL TESTING CONSENT AND AGREEMENT
PRE-EMPLOYMENT

DRUG AND ALCOHOL TESTING CONSENT AND AGREEMENT

I acknowledge that I have applied for employment with SaskEnergy or its affiliates in a Safety Sensitive Position and an offer of employment in a Safety Sensitive Position is conditional on testing negative for any Unauthorized or Unlawful Substance (drugs and alcohol).

I, _____, hereby consent to and agree to undertake a drug and alcohol test for Unauthorized and Unlawful Substances administered by the Testing Agent, _____. I understand the results will be communicated to the Human Resources Department of Company and that any offer of employment may be rescinded if the test result is non-negative.

I understand I will be required to provide Government issued photo identification at the time of the test.

Applicant's Signature

Date

APPENDIX C PART 2

DRUG AND ALCOHOL TESTING CONSENT AND AGREEMENT

POST ACCIDENT/INCIDENT or REASONABLE CAUSE

DRUG AND ALCOHOL TESTING CONSENT AND AGREEMENT

I, _____, hereby consent to and agree to undertake testing for Unauthorized and Unlawful Substances (drugs and alcohol) administered by the Testing Agent, _____. I understand the results will be communicated to Company representatives on a need to know basis.

I understand I will be required to provide Government issued photo identification at the time of the test.

Employee Signature

Date

APPENDIX D

Acknowledgement Form

(For execution by all Employees upon commencement of employment and to be retained in the Employee's human resource file)

I acknowledge that I have been provided with a copy of the Company's *Drug & Alcohol Policy* and I acknowledge that I am to read it and understand my responsibilities with respect to it.

<hr/> Employee Signature	<hr/> Company Representative (signature)
<hr/> Print Name	<hr/> Print Name
	<hr/> / <hr/> / <hr/> Day Month Year