ENVIRONMENTAL SPECIAL CONDITIONS
FOR BIDDERS

September 1, 1998 (Rev. 1 3/1/99)

1. **General Liability Insurance Policy.** The award of any contract resulting from this invitation will not be made until Con Edison is provided a certified copy of your current General Liability Insurance Policy. If you are an asbestos abatement contractor, please forward a certified copy of your current Asbestos General Liability Insurance Policy. With regard to lead abatement work, a separate lead liability coverage endorsement is required for each job and must list the location and dates of the job(s). See Attachment "A" "Sample Lead Liability Coverage Provision Endorsement #AA4, (three pages)". If your company has a GLI policy in effect and on file with Con Edison, you only have to provide a lead liability coverage endorsement; not a whole new policy.

These policies must include the rider to the policy which names Con Edison as additionally insured and any Umbrella Policy which extends the coverage of your General Liability Insurance Policy to comply with our coverage requirements. Our specific requirements are covered under Article 37 insurance of our Standard Terms and Conditions of Construction Contracts date 12/16/98 and Article 21 - Insurance of our Standard Terms and Conditions for Service Contracts dated 12/18/98.

2. **Contractor Performance Multiplier.** Con Edison has implemented a Contractor Evaluation Program which may be utilized to increase or decrease your bid prices for evaluation purposes and selection of the lowest bidder. Each contractor has been assigned a multiplier which will be used to convert its bid price an evaluated bid price. (If you have not been assigned a multiplier it is assumed to be 1.00). The multiplier performance factor starts at 0.95 to 1.05. Those contractors with a multiplier of less than 1.00 will realize a benefit while those contractors with a multiplier greater than 1.00 will be penalized by the appropriate conversions.

The multiplier assigned or to be assigned to your firm is the result of Con Edison's review of your job performance over the past three years in the evaluation categories of environment, quality of work, timeliness, conduct of work, safety and administration. This multiplier will decrease as a result of favorable reports (good job performance) or increase as a result of unfavorable reports (poor job performance on future work).

The intent of this program is to reward good performance and provide an incentive for contractors to strive for excellence.
3. **Documentation of permits, licenses and certifications.** Please forward the following documentation as it applies to your specific work. The documentation should take the form of originals or certified copies of originals. Any document found to be altered will result in immediate removal from our approved bid list.

- A copy of the New York State Waste Transporter Permit if applicable.
- A listing of New York laboratory Department of Health (D.O.H.) certifications.
- Documentation certifying compliance with all Asbestos licensing requirements including, but not limited to, medical certifications and fit test requirements.
- A copy of the signed first page of the Spill Prevention, Control & Counter Measure (SPCC) and/or Contingency plan for your primary Treat, Storage &/or Disposal (TSD) facility.
- All pertinent federal, state, and local permits licenses, governmental approvals and notices of registrations (complete with terms and conditions) necessary to operate a treatment, storage, and disposal facility for your main TSD facility.
- Notification to Environmental Protection Agency (EPA) of waste oil activities as required by 40 CFR Parts 266.43 (b) (3) and 266.44 (b) for the TSD facility.
- A list of spill prevention and response equipment maintained on transport vehicles by your transporters.

4. **Reporting Environmental Violations.** Contractor shall abide by the attached policy on Reporting Environmental violations when performing work for Con Edison. Prior to the start of work, contractor shall take all necessary actions to assure that its employees and all subcontractor employees are familiar with this policy. Contractor shall distribute this policy to each employee and post copies of the policy in appropriate places at its work locations. . . . see Attachment “B”.

Should the contractor or its subcontractor employees fail to comply with this policy, such failure will be considered a material breach and may result in termination of the contract and removal from Con Edison’s list of approved contractors.

5. **Special Conditions for Asbestos Handling**

   A) All Con Edison loads shall not be separated at the transfer facility. They shall remain at the transfer facility and shall be transported by a single vehicle from the transfer facility to the landfill.

   B) The original manifest generated by Con Edison must accompanied the asbestos waste to the landfill. The landfill must sign Con Edison manifest.
C) Drums with asbestos waste shall remain sealed from the time waste leaves the Con Edison facility through disposal at the landfill. The waste inside the drums cannot be removed, and are to be disposed of with the drums.

D) No representative of a firm whose signature is required on a notification form submitted to regulatory agencies (i.e., NYCDEP, NYSDOL, and USEPA) should be requested to sign a blank form.

E) It is imperative that the form signatory name match the name typed on the form. If an authorized agent for the firm signs the form, that person must be listed on the ants2 authorization. The procedure to sign the form is

Typed or Print name  John Smith
Signature  "Mary Brown for John Smith

6. **Incidental Lead Paint Disturbance.** Contractors may encounter lead based materials during work activities. This disturbance will either be a) Incidental or b) Lead Abatement. Con Edison has defined incidental disturbance and requires contractors to comply with its “Incidental Lead Paint Disturbance Guidelines of July 1997” attached.

7. **Special Conditions applying to utilizing Con Edison approved asbestos waste transporters and landfills:**

On environmentally sensitive projects involving the handling or disposal of hazardous waste, Con Edison will restrict subcontracting to only those contractors which are on its currently approved list of contractors for these services. Bidders will note that this subcontracting restriction applies for the subject work. Contractors are to contact the buyers to receive an updated listing of approved asbestos abaters, lead abaters transporters and landfills.

8. **Special Conditions for Subcontracting**

- All general contractors on a construction project which includes work covered by this Invitation shall be deemed to exercise general supervisory authority over the work covered by this Invitation, even though the general is not qualified to serve, for example as the asbestos and/or lead “competent person” as defined by OSHA Rules and Regulations. As supervisor of the entire project, the general contractor shall ascertain whether the asbestos and/or lead contractor is in compliance with the requirements of this Invitation, and shall require such contractor to come into compliance with the requirements of this Invitation when necessary.
Con Edison requires the general contractor to ensure that its subcontractor(s) [especially on specialty work or lead/asbestos abatement work where the general contractor is unable to get insurance coverage] name both the General Contractor and Con Edison as additional insured and to submit copies of the policies to Con Edison.

* 9) **Asbestos Waste Shipments.**

All asbestos waste shipment from Con Edison facilities, regardless of quantity, shall require the use of an Asbestos Waste Tacking form (asbestos manifest), that shall be completed in accordance with USEPA's entry requirements (e.g., name, address, telephone, etc. of generator, contractor, transporter, transfer station, and landfill) contained at 40 CFR 61.150. Neither shipping papers, bill of lading, or any other document shall be used in lieu of an asbestos manifest. The Con Edison standard asbestos manifest shall be used to accompany the waste shipment to the landfill when this manifest is presented by the Con Edison representative at the abatement site.”

* Added on November 6, 1997.

Envsp 3/1/99
INCIDENTAL LEAD PAINT DISTURBANCE GUIDELINE

Con Edison is obligated to inform contractors of the hazards they may encounter while performing work at Company facilities. One of these hazards is lead. Incidental lead-based paint disturbance, resulting from infrequent contact with lead-based materials, may occur during work activities not associated with intentional lead-based paint removal. These work activities include drilling into walls, valve replacement, installing or removing locks, etc. Examples of the types of tools used to perform this work include: pipe wrench or other wrenches, drills, impact gun, slugging hammer, hydraulic bolting equipment wheel pipe cutter or threader, etc.

Below is the definition of incidental lead disturbance, the training and work practice requirements and personal protective equipment for contractors having incidental lead contact.

**Definition** - Incidental contact with lead includes work activities and/or mechanical activities on lead coated surfaces or materials containing lead where lead based paint may be disturbed but not intentionally removed.

**Training** - Contractors performing work which may cause incidental lead paint disturbance are obligated to train their employees in the hazards of lead in accordance with OSHA 29 CFR 1926.59 and 1910.1200, Hazard Communication. The elements of a Lead Hazard Communication Training Program are:

1. Methods and observations that may be used to detect the presence or release of lead in the work area.
2. The physical properties and health hazards of lead
3. The permissible exposure limits
4. Measures employees can take to protect themselves from the hazards of lead such as specific work practices and personal protective equipment.
5. The details of the (contractors) hazard communication program including the requirements of OSHA 29 CFR 1910.1200 and 1926.59; operations where hazardous chemicals are present; location and availability of the hazard communications program; an explanation of a material safety data sheet; and how employees can obtain and use the appropriate hazard information.

**PRE-INSPECTION**

Prior to commencing work, the contractor shall inspect each area where the work is to be performed to identify conditions which may result in chipping and peeling of lead based paint and provide the facility coordinator with the best estimate of the quantity of lead-based paint that will be disturbed.

**WORK PRACTICES**

During the course of work, maintain all surfaces in the work area including floor and other surfaces as free as practical of accumulations of lead containing paint chips, dust and debris. Restrict the spread of dust and debris and keep waste from being distributed over the work area by wetting affected surfaces and by placing plastic or a similar material around the work area to contain paint chips and debris. Do not dry sweep or use compressed air to cleanup the area. Perform housekeeping at the end of the shift and when lead paint has been disturbed. When vacuuming is necessary to clean up lead or debris only HEPA equipped vacuums shall be used. Collected lead containing debris shall be disposed of by the Con Edison facility.

**PERSONAL PROTECTIVE EQUIPMENT**

The standard personal protective equipment required for the work activities listed above shall be used (e.g. gloves, eye protection, etc.)

3/1/99
CON EDISON is committed to environmental excellence in all that we do, including the selection and supervision of our contractors. To achieve our goals and to encourage contractors and consultants to share our goals and commitment, Con Edison would like to reinforce our policy on reporting of environmental violations.

If you are aware of any incident, activity or condition that violates or may violate any environmental law or regulation and if you believe this incident, activity or condition has not been properly addressed and, if appropriate, reported to the appropriate governmental authority, you are required to report it to your supervisor. If your supervisor does not respond appropriately or if you do not feel comfortable reporting this information to your supervisor, we encourage you to discuss this matter with the Con Edison field supervisor or inspector on-site. Another option is calling the 24-hour Con Edison ETHICS HELPLINE at (800) 253-8885. If at any time you believe the incident, activity or condition will not or has not been adequately addressed you may contact the independent Corporate Ombudsman’s Office, Mr. McGuire and Ms. Daly. The Ombudsman’s Office may be contacted 24 hours a day by phone (212) 206-0949 or by fax (212) 206-0795. You may also mail information to Mr. McGuire at 565 Fifth Ave. 9th Floor, New York, NY 10017. Calling the Ombudsman’s Office is not a last resort option. The Ombudsman’s can be contacted at any point in the process.

Con Edison will not penalize any contractor or employee of a contractor for giving information to any Con Edison employee or the Corporate Ombudsman. Any Con Edison employee or contractor who harasses, intimidates, retaliates against or in any other way attempts to penalize or discourage any Con Edison or contractor employee for providing such information violates Con Edison’s Code of Conduct.
LEAD LIABILITY COVERAGE PROVISION

In consideration of the premium charged, it is agreed that the following exception to Exclusion (f) in this Policy is added to Section I, Para. 1., Coverage A., Subpara. a. of the Policy:

aa. We will pay those sums the Insured becomes legally obligated to pay as damages Because of “bodily injury” or “property damage” which occurs during the “policy period” and which is caused by an “occurrence” resulting from the Insured’s “Lead Abatement Operations” at a “Scheduled Project” performed during this “policy period”.

The following are conditions precedent to coverage under this endorsement:

i. An independent industrial hygienist must conduct tests, to determine or verify the existence of lead, including but not limited to the following:

1. Analytic tests at the “Scheduled Project” site conducted before the commencement of “Lead Abatement Operations”; and
2. Wipe samples and analytic tests outside of areas of the “Scheduled Project” site, that are deemed representative of the entire such site by the independent industrial hygienist, conducted during the performance and after the completion of “Lead Abatement Operations”; and
3. Wipe samples and analytic tests within the “Scheduled Project” site, conducted after the completion of “Lead Abatement Operations” and prior to reoccupancy.

ii. All furnishings, and any other moveable fixtures or items, including but not Limited to furniture, mattresses, carpeting, mats, pads, drapes, shades, linens, and towels:

1. Must be removed from the “Scheduled Project” site prior to the Insured’s commencement of “Lead Abatement Operations”; and
2. Must be reintroduced into the “Scheduled Project” site until the completion of Condition 1., Paragraph 3. Above, in accordance with applicable regulations, if any, and to the satisfaction of the independent industrial hygienist.

“Bodily injury: caused by continuous or repeated exposure to substantially the same general, harmful conditions, over a period of time, shall be deemed to have occurred on the first day of such exposure only, whether or not the date of such first exposure is during this “policy period”.
“Property Damage” caused by continuous or repeated exposure to substantially the same general, harmful conditions shall be deemed to have occurred on the date such damage is first discovered by any person whether or not the date of such first discovery is during this “policy period”.

The amount we will pay for “defense expense” and damages for “bodily injury” or “property damage” covered under this Subpara. 1. Aa. Is limited as described in Section III – LIMITS OF INSURANCE and shall apply as part of and in no event in addition to the limit applicable to claims or “suits” for “bodily injury” or “property damage” covered under Section I, Para. 1., Coverage A.. Subpara. a.

As used in this Endorsement:

“Lead Abatement Operations” means operations performed by the Insured:

1. To abate, remove, encapsulate or enclose lead, lead based products, or lead containing materials; or

2. To abate or remove lead based waste.

“Scheduled Project” means a project for which a completed project application has been submitted and approved by us, and for which certificate of insurance or an endorsement, evidencing the coverage provided by this Policy, has been issued by us and attached to the application, all of which is made a part of this Policy.

“Policy Period” means the period from the inception date of the policy up to the later of:

1. The expiration date of policy shown in the Declarations; or

2. The completion date of the “Scheduled Project” at which “Lead Abatement Operations” are being performed;

But, in any event, no later than 30 days after the expiration date of the policy.

With respect to the coverage afforded under this Endorsement only, Section I., Paragraph 2, Exclusions, Subparagraph b., is deleted in its entirety and is replaced by the following:

(b) “Bodily Injury” or “property damage” for which the Insured is obligated to pay damages by reason of the liability of others assumed by the Insured under any contract or agreement. This exclusion does not apply to:
(1) liability of the Insured's client with respect to the "Lead Abatement Operations", which is assumed by the Insured under a contract or agreement and arises solely out of "Lead Abatement Operations";

(2) liability for damages that the Insured would have in the absence of any contract or agreement.

With respect to the coverage afforded under this Endorsement only. The following additional exclusions are hereby added to Section 1. Paragraph 2, Exclusions of the policy:

R) "Bodily Injury" to any person whose job duties requires them to be in an area where "Lead Abatement Operations are taking place.

S) "Bodily Injury" or "Property Damage" arising from the disposal, storage or transportation of lead, lead-based products, lead containing materials, or lead containing waste. However, this exclusion does not apply to on-site storage and on-site transportation of lead, lead-based products, lead containing materials or lead containing waste while under the care, custody and control of the Insured.

T) "Bodily Injury" or "Property Damage" arising from the Insured's intentional, willful or deliberate noncompliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order, or instruction of any governmental agency or body.

U) Claims or suits for non pecuniary relief, or for any punitive, exemplary or multiplied damages or statutory assessments or any civil, administrative or criminal fines or penalties.

V) "Bodily Injury" or Property damage" for which there is any other applicable insurance.

W) "Bodily Injury" or "Property Damage" arising out of the use of any of the following products, procedures, or abatement methods utilized in the performance of the Insured's "Lead Abatement Operations": Dry scraping or sanding, sandblasting, open flame burning, methylene chloride stripping, or any methylene chloride based products.