

**SUMMIT CARBON SOLUTIONS  
POLICY STATEMENT CONCERNING SETTLEMENT OF DAMAGE CLAIMS**

During construction of a carbon dioxide (CO<sub>2</sub>) pipeline, damage is sometimes caused to a landowner's and/or tenant's property. If Summit Carbon Solutions causes physical damage to property, the landowner and/or tenant, as their respective interests appear, (Landowner/Tenant) will be compensated by Summit Carbon Solutions in the following manner. The following damage payments would be in addition to and separate from any payments made to the landowners for temporary and permanent easements. Payments for any temporary or permanent easements will be made to the landowners prior to any construction activities.

**I. Crop Loss Due to Pipeline Construction**

- A) If a crop has been planted prior to construction of the CO<sub>2</sub> pipeline or if a crop normally would have been planted before the finish of construction, Summit Carbon Solutions will pay the following percentages of the crop lost to production (the following compensation table will be based upon the prevailing market price index by crop type or in accordance with any prearranged purchase agreements and based upon the three-year annual average of the crop yield as documented by the landowner or by the records from the local agricultural agency):

Full disturbed area, including permanent and temporary easements as well as additional temporary workspace and other areas as agreed to between the company and the landowner:

First Year: 100% of crop loss

Second Year: 80% of crop loss

Third Year: 60% of crop loss

**II. Damages Due to Compaction, Ruts, and/or Erosion**

- A) Summit Carbon Solutions and/or the construction contractor will repair damage incurred due to compaction, ruts, washing of soil, and/or erosion caused by pipeline construction. Alternatively, Landowner may request to use their own contractor and Summit Carbon Solutions and/or the construction contractor will, based on an estimate from that contractor, provide payment for such repairs if the estimate is determined to be reasonable. Payment will be made by Summit Carbon Solutions and/or the construction contractor within 30 days upon presentation of a statement or invoice of services, repairs, or claims.

B) Summit Carbon Solutions and/or the construction contractor will pay for the reasonable cost of repairs to the Landowner's/Tenant's equipment where in repairing compaction, ruts, washing of soil, and/or any resultant damage to equipment that was caused by materials or debris left on the right of way during construction.

### **III. Other Damages**

Summit Carbon Solutions and/or the construction contractor will repair or pay for all damages to pastures, timber, fences, improvements, livestock, terraces, field tiles, and equipment caused by Summit Carbon Solutions and/or the construction contractor's entry, use or occupation of lands, both on and off an easement area, due to the CO2 pipeline construction. Alternatively, Landowner may request to use their own contractor and Summit Carbon Solutions and/or the construction contractor will, based on an estimate from that contractor, provide payment for such repairs if the estimate is determined to be reasonable. Certain livestock related losses are also compensable losses, as determined by Iowa Code 479B.29, and will be paid by Summit Carbon Solutions and/or the construction contractor within 30 days of presentation of a statement or invoice of any loss of livestock resulting from the construction of the proposed pipeline.

### **IV. Manner of Damage Payments**

Payment of crop damages to the Landowner/Tenant will be made by Summit Carbon Solutions and/or the construction contractor in one lump sum payment and not as an annual payment and will be payable within 30 days following completion of pipeline construction. Prepayments of predetermined damages may be made based upon landowner agreements and/or preferences during the easement negotiations. In such cases, any future payments will only be for unanticipated damages outside the predetermined amount and as agreed upon between the company and landowner.

### **V. Dispute Resolution Procedure**

If the parties cannot agree on a settlement and no other means of resolving disputes has been agreed to, the landowner or tenant may petition the county board of supervisors to have the damages determined by a Compensation Commission (Iowa Code Chapter 6B and Iowa Code section 479B.30). The petition must be filed not less than 90 days after completion of installation of the pipeline. This Compensation Commission would be similar to, but acting separately from, a commission established for condemnation proceedings under Iowa Code Chapter 6B.

*(This policy statement is filed with the Iowa Utilities Board pursuant to Iowa Administrative Code 199-Chapter 13.2(3)).*