



SHIVE HATTERY

(319) 354-3040
(800) 798-3040
FAX: (319) 354-6921

Shive-Hattery, Inc.
2834 Northgate Drive
Iowa City, IA
52245-9568

January 20, 1999

Delaware County Engineer
ATTN: Mr. Brian Ridenour, P.E.
P.O. Box 68
Delaware, Iowa 52036

RE: Alliance Pipeline
Professional Services Agreement

Dear Mr. Ridenour:

Enclosed please find our proposed Professional Services Agreement for the Alliance Pipeline inspection. We have revised the Agreement in accordance with the Counties' comments received in Mike McClain's letter of January 13, 1999. We trust that this Agreement meets the needs of Delaware County, and we look forward to the start of the project.

We have enclosed three additional copies for your use and distribution to the Delaware County Board of Supervisors.

Sincerely,

SHIVE-HATTERY, INC.

Steven P. Noack, P.E.

SPN/sla

Enc.

Copy: Mike McClain, Jones County Engineer



January 20, 1999

Delaware County Engineer
ATTN: Mr. Brian Ridenour, P.E.
P.O. Box 68
Delaware, Iowa 52036

RE: Professional Services Agreement
County Inspection Services - Alliance Pipeline

Dear Mr. Ridenour:

We are very excited to be selected to provide pipeline inspection services for your county during the 1999 construction of the Alliance Pipeline. Following is our proposed agreement for these services.

PROJECT DESCRIPTION

With final regulatory approval by the US Federal Energy Regulatory Commission and the National Energy Board of Canada, everything appears in order for the construction of the 1900 mile long Alliance Pipeline from Alberta, Canada to a point near Chicago, Illinois. Approximately 189 miles of this pipeline will traverse ten counties in Iowa, with construction expected to start in May 1999. Because Iowa Code §479A.14 (1997) requires that counties provide for inspection of interstate pipelines, your county and eight others impacted by this construction chose to team together and select a single consultant to provide these services. In addition, permitted pipeline crossings of roadways under the jurisdiction of the county will be inspected to observe compliance with permit conditions.

SCOPE OF SERVICES

Shive-Hattery will provide inspection services in accordance with:

1. Iowa Code §479A.14 (copy attached and made part of this Agreement).
2. The following provisions of the Agricultural Impact Mitigation Agreement (copy attached and made part of this Agreement).
 - a. Section 1 – Pipeline Depth (topsoil removal and tile repair)
 - b. Section 2 – Topsoil Replacement (topsoil removal and replacement)
 - c. Section 3 – Repair of Damaged ... Tile Lines (drainage structures)
 - d. Section 5 – Rock Removal (topsoil removal and replacement)
 - e. Section 6 – Removal of Construction Debris (topsoil removal and replacement)
 - f. Section 10 – Repair of ... Soil Conservation Practices (drainage structures)
 - g. Section 11 – Clearing of Trees... from the Easement (construction location)
 - h. Section 18 – Construction in Wet Conditions (soil moisture conditions)

Client Expectation Interview
County Inspection of the Alliance Pipeline

AGENDA

1. Introductions
2. Review of Statutory Role of Inspectors
3. Expectations
 - A. Communication
 - B. Billing Procedures
 - C. Meetings
4. Definition of Outstanding Service



3. Written agreements between Landowners and Alliance Pipeline regarding topsoil removal and replacement, drainage structures, soil moisture conditions, and the location of construction.
4. County issued permits for construction within the road right-of-way.

Shive-Hattery will also provide the following:

1. Conduct a pre-project informational meeting with County Officials and affected landowners to introduce our inspectors, meet concerned landowners, and establish lines of communication.
2. Weekly summaries of construction activity within your county.
3. Bound documentation of project related materials at the conclusion of construction.
4. Budget estimates of the expected professional fees necessary to complete the inspections. These estimates can be used in the preparation of your FY 1999 budget.

2000

YOUR RESPONSIBILITIES

It will be your responsibility to provide the following:

1. Copies of construction permits issued by the County.
2. Assist Shive-Hattery in obtaining copies of Landowner Agreements from Alliance Pipeline if necessary.

SCHEDULE

Current information from Alliance Pipeline and their agents indicates that construction will take place from May 15, 1999 through November 30, 1999. Weather, rate of progress, and many other factors will affect the actual dates that construction takes place within your county.

Because the County is not the Owner of the Alliance Pipeline project, Shive-Hattery is not associated with the Owner of the Alliance Pipeline, and protecting the interest of the County and Landowner is the goal of this agreement, it is understood and agreed that Shive-Hattery has no control, duty, or responsibility with regard to the project schedule.

We will make ourselves available to begin our services immediately after receipt of the executed Agreement, and continue to provide services until the project is complete or this agreement is terminated.



COMPENSATION

We will provide the Scope of Services on an hourly rate plus reimbursable expense basis according to the attached Hourly Fee Schedule and Reimbursable Expenses.

Because a significant amount of overtime will be required, yet is difficult to quantify and incorporate in standard rates, the time for individual inspectors which exceeds 40 hours in any one week (Saturday through Friday) shall be billed at 1.2 times the rate shown on the Hourly Fee Schedule. Should the project be delayed for any reason beyond December 31, 1999, the rates included in the Hourly Fee Schedule and Reimbursable Expenses shall be increased by 5%.

The terms of this proposal are valid for 30 days from the date of this proposal.

EXHIBITS

- Iowa Code §479A
- Agricultural Mitigation Agreement
- Hourly Fee Schedule and Reimbursable Expenses
- Certificate of Insurance

PARTIES

"S-H" shall mean Shive-Hattery, Inc. also known as Shive-Hattery Engineers and Architects, Inc.
"CLIENT" shall mean the person or entity executing this Agreement with "S-H."

LIMITATION OF LIABILITY

To the fullest extent permitted by law, and notwithstanding any other provision of this Agreement, the total liability, in the aggregate, of S-H (including its officers, directors, shareholders, employees, agents and S-H's consultants and affiliated companies, and any of them) to CLIENT and anyone claiming by, through or under the CLIENT, for any and all claims, losses, costs or damages of any nature whatsoever arising out of, resulting from or in any way related to the project or this Agreement from any cause or causes, including, but not limited to, negligence, professional errors or omissions, strict liability or breach of any contract or any warranty, express or implied, of S-H, as defined in parenthesis above, shall not exceed the greater of the total compensation to be received, or actually received, by S-H under this Agreement or the sum of \$50,000.



INDEMNIFICATION

Hazardous Materials-

CLIENT hereby understands and agrees that S-H has not created nor contributed to the creation or existence of any or all types of hazardous or toxic wastes, materials, chemical compounds, or substances, or any other type of environmental hazard or pollution, whether latent or patent, within the proposed Alliance Pipeline Easement, or in connection with or related to this project and Agreement with respect to which S-H has been retained to provide services. The compensation to be paid S-H for said services is in no way commensurate with, and has not been calculated with reference to, the potential risk of injury or loss which may be caused by the exposure of persons or property to such substances or conditions. Therefore, to the fullest extent permitted by law, CLIENT agrees to defend, indemnify, and hold S-H (including its officers, directors, shareholders, employees, agents and S-H's consultants and affiliated companies, and any of them) harmless from and against any and all claims, losses, costs or damages of any nature whatsoever, arising out of, or resulting from the discharge, escape, release, or saturation of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, gases, or any other materials, irritants, contaminants, or pollutants in or into the atmosphere, or on, onto, upon, in, or into the surface or subsurface of soil, water, or watercourses, objects, or any tangible or intangible matter, whether sudden or not, for which the Client is responsible.

Jobsite Safety-

CLIENT hereby understands and agrees that S-H has no authority to exercise any control over Alliance Pipeline, their agents, contractors or other entities or their employees in connection with their work on this project or with any means, methods, health or safety precautions. The CLIENT agrees that Alliance Pipeline, their agents and contractors, any and all, are solely responsible for jobsite safety. The compensation to be paid S-H for services is in no way commensurate with, and has not been calculated with reference to, the potential risk of injury or loss which may be caused during the course of construction. Therefore, to the fullest extent permitted by law, CLIENT agrees to defend, indemnify, and hold S-H (including its officers, directors, shareholders, employees, agents and S-H's consultants and affiliated companies, and any of them) harmless from and against any and all claims, losses, costs or damages of any nature whatsoever, arising out of, or resulting from injury or loss during the course of construction, for which the Client is responsible.

Stop Work Authority-

CLIENT hereby understands and agrees that S-H, as representative of CLIENT, may be required by provisions within Iowa Code §479A.14.8 to temporarily halt construction on your behalf during the rendering of services under this agreement and is authorized by CLIENT to do so. The compensation to be paid S-H for said services is in no way commensurate with, and has not been calculated with reference to, the potential for loss which may be caused by downtime experienced by Alliance Pipeline, their agents or contractors. Therefore, to the fullest extent permitted by law, CLIENT agrees to defend, indemnify, and hold S-H (including its officers, directors, shareholders, employees, agents and S-H's consultants and affiliated companies, and any of them) harmless from and against any and all claims, losses, costs or damages of any nature whatsoever, arising out of, or resulting from any stop work orders issued by S-H.



STANDARD OF CARE

Services provided by S-H under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

RIGHT OF ENTRY

The project site for the construction of the Alliance Pipeline is a 110' wide easement crossing the property of numerous landowners, and is not under the direct control of the Client. Therefore, should Shive-Hattery be denied access to the project site, the CLIENT shall utilize their authority under various codes and agreements pertaining to this project to assist Shive-Hattery to gain entry for the employees, agents and subcontractors of S-H and for all necessary equipment. While S-H shall take reasonable precautions to minimize any damage to property, it is understood by the CLIENT that in the normal course of the project some damages may occur, the cost of correction of which is not a part of this Agreement.

PAYMENT

Invoices will be prepared in accordance with S-H's standard invoicing practices then in effect and will be submitted to CLIENT each month and at the completion of the work on the project. Invoices shall be reviewed at the next meeting of the County Supervisors and, if approved, forwarded within 5 business days to Alliance Pipeline. Should the Client not approve the invoice as presented, Shive-Hattery shall be notified within one business day. Upon receipt of reimbursement from Alliance Pipeline, monies due Shive-Hattery shall be forwarded within 10 business days. In the event that receipt of payment for services rendered exceeds 200 days from the date of invoice, such delay shall be grounds for a default termination.

TERMINATION

Either party may terminate this Agreement for convenience or for default by providing written notice to the other party. If the termination is for default, the non-terminating party may cure the default before the effective date of the termination and the termination for default will not be effective. The termination for convenience and for default, if the default is not cured, shall be effective seven (7) days after receipt of written notice by the non-terminating party. In the event that this Agreement is terminated for the convenience of either party or terminated by S-H for the default of the CLIENT, then S-H shall be paid for services performed to the termination effective date, including reimbursable expenses due, and termination expenses attributable to the termination. In the event the CLIENT terminates the Agreement for the default of S-H and S-H does not cure the default, then S-H shall be paid for services performed to the termination notice date, including reimbursable expenses due, but shall not be paid for services performed after the termination notice date and shall not be paid termination expenses.



INFORMATION PROVIDED BY OTHERS

S-H shall indicate to the CLIENT the information needed for rendering of services hereunder. The CLIENT shall provide to S-H such information as is available to the CLIENT and the CLIENT's consultants and contractors, and S-H shall be entitled to rely upon the accuracy and completeness thereof. The CLIENT recognizes that it is impossible for S-H to assure the accuracy, completeness and sufficiency of such information, either because it is impossible to verify, or because of errors or omissions which may have occurred in assembling the information the CLIENT is providing. Accordingly, the CLIENT agrees, to the fullest extent permitted by law, to indemnify and hold S-H (including its officers, directors, shareholders, employees, agents and S-H's consultants and affiliated companies, and any of them) harmless from and against any and all claims, losses, costs or damages of any nature whatsoever for injury or loss arising or allegedly arising from errors, omissions or inaccuracies in documents or other information provided by the CLIENT to S-H.

OWNERSHIP AND REUSE OF INSTRUMENTS OF SERVICE

All reports, plans, specifications, field data and notes and other documents, including all documents on electronic media, prepared by S-H as instruments of service shall remain the property of S-H. The CLIENT shall not reuse or make any modifications to the plans and specifications without the prior written authorization of S-H. The CLIENT agrees, to the fullest extent permitted by law, to defend, indemnify and hold S-H (including its officers, directors, shareholders, employees, agents and S-H's consultants and affiliated companies, and any of them) harmless from any and all claims, losses, costs or damages of any nature whatsoever arising out of, resulting from or in any way related to any unauthorized reuse or modifications of the construction documents by the CLIENT or any person or entity that acquires or obtains the plans and specifications from or through the CLIENT without the written authorization of S-H.

DISPUTE RESOLUTION

Any claims or disputes between the CLIENT and S-H made during or after the providing of services under this Agreement shall be submitted to non-binding mediation.

DELAYS

S-H is not responsible for delays caused by factors beyond S-H's reasonable control, including but not limited to delays because of strikes, lockouts, work slowdowns or stoppages, accidents, acts of God, failure of any governmental or other regulatory authority to act in a timely manner, failure of the CLIENT to furnish timely information or approve or disapprove of S-H's services or work product promptly, or delays caused by faulty performance by the CLIENT or by contractors of any level. When such delays beyond S-H's reasonable control occur, the CLIENT agrees S-H is not responsible for damages, nor shall S-H be deemed to be in default of this Agreement.



County Inspection Services – Alliance Pipeline
January 20, 1999
Page 7

ASSIGNMENT

Neither party to this Agreement shall transfer, sublet or assign any rights under or interest in this Agreement (including but not limited to monies that are due or monies that may be due) without the prior written consent of the other party.

SEVERABILITY, SURVIVAL AND WAIVER

Any provision of this Agreement later held to be unenforceable for any reason shall be deemed void, and all remaining provisions shall continue in full force and effect. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between the CLIENT and S-H shall survive the completion of the services hereunder and the termination of this Agreement. The failure of a party to insist upon strict compliance of any term hereof shall not constitute a waiver by that party of its rights to insist upon strict compliance at a subsequent date.

GOVERNING LAW

This Agreement shall be governed pursuant to the laws in the state of the locale of the S-H address written in this Agreement.

EQUAL EMPLOYMENT OPPORTUNITY

It is the policy of S-H to provide equal employment opportunities for all. S-H will not discriminate against any employee or applicant because of race, color, religion, sex, marital status, national origin, age, ancestry, veteran status, physical or mental handicap, unless related to performance of the job with or without accommodation.

COMPLETE AGREEMENT

This Agreement constitutes the entire and integrated agreement between the CLIENT and S-H and supersedes all prior negotiations, representations and agreements, whether oral or written. If the CLIENT issues a Purchase Order of which this Agreement becomes a part, the terms of this Agreement shall take precedence



County Inspection Services – Alliance Pipeline
January 20, 1999
Page 8

AGREEMENT

This proposal shall become the Agreement for Services when signed and dated by both parties.
Thank you for selecting us as a member of your project team.

When you have executed this agreement, return a signed copy to us in the enclosed green envelope.
We look forward to working with you. If you have any questions concerning this proposal, please
contact us at (800) 798-3040 or (319) 354-3040.

Sincerely,

SHIVE-HATTERY, INC.


Steven P. Noack, P.E.


Roxann Bennett

AGREEMENT ACCEPTED AND SERVICES AUTHORIZED TO PROCEED

CLIENT NAME: DELAWARE COUNTY, IOWA

BY: G. Eldon Koeneke TITLE: Chairman - Board of Supervisors

DATE ACCEPTED: 3-1-99

Enc.: Second copy of the Proposal
Green Envelope

SPN/sla

Enc.

Copy: Shirley Helmrichs, Board of Supervisors
Eldon Koeneke, Board of Supervisors
Bill Skinner, Board of Supervisors



County Inspection Services – Alliance Pipeline
January 20, 1999
Page 8


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SHIVE-HATTERY, INC.


Steven P. Noack, P.E.


Roxann Bennett

AGREEMENT ACCEPTED AND SERVICES AUTHORIZED TO PROCEED

CLIENT NAME: DELAWARE COUNTY, IOWA

BY: _____ TITLE: _____

DATE ACCEPTED: _____

Enc.: Second copy of the Proposal
Green Envelope

SPN/sla

Enc.

Copy: Shirley Helmrichs, Board of Supervisors
Eldon Koeneke, Board of Supervisors
Bill Skinner, Board of Supervisors



HOURLY FEE SCHEDULE
Alliance Pipeline Inspection
Effective January 1, 1999 to December 31, 1999

PROFESSIONAL AND TECHNICAL STAFF

Field Inspector	\$ 55.00
Field Supervisor	\$ 65.00
Project Coordinator	\$ 67.00
Project Manager	\$ 91.00
Principal	\$125.00

SECRETARIAL STAFF	\$ 35.00
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REIMBURSABLE EXPENSES:

Printing, Plotting (in-house)	\$ By Size/Type
Professional Services (outside)	At Cost + 10%
Printing, Photographs, Film (outside)	At Cost + 10%
Per Diem, Lodging, Meals	At Cost + 10%
Transportation (airlines, etc.)	At Cost + 10%
On-site trucks	\$40.00/truck/day + \$0.35/mi over 1,500 mi/month
Other Mileage	\$0.35/Mile



MATERIALS TESTING AND LABORATORY FEE SCHEDULE
Effective January 1, 1999 to December 31, 1999

MATERIAL TESTING-LABORATORY

Soils

Mechanical Analysis	
Sieve	\$45.00/Each
Sieve, washed over #200	\$65.00/Each
Moisture Content	\$ 5.00/Each
Compaction Testing	Hrly rates + 7.00/ea
1 Point Proctor	\$ 50.00/Each
Standard proctor	\$145.00/Each
Modified proctor	\$155.00/Each
Concrete Cylinders (6" x 12" nominal)	
Mold	\$ 1.25/Each
Break, including curing, capping & reporting	\$11.00/Each



CERTIFICATE OF INSURANCE

DATE (MM/DD/YY)

January 21, 1999

PRODUCER

C. James Cutler/Suzan K. Blake, CISR, CP10
Holmes Murphy & Associates
230 - 2nd Street S.E., #212
P.O. Box 2429
Cedar Rapids, IA 52406

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION
ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE
HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR
ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY

A

Security Ins. Co. of Hartford

COMPANY

B

COMPANY

C

COMPANY

D

INSURED

Shive-Hattery Inc.
2834 Northgate Drive
Iowa City, Ia 52245-9568

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONT PROT				GENERAL AGGREGATE \$ PRODUCTS-COMP/OP AGG \$ PERSONAL & ADV INJURY \$ EACH OCCURRENCE \$ FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$
	EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				STATUTORY LIMITS EACH ACCIDENT \$ DISEASE - POLICY LIMIT \$ DISEASE - EACH EMPLOYEE \$
A	OTHER Professional Liability*	PL 701918 DEX 701918	7/22/98	7/22/2001	\$3,000,000 aggregate.
*	The limit of insurance shown may be depleted by payment of loss or expenses related to other projects due to claims made against the insured during the described policy period.				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Project: County inspection services--Alliance Pipeline.

CERTIFICATE HOLDER

Delaware County
Attn: Brian Ridenour, P.E.
Delaware County Engineer
P.O. Box 68
Delaware, IA 52036

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

© ACORD CORPORATION 1993

CHAPTER 479A – INTERSTATE NATURAL GAS PIPELINES

479A.1	Purpose.	479A.14	Land restoration — standards — inspection.
479A.2	Definitions.	479A.15	Entry for land surveys.
479A.3	Conditions attending operation.	479A.16	Civil penalty.
479A.4	Construction inspection.	479A.17	Rehearing — judicial review.
479A.5	Notice prior to construction.	479A.18	Federal inspection.
479A.6	Cost of construction inspection.	479A.19	Right to cancel agreement.
479A.7	Annual inspection fee.	479A.20	Arbitration agreements.
479A.8	Failure to pay — penalties.	479A.21	Subsequent pipelines.
479A.9	Deposit of funds.	479A.22	Damage statement.
479A.10	Rules.	479A.23	Negotiated annual fee.
479A.11	Damages.	479A.24	Particular damage claims.
479A.12	Financial condition of company — bond or other security.	479A.25	Determination of installation damages.
479A.13	Jurisdiction.	479A.26	Subsequent tiling.

479A.1 Purpose.

It is the purpose of the general assembly in enacting this law to confer upon the utilities board the power and authority to implement certain controls over the transportation of natural gas to protect landowners and tenants from environmental or economic damages which may result from the construction, operation, or maintenance of a pipeline within the state. It is also the purpose of the general assembly in enacting this law to provide for the board to act as an agent for the federal government in determining pipeline company compliance with the standards of the federal government for pipelines within the boundaries of the state.

88 Acts, ch 1074, §1

479A.2 Definitions.

As used in this chapter, unless the context requires otherwise:

1. *"Board"* means the utilities board within the utilities division of the department of commerce.
2. *"Pipeline"* means an interstate pipe, pipes, or pipelines used for the transportation or transmission of natural gas within or through this state.
3. *"Pipeline company"* means a person engaged in or organized for the purpose of owning, operating, or controlling pipelines.
4. *"Underground storage"* means the storage of natural gas in a subsurface stratum or formation of the earth by a pipeline company.

88 Acts, ch 1074, §2

479A.3 Conditions attending operation.

A pipeline company shall not construct, maintain, or operate pipeline under, along, over, or across any public or private highways, grounds, waters, or streams of any kind in this state except in accordance with this chapter.

88 Acts, ch 1074, §3

479A.4 Construction inspection.

The board shall supervise pipelines, pipeline companies, and underground storage, and shall inspect the construction, maintenance, and condition of pipelines and underground storage facilities in accordance with section 479A.18. When inspecting for safety standard compliance, the board shall apply only United States department of transportation safety standards.

88 Acts, ch 1074, §4

479A.5 Notice prior to construction.

Before beginning construction in this state, a pipeline company shall provide an adequate opportunity for state inspection, by giving written notice to the chairperson of the board stating the time, date, location, and nature of the construction. The notice shall be filed with the chairperson of the board not less than five business days before commencement of the construction.

88 Acts, ch 1074, §5

479A.6 Cost of construction inspection.

A pipeline company shall pay actual unrecovered costs directly attributable to construction inspections conducted by the board or the board's designee.

88 Acts, ch 1074, §6

479A.7 Annual inspection fee.

A pipeline company shall pay an annual inspection fee of fifty cents per mile of pipeline or fraction thereof for each inch of diameter of the pipeline located in this state. The annual inspection fee shall be paid for the calendar year in advance between January 1 and February 1 of each year.

88 Acts, ch 1074, §7

CHAPTER 479A -- INTERSTATE NATURAL GAS PIPELINES

479A.8 Failure to pay — penalties.

The board shall collect the inspection fees, and failure to pay an inspection fee within thirty days after the time the fee becomes due is cause for the assessment of civil penalties in accordance with section 479A.16.

88 Acts, ch 1074, §8

479A.9 Deposit of funds.

Except as otherwise provided in section 479A.14, subsection 8, moneys received under this chapter shall be credited to the general fund of the state as provided in section 476.10.

88 Acts, ch 1074, §9; 94 Acts, ch 1107, §84

479A.10 Rules.

The board shall adopt rules, pursuant to chapter 17A for the enforcement of this chapter.

88 Acts, ch 1074, §10

479A.11 Damages.

A pipeline company operating pipelines or underground storage shall be given reasonable access to the pipelines and storage areas for the purpose of constructing, operating, maintaining, or locating their pipes, pumps, pressure apparatus, or other stations, wells, devices, or equipment used in or upon a pipeline or storage area, but shall pay the owner of the lands for the right of entry and the owner of crops on the land all damages caused by entering, using, or occupying the lands for these purposes; and shall pay to the owner of the lands, after the completion of construction of the pipeline or storage, all damages caused by settling of the soil along and above the pipeline, and wash or erosion of the soil along the pipeline due to the construction of the pipeline. However, this section does not prevent the execution of an agreement with other terms between the pipeline company and the owner of the land or crops with reference to their use.

88 Acts, ch 1074, §11; 95 Acts, ch 192, § 19
Section amended

479A.12 Financial condition of company — bond or other security.

Before construction is begun by a pipeline company, the company shall satisfy the board that the company has property subject to execution within this state other than pipelines, of a value in excess of two hundred fifty thousand dollars, or the company must file and maintain with the board a surety bond in the penal sum of two hundred fifty thousand dollars with surety approved by the board, conditioned that the company will pay any and all damages legally recovered against it growing out of the

construction or operation of its pipeline and underground storage facilities in this state, or the company shall deposit with the board security satisfactory to the board as a guaranty for the payment of that amount of damages, or furnish to the board satisfactory proofs of its solvency and financial ability to pay that amount of damages.

88 Acts, ch 1074, §12

479A.13 Jurisdiction.

In all cases arising under this chapter, the district court of any county in which property of a pipeline company is located has jurisdiction of a case involving that company.

88 Acts, ch 1074, §13; 95 Acts, ch 192, § 20
Section amended

479A.14 Land restoration — standards — inspection.

1. The board shall adopt rules establishing standards to protect underground improvements during the construction of pipelines, to protect soil conservation and drainage structures from being permanently damaged by pipeline construction, and for the restoration of agricultural lands after pipeline construction. To ensure that all interested persons are informed of this rulemaking procedure and are afforded a right to participate, the board shall schedule an opportunity for oral presentations on the proposed rulemaking and, in addition to the requirements of section 17A.4, shall distribute copies of the notice of intended action and opportunity for oral presentations to each county board of supervisors. A county board of supervisors may, under chapter 17A and subsequent to the rulemaking proceedings, petition for additional rulemaking to establish standards to protect soil conservation practices, structures, and drainage structures within that county. Upon the request of the petitioning county, the board shall schedule a hearing to consider the merits of the petition. Rules adopted under this section do not apply within the boundaries of a city, unless the land is used for agricultural purposes.

2. The county board of supervisors shall cause an on-site inspection for compliance with the standards adopted under this section to be performed at any pipeline construction project in the county. A professional engineer familiar with the standards adopted under this section and registered under chapter 542B shall be placed in charge of the inspection. The reasonable costs of the inspection shall be borne by the pipeline company.

CHAPTER 479A – INTERSTATE NATURAL GAS PIPELINES

3. If the inspector determines that there has been a violation of the standards adopted under this section, the inspector shall give oral notice, followed by written notice, to the pipeline company and the contractor operating for the pipeline company, and order corrective action to be taken in compliance with the standards. The costs of the corrective action shall be borne by the contractor operating for the pipeline company.

4. As a part of the inspection process, the inspector shall ascertain that the trench excavation has been filled in a manner to provide that the topsoil has been replaced on top and rocks and debris have been removed from the topsoil of the easement area. An existing topsoil layer extending at least one foot in width on either side of the pipeline excavation at a maximum depth of one foot shall be removed separately and shall be stockpiled and preserved separately during subsequent construction operations, unless other means for separating the topsoil are provided in the easement. The topsoil shall be replaced so the upper portion of the pipeline excavation and the crowned surface contain only the topsoil originally removed.

5. Adequate inspection of underground improvements altered during construction of a pipeline shall be conducted at the time of the replacement or repair of the underground improvements. An inspector shall be present on the site at all times at each phase and separate activity of the opening of the trench, the restoration of underground improvements, and backfilling. The pipeline company and its contractor shall keep all county inspectors continually informed of the work schedule and any schedule changes.

6. If the pipeline company or its contractor does not comply with the orders of the inspector for compliance with the standards, the county board of supervisors may direct the county attorney to petition the district court for an order requiring corrective action to be taken in compliance with the standards adopted under this section.

7. The pipeline company shall allow landowners and inspectors to view the proposed center line of the pipeline before commencing trenching operations to ensure that construction takes place in the proper location.

8. An inspector may temporarily halt the construction if the construction is not in compliance with this chapter and the standards adopted under it, or the terms of the agreement with the pipeline company regarding topsoil removal and replacement, drainage structures, soil moisture conditions, or the location of construction, until the inspector consults with the

supervisory personnel of the pipeline company. If the construction is continued over the inspector's objection and is found not to be in compliance with this chapter, the standards, or the agreement, and is found to cause damage, a civil penalty recovered under section 479A.16 as a result of that violation shall be paid to the landowner.

9. The board shall instruct inspectors appointed by the county board of supervisors regarding the content of this chapter and the standards and the inspectors' responsibility to require construction conforming with them.

10. An underground drain tile damaged, cut, or removed shall be temporarily repaired and maintained as necessary to allow for its proper function during construction of the pipeline. If temporary repair is determined not to be necessary, the exposed line shall be screened or otherwise protected to prevent the entry of foreign material or small animals into the tile line system.

11. This section does not preclude the application of provisions for protecting or restoring property contained in agreements independently executed by the pipeline company and the landowner if the provisions are not inconsistent with state law or with rules adopted by the board.

88 Acts, ch 1074, §14; 95 Acts, ch 192, § 21
Subsection 1 amended

479A.15 Entry for land surveys.

A pipeline company may enter upon private land for the purpose of surveying and examining the land to determine direction or depth of a pipeline by giving ten days' written notice by restricted certified mail to the landowner and to any person residing on or in possession of the land. For purposes of this section only, "landowner" means a person listed on the tax assessment rolls as responsible for the payment of real estate taxes imposed on the property. The entry for land surveys authorized in this section is not a trespass and may be aided by injunction. The pipeline company shall pay the actual damages caused by the entry and survey.

88 Acts, ch 1074, §15; 95 Acts, ch 192, § 22
Section amended

479A.16 Civil penalty.

A person who violates this chapter or a rule or an order issued pursuant to this chapter is subject to a civil penalty levied by the board not to exceed one thousand dollars for each violation. Each day that the violation continues constitutes a separate offense. However, the civil penalty shall not exceed two hundred

CHAPTER 479A -- INTERSTATE NATURAL GAS PIPELINES

thousand dollars for any related series of violations. Civil penalties collected pursuant to this section shall be credited to and are appropriated for the Iowa energy center created in section 266.39C.

A civil penalty may be compromised by the board. In determining the amount of the penalty, or the amount agreed upon in compromise, the appropriateness of the penalty to the size of the business of the person charged, the gravity of the violation, and the good faith of the person charged in attempting to achieve compliance after notification of a violation, shall be considered. The amount of the penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owed by the state to the person charged, or may be recovered in a civil action.

88 Acts, ch 1074, §16; 95 Acts, ch 192, § 23
Unnumbered paragraph 1 amended

479A.17 Rehearing — judicial review.

Rehearing procedure for a person aggrieved by the action of the board in assessing or failing to assess civil penalties under this chapter shall be as provided in section 476.12. Judicial review may be sought in accordance with chapter 17A.

88 Acts, ch 1074, §17

479A.18 Federal inspection.

The board may enter into agreements with and receive moneys from the United States department of transportation for the inspection of pipelines to determine compliance with the applicable standards of pipeline safety as provided by Pub. L. No. 103-272, as codified in 49 U.S.C. § 60101 — 60125.

88 Acts, ch 1074, §18; 95 Acts, ch 49, § 14
Section amended

479A.19 Right to cancel agreement.

1. A person seeking to acquire an easement or other property interest for the construction, maintenance, or operation of a pipeline shall allow the landowner or a person serving in a fiduciary capacity in the landowner's behalf to cancel an agreement granting an easement or other interest by certified mail with return requested to the company's principal place of business if received by the company within seven days, excluding Saturday and Sunday, of the date of the contract; shall inform the landowner or fiduciary in writing of the right to cancel prior to the signing of the agreement by the landowner or fiduciary; and shall provide the landowner or fiduciary with a form in duplicate for the notice of cancellation.

2. A person seeking to acquire an easement or other property interest for the construction, maintenance, or operation of a pipeline shall not record an agreement until after the period for cancellation has expired, and shall not include in an agreement a waiver of the right to cancel in accordance with this section.

3. The landowner or a person serving in a fiduciary capacity in the landowner's behalf may exercise the right of cancellation only once for each pipeline project.

88 Acts, ch 1074, §19

479A.20 Arbitration agreements.

Notwithstanding conflicting provisions of chapter 679A, if an easement or other written agreement between a landowner and a pipeline company provides for the determination through arbitration of the amount of monetary damages sustained by a landowner and caused by the construction, maintenance, or repair of a pipeline, and if either party has not appointed its arbitrator or agreed to an arbitrator under the agreement within thirty days after the other party has invoked the arbitration provisions of the agreement by written notice to the other party by restricted certified mail, the landowner or the pipeline company may petition a magistrate in the county where the real property is located for the appointment of an arbitrator to serve in place of the arbitrator who would have been appointed or agreed to by the other party. Before filing the petition the landowner or pipeline company shall give notice of the petitioning of the magistrate by restricted certified mail to the other party and file proof of mailing with the petition. If, after hearing, the magistrate finds that the landowner or pipeline company has not been diligent in appointing or reasonable in agreeing to an arbitrator, the magistrate shall appoint an impartial arbitrator who shall have all of the powers and duties of an arbitrator appointed or agreed to by the other party under the agreement.

For purposes of this section only, "landowner" means the persons who signed the easement or other written agreement, their heirs, successors, and assigns.

88 Acts, ch 1074, §20; 95 Acts, ch 192, § 24
Section amended

479A.21 Subsequent pipelines.

A pipeline company shall not install a subsequent pipeline upon its existing easement when a damage claim from the installation of its previous pipeline on that easement has not been resolved unless that claim is under litigation or

arbitration or is the subject of a proceeding pursuant to section 479A.25.

88 Acts, ch 1074, §21; 95 Acts, ch 192, § 25
Section amended

479A.22 Damage statement.

A pipeline company shall not install a pipeline unless there is a written statement on file with the board as to how damages resulting from the construction of the pipeline shall be determined and paid, except in cases of eminent domain. The company shall provide a copy of the statement to the landowner.

88 Acts, ch 1074, §22

479A.23 Negotiated annual fee.

In lieu of a one-time lump sum payment for an easement or other property interest allowing a pipeline to cross property, a landowner and the pipeline company may negotiate an annual fee, to be paid over a fixed number of years. Unless the easement provides otherwise, the annual fee shall run with the land and shall be payable to the owner of record.

88 Acts, ch 1074, §23

479A.24 Particular damage claims.

1. The loss of gain by, or the death or injury of livestock caused by the interruption or relocation of normal feeding of the livestock due to the construction or repair of a pipeline is a compensable loss and shall be so recognized by a pipeline company.

2. A claim for damage for future crop deficiency within the easement strip shall not be precluded from renegotiation under section 6B.52 on the grounds that it was apparent at the time of settlement unless the settlement expressly releases the pipeline company from claims for damage to the productivity of the soil. The landowner shall notify the company thirty days prior to harvest in each year to assess crop deficiency.

3. With the exception of claims for damage to drain tile and future crop deficiency, landowners and tenants must submit in writing their claims for damages caused by installation of the pipeline within one year of completion of installation of a pipeline as determined by the county board of supervisors.

88 Acts, ch 1074, §24

479A.25 Determination of installation damages.

1. The county board of supervisors shall determine when installation of a pipeline has been completed in that county for the purposes of this section. Not less than ninety days after

the completion of installation, and if an agreement cannot be made as to damages, a landowner whose land was affected by the installation of the pipeline or the pipeline company may file with the board of supervisors a petition asking that a compensation commission determine the damages arising from the installation of the pipeline.

2. If the board of supervisors by resolution approves the petition, the landowner or pipeline company shall commence the proceeding by filing an application with the chief judge of the judicial district of the county for the appointment of a compensation commission as provided in section 6B.4.

The application shall contain all of the following:

a. The name and address of the applicant and a description of the land on which the damage is claimed to have occurred.

b. A description of the nature of the damage claimed to have occurred and the amount of the damage claimed.

c. The name and address of the pipeline company claimed to have caused the damage or the name and address of the affected landowner.

3. After the commissioners have been appointed, the applicant shall serve notice on the pipeline company or the landowner stating all of the following:

a. That a compensation commission has been appointed to determine the damages caused by the installation of the pipeline.

b. The name and address of the applicant and a description of the land on which the damage is claimed to have occurred.

c. The place, date, and time when the commissioners will view the premises and proceed to appraise the damages and that the pipeline company or landowner may appear before the commissioners.

Sections 6B.10 to 6B.13 apply to this notice. If more than one landowner petitions the county board of supervisors, the application to the chief judge, notice to the pipeline company, and appraisal of damages shall be consolidated into one application, notice, and appraisal. The county attorney may assist in coordinating the consolidated application and notice, but does not become an attorney for the landowners by doing so.

4. The commissioners shall view the land at the time provided in the notice and assess the damages sustained by the landowner by reason of the installation of the pipeline. The commissioners shall file their report with the sheriff. The appraisal of damages returned by the commissioners is final unless appealed. After the appraisal of damages has been delivered to the sheriff by the compensation

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commission, the sheriff shall give written notice by ordinary mail to the pipeline company and the landowner of the date the appraisal of damages was made, the amount of the appraisal, and that any interested party may appeal to the district court within thirty days of the date of mailing. The sheriff shall endorse the date of mailing of notice on the original appraisal of damages. At the time of appeal, the appealing party shall give written notice to the adverse party or the party's attorney and the sheriff.

5. Chapter 6B applies to this section to the extent it is applicable and consistent with this section.

6. The pipeline company shall pay all costs of the assessment made by the commissioners and reasonable attorney fees and costs incurred by the landowner as determined by the commissioners, if the award of the commissioners exceeds one hundred ten percent of the final offer of the pipeline company prior to the determination of damages. If the award does not exceed one hundred ten percent, the landowners shall pay the fees and costs incurred by the pipeline company. The pipeline company shall file with the sheriff an affidavit setting forth the most recent offer made to the landowner. Commissioners shall receive a per diem of fifty dollars and actual and necessary expenses incurred in the performance of their official duties. The pipeline company shall also pay all costs occasioned by the appeal, including reasonable attorney fees to be taxed by the court, unless on the trial of the appeal the same or a lesser amount of damages is awarded than was allowed by the commission from which the appeal was taken.

7. As used in this section, "damages" means compensation for damages to the land, crops, and other personal property caused by the construction activity of installing a pipeline and its attendant structures but does not include compensation for a property interest, and "landowner" includes a tenant.

8. This section does not apply if the easement provides for any other means of negotiation or arbitration.

88 Acts, ch 1074, §25; 95 Acts, ch 192, § 26
Subsections 1, 2, and 3 amended

479A.26 Subsequent tiling.

Additional costs of new tile construction caused by an existing pipeline shall be paid by the pipeline company. To receive compensation under this section, the landowner or agent of the landowner shall either present an invoice specifying the additional costs caused by the

presence of the pipeline which is accompanied by a written verification of the additional costs by the county engineer or soil and water conservation district conservationist or reach an agreement with the pipeline company on the project design and share of the cost to be paid by the pipeline company during the planning of the tiling project.

88 Acts, ch 1074, § 26; 92 Acts, ch 1103, § 10;
95 Acts, ch 192, § 27
Section amended

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

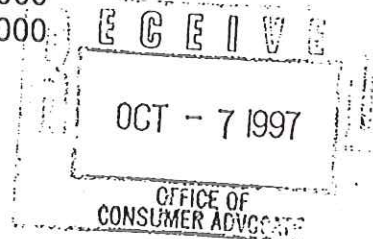
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REGULATORY COMMISSION

In the Matter of)

Alliance Pipeline L.P.)

Docket Nos. CP97-168-000
CP97-169-000

JOINT REQUEST
TO REQUIRE COMPLIANCE
WITH THE NEGOTIATED
AGRICULTURAL IMPACT MITIGATION AGREEMENT
AS A CONDITION OF CERTIFICATE



I. PARTIES

The Iowa parties to this joint request are the Iowa Attorney General's Office, the Iowa Department of Agriculture and Land Stewardship, and the Iowa Office of Consumer Advocate ("Iowa OCA").

The Minnesota parties to this joint request are the Minnesota Attorney General's Office and the Minnesota Department of Agriculture.

II. REQUEST

On or about July 9, 1997, the Iowa OCA filed Comments in the above-captioned proceeding. In its Comments, the Iowa OCA recommended that stringent conditions be incorporated into any Certificate of Public Convenience and Necessity issued to Alliance Pipeline L.P. ("Alliance") in this proceeding in order to protect Iowa's agricultural land and the farmers who farm that land.

On or about September 2, 1997, an Agricultural Impact Mitigation Agreement ("Mitigation Agreement") was entered into by Alliance, the Iowa Attorney General's

Office, the Iowa Department of Agriculture and Land Stewardship, the Iowa OCA, the Minnesota Attorney General's Office, and the Minnesota Department of Agriculture. A copy of the Mitigation Agreement is attached hereto and incorporated herein by this reference.

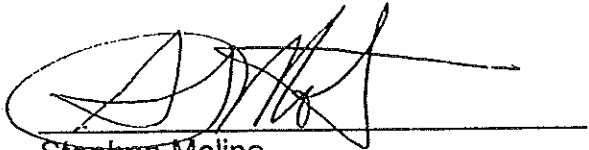
The Mitigation Agreement addresses a number of issues that are of great importance and concern to citizens of both Iowa and Minnesota. In the Mitigation Agreement, Alliance agreed to a number of measures which are intended to mitigate, or provide compensation for, some of the negative agricultural impacts that may occur due to pipeline construction. The mitigation measures are intended to supplement the FERC requirements. The Mitigation Agreement was the result of extended negotiations between the various signatories and reflects compromises by all parties.

The Mitigation Agreement expressly provides that Alliance agrees to the inclusion of the terms contained in the Mitigation Agreement in the environmental impact statement issued in the above-captioned proceeding. See page 3, Item G.

The parties to this joint request believe that all of the terms of the Mitigation Agreement are consistent with both state and federal requirements. The parties further believe that the Mitigation Agreement should be included in the environmental impact statement issued in the above-captioned proceeding and Alliance's compliance with the terms of the Mitigation Agreement should be made an express condition of any Certificate of Public Convenience and Necessity that may be ultimately issued to

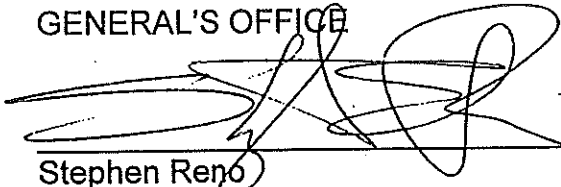
Alliance in this proceeding.

Respectfully submitted,



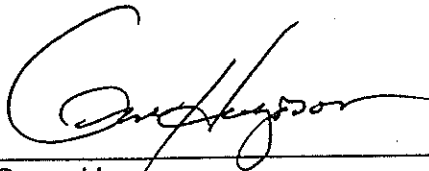
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FOR THE IOWA ATTORNEY
GENERAL'S OFFICE



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FOR THE IOWA DEPARTMENT OF
AGRICULTURE AND LAND
STEWARDSHIP



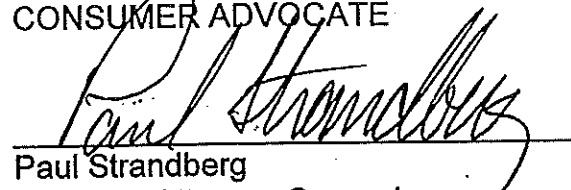
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FOR THE MINNESOTA DEPARTMENT
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FOR THE IOWA OFFICE OF
CONSUMER ADVOCATE



Paul Strandberg
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FOR THE MINNESOTA ATTORNEY
GENERAL'S OFFICE

AGRICULTURAL IMPACT MITIGATION AGREEMENT
between the
ALLIANCE PIPELINE L.P.
and the
IOWA ATTORNEY GENERAL'S OFFICE
IOWA DEPARTMENT OF AGRICULTURE AND LAND
STEWARDSHIP, AND THE OFFICE OF CONSUMER ADVOCATE,
and the
MINNESOTA ATTORNEY GENERAL'S OFFICE AND
MINNESOTA DEPARTMENT OF AGRICULTURE
pertaining to the construction of a
NATURAL GAS PIPELINE AND RELATED APPURTENANCES
in
MITCHELL, HOWARD, CHICKASAW, BREMER, FAYETTE, BUCHANAN,
DELAWARE, JONES, CLINTON, AND SCOTT COUNTIES, IN IOWA
and in
TRAVERSE, STEVENS, SWIFT, CHIPPEWA, KANDIYOHI, RENVILLE,
SIBLEY, NICOLLET, LE SUEUR, BLUE EARTH, WASECA,
FREEBORN AND MOWER COUNTIES IN MINNESOTA

The Iowa Attorney General's Office, Iowa Department of Agriculture and Land Stewardship, and the Office of Consumer Advocate, (collectively, "Iowa signatories") and the Minnesota Attorney General's Office and the Minnesota Department of Agriculture (collectively, "Minnesota signatories") and Alliance Pipeline L.P., by its Managing General Partner, Alliance Pipeline Inc., (collectively, "the Company") agree to the following measures which the Company will implement as it constructs a natural gas pipeline under agricultural land in parts of Mitchell, Howard, Chickasaw, Bremer, Fayette, Buchanan, Delaware, Jones, Clinton, and Scott Counties, in Iowa, and Traverse, Stevens, Swift, Chippewa, Kandiyohi, Renville, Sibley, Nicollet, Le Sueur, Blue Earth, Waseca, Freeborn, and Mower Counties, in Minnesota as described in the Company's application to the Federal Energy Regulatory Commission (FERC) for a Certificate of Public Convenience and Necessity, Docket No. CP97-168-000. These measures are intended to mitigate, or provide compensation for, negative agricultural impacts that may occur due to Pipeline construction. In its application to the FERC, the Company proposed to follow (with minor modifications) the FERC's Upland Erosion Control Revegetation, and Maintenance Plan (Plan) and Wetland and Waterbody Construction and Mitigation Procedures (Procedures). The mitigation measures described in this Agreement are intended to supplement the measures included in the FERC's Plan and Procedures.

The below prescribed construction standards and policies only apply to construction activities occurring partially or wholly on privately owned agricultural land. They do not apply to construction activities occurring entirely

on public right-of-way, railroad right-of-way, publicly owned land, or private land that is not agricultural land. The Company will, however, adhere to the construction standards relating to the repair of drainage Tile (Item No. 3 in the agreement) when drainage Tiles are encountered on public highway right-of-way, railroad right-of-way, publicly or privately owned land.

Unless an easement specifically provides to the contrary, the mitigative actions specified in the construction standards and policies set forth in this Agreement will be implemented in accordance with the conditions listed below:

- A. The Company agrees to provide a copy of this Agreement to any Landowner or Landowner's Designate and any Tenant 48 hours prior to obtaining a voluntary easement from any Landowner.
- B. All mitigative actions are subject to change by Landowners and Landowner's Designates, provided such changes are negotiated in advance of construction and acceptable to the Company.
- C. The Company may negotiate with Landowners or Landowners' Designates to carry out the mitigative actions that Landowners wish to perform themselves.
- D. All mitigative actions employed by the Company pursuant to this Agreement, unless otherwise specified in this Agreement or in an easement negotiated with an individual Landowner or Landowners' Designate, will be implemented within 45 days following completion of the Pipeline facilities on any affected property. If because of weather and Landowner permission, the Company needs a longer period of time, then the Company shall have the burden to establish how much additional time would be reasonably necessary to complete the mitigative actions required by this Agreement. Temporary repairs will be made by the Company during the construction process as needed to minimize the risk of additional property damage that may result from an extended construction time period.
- E. Unless otherwise agreed to by Landowners or Landowners' Designates, all mitigative actions pursuant to this Agreement will extend to associated future construction, maintenance and repairs by the Company.
- F. The Company will implement the mitigative actions contained in this Agreement to the extent that they do not conflict with the requirements of any applicable federal, state and local rules and regulations and other permits and approvals that are obtained by the Company for the project. The Company will comply with the requirements of Iowa Code Chapter 479A (1997) and 199 Iowa Administrative Code Chapter 9. The

provisions and requirements of this Agreement shall be deemed to be included in all easements unless the easement specifically provides to the contrary.

- G. Each mitigative action contained in this Agreement will be implemented to the extent that such mitigative action is not determined to be unenforceable by reason of the mitigative actions approved by, or other requirements, of the FERC Certificate issued for the project. The Company agrees to include this Agreement as part of its submissions to FERC and hereby expressly agrees to the inclusion of the terms contained in this Agreement in the Environmental Impact Statement to be issued in conjunction with the anticipated Certificate of Public Convenience and Necessity in Docket Nos. CP97-168-000, *et al.*
- H. By no later than 45 days prior to the construction of the Pipeline, the Company shall provide each Landowner and Tenant with a telephone number and address which can be used to contact the Company, both during and following the completion of construction, regarding the agricultural impact mitigation work which is performed on their property or any other construction-related matter. The Company shall respond within two business days to Landowner and Tenant telephone calls and correspondence.
- I. Certain provisions of this Agreement require the Company to consult and/or agree with the Landowner and Tenant(s) of a property. The Company shall engage in a good faith effort to secure the agreement of both Landowner and Tenant in such cases. In the event of a disagreement between Landowner and Tenant, the Company's obligation shall be satisfied by securing the Landowner's agreement, unless the Tenant can demonstrate that he or she has the superior legal rights in the matter at issue.
- J. If any provision of this Agreement is held to be unenforceable, no other provision shall be affected by that holding, and the remainder of the Agreement shall be interpreted as if it did not contain the unenforceable provision.

Definitions

Agricultural Land	=	Land which is presently under cultivation; land which has been previously cultivated and not subsequently developed for non-agricultural use; and cleared land which is capable of being cultivated. It includes land used for cropland, hayland, pastureland, managed woodlands, truck gardens, farmsteads, commercial ag-related facilities, feedlots, livestock confinement systems, land on which farm buildings are located, and land in government set-aside programs.
Company	=	Alliance Pipeline L.P., by its Managing General Partner, Alliance Pipeline Inc., its successors and assigns.
Cropland	=	Land used for growing row crops, small grains, or hay; includes land which was formerly used as cropland but is currently in a government set-aside program, and pastureland formerly used as crop land.
Pipeline	=	Includes the natural gas pipeline and its related appurtenances, as described in the Company's application to the Federal Energy Regulatory Commission for a Certificate of Public Convenience and Necessity, Docket No. CP97-168-000.
Landowner	=	Person(s) holding legal title to property on the Pipeline route from whom the Company is seeking, or has obtained, a temporary or permanent easement.
Landowner's Designate	=	Any person(s) legally authorized by a Landowner to make decisions regarding the mitigation or restoration of agricultural impacts to such Landowner's property.
Non-Agricultural Land	=	Any land that is not "Agricultural Land" as defined above.
Right-of-Way	=	Includes the permanent and temporary easements which the Company acquires for the purpose of constructing and operating the Pipeline.

Tenant	=	Any person lawfully residing on or in possession of the land which makes up the "Right-of-Way" as defined in this Agreement.
Tile	=	Any artificial subsurface drainage system.
Topsoil	=	The upper most part of the soil frequently Designated as the plow layer, the Ap layer, or the Ap horizon, or its equivalent in uncultivated soils. It is the surface layer of the soil which has the darkest color or the highest content of organic matter.

1. Pipeline Depth

- A. Except for above-ground piping facilities, such as mainline block valves, tap valves, meter stations, etc., and except as otherwise stated in this Agreement, the Pipeline will be buried with the lesser of:
 1. A minimum of 5 feet of topcover where it crosses Agricultural Land.
 2. A minimum of 3 feet of topcover where it crosses Non-Agricultural Land.
- B. Notwithstanding A above, unless drainage determinations demand otherwise, the Company shall construct its Pipeline under existing and planned drainage Tiles. Planned drainage Tile means locations where the proposed installation of underground Tile is made known in writing to the Company prior to the securing of an easement on the property, and has been defined by an individual experienced in or trained in the installation or planning of drainage systems.
- C. A minimum of 12 inches of separation will be maintained between the Pipeline and drainage Tile unless adequate measures are taken to protect the present and future integrity of pipe and Tile.
- D. Notwithstanding the foregoing, in those areas where (i) rock in its natural formation and/or (ii) a continuous strata of gravel exceeding 200 feet in length are encountered on non-agricultural land, the minimum topcover will be 30 inches.
- E. On lands subject to erosion, the Company will patrol the Pipeline Right-of-Way with reasonable frequency to detect erosion of the topcover. In no instance will the Company knowingly allow the

amount of topcover to erode more than 12 inches from its original level nor to be less than 36 inches, whichever measure provides for the greatest depth of cover, except as stated in D above.

2. Topsoil Replacement

- A. Unless the Landowner agrees otherwise, the top 12 inches of Topsoil will first be stripped from the area to be excavated above the Pipeline and the adjacent subsoil storage area; such Topsoil will be stored separately from the subsoil.
- B. All subsoil material which is removed from the trench will be placed in a second stockpile that is separate from the Topsoil stockpile.
- C. In backfilling the trench, the stockpiled subsoil material will be placed back into the trench before replacing the Topsoil.
- D. The Topsoil must be replaced on the subsoil storage area and over the trench so that after settling occurs, the Topsoil's original depth and contour (with an allowance for settling) will be achieved. In no instance will the Topsoil materials be used for any other purpose.
- E. Where excavations are made for road, stream, drainage ditch, or other crossings, the actual depth of Topsoil will be replaced as nearly as reasonably possible.

3. Repair Of Damaged and Adversely Affected Tile Lines

The Company expressly agrees that both Iowa and Minnesota Landowners, Landowners Designates and Tenants shall have all of the procedural and substantive rights identified in Iowa Code Chapter 479A and the rules promulgated thereunder. The Company hereby expressly agrees to comply with the procedural and substantive requirements of said Chapter.

If underground drainage Tile is damaged by the Pipeline installation, it will be repaired in a manner that assures the Tile line's proper operating condition at the point of repair. If underground drainage Tile lines on or adjacent to the Pipeline's construction area are adversely affected by the Pipeline, the Company will take such actions as are necessary to insure the proper functioning of the Tile lines, including the relocation, reconfiguration, and replacement of the existing Tile lines. The Company may elect to negotiate a fair settlement with the affected Landowner for repair, relocation, reconfiguration, or replacement of the damaged drain

Tile. In the event the Landowner chooses to have the damaged Tile repaired by the Company, the following standards and policies shall apply to the Tile line repair:

- A. The Company will endeavor to locate all Tile lines within the Right-of-Way prior to the Pipeline's installation so repairs can be made if necessary. The Company will contact affected Landowners/Tenants for their knowledge of Tile line locations prior to the Pipeline's installation. All identified Tile lines will be flagged prior to construction to alert construction crews to the possible need for Tile line repairs. Any Tile line that is damaged, cut, or removed shall be distinctly marked by placing a highly visible flag in the trench spoil bank directly opposite such Tiles. This marker shall not be removed until the Tile has been permanently repaired and such repairs have been approved and accepted by the Landowner or the Landowner's Designate or the County or Agricultural Inspector.
- B. All Tile lines will be repaired with materials of the same or better quality as that which was damaged.
- C. If water is flowing through a damaged Tile line, the Tile line will be immediately and temporarily repaired until such time that permanent repairs can be made. If Tile lines are dry and water is not flowing, temporary repairs are not required if the permanent repair is made within 4 days of the time damage occurred; however, the exposed Tile line will nonetheless be screened or otherwise protected to prevent the entry of foreign material, small animals, etc. into the Tile line.
- D. Where Tile lines are severed by the Pipeline trench, three-sided steel channel iron, angle iron, full-round slotted pipe or half pipe will be used to support the repaired Tile lines.
 - 1. The support member will be of sufficient strength to support a 10 ton point load on the surface directly above the repaired Tile line.
 - 2. The support member will extend a minimum of 2 feet into previously undisturbed soil on both sides of the trench and will be installed in a manner that will prevent it from overturning. If the Tile repairs involve clay Tile, the support member will extend to the first Tile joint beyond the minimum 2 foot distance.

3. Within the trench, 1 1/2 inch river gravel, 4 inch crushed stone, sandbags, or bags of concrete will be backfilled under all Tile lines to provide a positive support to the Tile lines. Concrete blocks are also acceptable forms of support as are protective pads on the Pipeline.
 4. There will be a minimum of 12 inches of clearance between the Tile line and the Pipeline whether the Pipeline passes over or under the Tile line. If this clearance cannot be attained, the Tile line must be protected from damage that might result from the proximity of the Pipeline.
 5. In no instance will the grade of the Tile line be changed.
- E. Before completing permanent Tile repairs, all Tile lines will be examined by suitable means on both sides of the trench for their entire length within any work area to check for Tile that might have been damaged by construction equipment. If Tile lines are found to be damaged, they must be repaired so they operate as well after construction as before construction began.
- F. All permanent Tile line repairs must be made within 14 days following completion of construction on any affected Landowner's property, taking into account weather and soil conditions.
- G. Following completion of the Pipeline, the Company will also be responsible for correcting all Tile line repairs that fail due to Pipeline construction, provided those repairs were made by the Company. The Company will be responsible for correcting and repairing all Tile line breaks, or other damages to Tile systems that occur on the permanent and construction easements to the extent that such breaks are the result of Pipeline construction. For the purpose of this paragraph, it is presumed that for a period of 5 years following the completion of construction, all Tile breaks or other damages to Tile systems in the permanent and construction easements are the result of Pipeline construction unless the Company can prove otherwise. The Company will not be responsible for Tile line repairs which the Company pays the Landowner to perform.

4. Installation of Additional Tile Lines

The Company shall be responsible for installing such additional drainage Tile and other drainage measures as are necessary to properly drain wet areas on the permanent and temporary easements caused by the construction and/or existence of the Pipeline. In addition, where the

Pipeline's route parallels an existing pipeline within a 200 foot perpendicular offset, the Company shall be responsible for installing Tile and/or other drainage measures as necessary to properly drain the area between the two pipelines to the extent the wet areas between the pipelines are caused by the construction and/or existence of the Pipeline. For the purpose of this paragraph, for a period of 5 years following the completion of construction, it is presumed that any wet areas located in the permanent and temporary easements and/or between two parallel pipelines are caused by the construction and/or existence of the Pipeline unless the Company can prove that the construction and/or existence of the Pipeline is not the cause of the wet areas.

5. Rock Removal

The following conditions with respect to rock removal shall apply on Agricultural Land:

- A. The top 5 feet or the actual depth of topcover, whichever is less, within the Pipeline trench, bore pits, or other excavations will not be backfilled with soil containing rocks of any greater concentration or size than existed prior to the Pipeline's construction.
- B. If trenching, blasting, or boring operations are required through rocky terrain, suitable precautions will be taken to minimize the potential for oversize rocks to become interspersed with the soil material that is placed back in the trench.
- C. Soil removed from the Pipeline trench, bore pits, or other excavations containing unacceptable rock concentrations or sizes (see 5.A. above) will be hauled off the Landowner's premises or disposed of on the Landowner's premises at a location that is mutually acceptable to the Landowner, the Tenant and the Company. The Company may elect to remove excess rock from the soil and use the soil as backfill material.
- D. After completion of the compaction alleviation activities required in Section 7, below, the Company shall remove rocks which are 4 inches in diameter from the top 12 inches of disturbed soil on the entire construction area. The amount of rock on the Right-of-Way after construction will be similar to that on adjacent off-Right-of-Way areas. Rocks so removed will be hauled off the Landowner's premises or disposed of on the Landowner's premises at a location that is mutually acceptable to the Landowner, the Tenant and the Company.

6. Removal Of Construction Debris

All construction-related debris and material which is not an integral part of the Pipeline will be removed from the Landowner's property. (Note: Such material to be removed would include litter generated by the construction crews.)

7. Compaction, Rutting, Fertilization, Liming, and Soil Restoration

- A. Compaction will be alleviated on all agricultural land traversed by construction equipment. Cropland that has been compacted will be plowed with three passes of a v-ripper or chisel plow at least 18 inches deep and all pasture and woodland will be plowed with three passes or a v-ripper or chisel plow at least 12 inches deep. In areas where Topsoil has been segregated, the Company will first plow the subsoil with three passes or a v-ripper or chisel plow at least 12 inches deep before replacing the segregated Topsoil.
- B. In the case of a claims for damages related to soil compaction, upon request, the Company itself shall pay for, or at the Landowner's or Tenant's option, reimburse the Landowner or Tenant for the cost of having a member of the Professional Soil Classifiers of Iowa (in Iowa), Minnesota Association of Professional Soil Scientists, who is also licensed by the State of Minnesota (in Minnesota), or an appropriately qualified Iowa or Minnesota licensed professional engineer perform a soil survey for bulk density and field moisture on the Right-of-Way and on adjacent land in the same field containing the same soil map units. Said soil survey shall be performed pursuant to the protocol identified in the USDA's Soil Survey Methods Manual (See Attached Exhibit "A"), or other method as approved by the Landowner, such as a soil penetrometer. In addition, where there are row crops, all samples shall be taken in the middle of the row, but not in rows where the drive wheels of farm equipment normally travel. As long as the adjacent lands contain the same soil map units, the Company waives any defenses it may possess that the selected adjacent land is not suitable, for purposes of establishing the pre-construction conditions that existed in the Right-of-Way. Copies of the results of the above-described survey shall be provided to Landowners, Landowner's Designates and Tenants at the Company's expense within 45 days of the Company's receipt of a request to perform such a survey.
- C. The Company will restore all construction rutted land to as near as practical to its pre-construction condition.

- D. The Company will reasonably compensate Landowners and/or Tenants, as appropriate, for damages caused by the Company during Pipeline construction, including the cost of soil restoration. The cost of applying fertilizer and manure or other material with a high level of organic material will be included in the damages paid, thereby allowing the Landowner and/or Tenant to apply the appropriate type and amounts of fertilizer, lime and other material as needed depending on the crops contemplated and the construction schedule.
- E. If there is any dispute between the Landowner and the Company as to what areas need to be ripped or chiseled, the depth at which compacted areas should be ripped or chiseled, or the necessity or rates of lime, fertilizer, and organic material application, the appropriate county Soil and Water Conservation District's opinion shall be considered by the Company and the Landowner.

8. Land Leveling

Following the completion of the Pipeline construction, the Company will restore any Right-of-Way to its original pre-construction elevation and contour. If in the future, uneven settling occurs or surface drainage problems develop, as a result of Pipeline construction, the Company will provide additional land leveling services, or compensation, within 45 days of receiving a Landowner's or Tenant's verbal or written notice, weather, Landowner and Tenant permitting.

9. Prevention Of Soil Erosion

- A. The Company will work with Landowners and Tenants to prevent excessive erosion on lands disturbed by construction. Reasonable methods will be implemented to control erosion. This is not a requirement, however, if the land across which the Pipeline is constructed is bare Cropland which the Landowner or the Tenant intends to leave bare until the next crop is planted.
- B. If the Landowner and/or Tenant and Company cannot agree upon a reasonable method to control erosion on the Landowner's Right-of-Way, the recommendations of the appropriate county Soil and Water Conservation District shall be considered by the Company and the Landowner.

10. Repair Of Damaged Soil Conservation Practices

All soil conservation practices (such as terraces, grassed waterways, etc.) which are damaged by the Pipeline's construction will be restored to their pre-construction condition.

11. Clearing Of Trees And Brush From The Easement

- A. If trees are to be removed from the Right-of-Way, the Company will consult with the Landowner or Landowner's Designate to see if there are trees of commercial or other value to the Landowner.
- B. If there are trees of commercial or other value to the Landowner, the Company will allow the Landowner the right to retain ownership of the trees with the disposition of the trees to be negotiated prior to the commencement of land clearing and included in the easement agreement.
- C. Unless otherwise restricted by federal, state or local regulations, the Company will follow the Landowner's or Landowner Designate's desires as stated in the easement agreement regarding the removal of tree stumps that the Company might otherwise leave in the ground.
- D. Unless otherwise restricted by federal, state or local regulations, the Company will follow the Landowner's, Landowner Designate's, and the Tenant's desires as stated in the easement agreement regarding the disposal of trees, brush, and stumps of no value to the Landowner by burning, burial, etc., or complete removal from any affected property.

12. Interference With Irrigation Systems

- A. If the Pipeline and/or temporary work areas intersect an operational (or soon to be operational) spray irrigation system, the Company will establish with the Landowner or Landowner's Designate and any Tenant, an acceptable amount of time the irrigation system may be out of service.
- B. If, as a result of Pipeline construction activities, an irrigation system interruption results in crop damages, either on the Pipeline Right-of-Way or off the Right-of-Way, the Landowner and/or the Tenant will be reasonably compensated for all such crop damages.
- C. If it is feasible and mutually acceptable to the Company and the Landowner or Landowner's Designate and any Tenant, temporary

measures will be implemented to allow an irrigation system to continue to operate across land on which the Pipeline is also being constructed.

13. Mitigation For Other Natural Resource Impacts

Unless otherwise required by a state or federal agency or other governmental body, the Company will not mitigate for impacts to other natural resources (wetlands, woodlands, etc.) utilizing Agricultural Land as mitigation lands. If Agricultural Land is used for woodland/wetland impact mitigation, the Company will attempt to negotiate a mitigation ratio not to exceed a 1:1 ratio.

14. Ingress And Egress Routes

Prior to the Pipeline's installation, the Company and the Landowner and the Tenant will reach a mutually acceptable agreement on the route that will be utilized for entering and leaving the Pipeline Right-of-Way should access to the Right-of-Way not be practical or feasible from adjacent segments of the Pipeline Right-of-Way or from public highway or railroad right-of-way.

15. Temporary Roads

- A. The location of temporary roads to be used for construction purposes will be negotiated with the Landowner and the Tenant.
- B. The temporary roads will be designed to not impede proper drainage and will be built to minimize soil erosion on or near the temporary roads.
- C. Upon abandonment, temporary roads may be left intact through mutual agreement of the Landowner, the Tenant and the Company unless otherwise restricted by federal, state or local regulations.
- D. If the temporary roads are to be removed, the Right-of-Way upon which the temporary roads are constructed will be returned to its previous use and restored to equivalent condition as existed prior to their construction.

16. Weed Control

- A. On any Right-of-Way over which the Company has jurisdiction as to the surface use of such land (i.e., valve sites, metering stations, compression stations, etc.), the Company will provide for weed

control in a manner that does not allow for the spread of weeds onto adjacent lands used for agricultural purposes. Any weed control spraying performed will be done so by a State of Iowa licensed pesticide applicator.

- B. The Company will be responsible for reimbursing all reasonable costs incurred by Landowners or Tenants of land adjacent to surface facilities when the Landowners or Tenants must control weeds on their land which can be reasonably determined to have spread from land accommodating Pipeline surface facilities, should the Company fail to do so after being given a written notice and a 45 day opportunity to respond.

17. Pumping of Water From Open Trenches

- A. In the event it becomes necessary to pump water from open trenches, the Company will pump the water in a manner that will avoid damaging adjacent agricultural land, crops, and/or pasture. Such damages include, but are not limited to: inundation of crops for more than 24 hours, deposition of sediment in ditches and other water courses, and the deposition of gravel in fields, pastures, and any water courses.
- B. If it is impossible to avoid water-related damages as described in 17.A. above, the Company will reasonably compensate the Landowner and/or Tenant for crop damages, and will either restore the land, pasture, water courses, etc. to their pre-construction condition or reasonably compensate the Landowner and/or Tenant for damage to such land, pasture, water courses, etc.
- C. All pumping of water shall comply with existing drainage laws, local ordinances relating to such activities, and provisions of the Clean Water Act.

18. Construction in Wet Conditions

- A. The Landowner or the Landowner's Designate, and/or the Tenant may request that the county inspector visit the construction site on Landowner's property to make a determination as to whether weather conditions have caused the soil in the construction area on the Landowner's property to become so wet that continued construction activity would damage the future production capacity of the land included in the construction area. Should the county inspector determine that, due to wet conditions, continued construction activity would result in damage to the future

production capacity of the land included in the construction area, then he or she may temporarily halt the construction activity on that Landowner's property (not on the entire construction spread) until the inspector consults with supervisory personnel of the Company or of the contractor operating for the Company.

- B. If construction is continued over the inspector's objection, and damage results therefrom, the Landowner may seek a determination of damages. For the purpose of this paragraph, it is presumed that any damage occurring after the inspector's objection is caused by any construction that takes place after the inspector's objection unless the Company can prove otherwise.

19. Procedures For Determining Construction-Related Damages

- A. The Company expressly agrees that all Iowa and Minnesota Landowners, Landowner's Designates and Tenants shall have all of the procedural and substantive rights identified in Iowa Code Chapter 479A and the rules promulgated thereunder. The Company hereby expressly agrees to comply with the procedural and substantive requirements of said Chapter.
- B. Prior to any construction related activities, the Company's Right of Way agents together with the Landowner, the Landowner's Designate and/or the Tenant, will examine each property to inventory crops, livestock, fences, irrigation systems, Tiles, etc.
- C. The Company will prepare a "Schedule of Damage Compensation" as to the values, quantities and limits of prices to be paid for damages. A copy of the "Schedule of Damage Compensation" shall be provided to each Landowner, Landowner's Designate and Tenant by no later than 48-hours prior to the date set for the examination identified in subparagraph B. This information will be determined through research of local agricultural reports and records, current local market conditions and values and contact with local agricultural and livestock commodities brokers. With respect to crops, damages will be based on market price. Damages to other property will be based on replacement cost. Damage to soils will be based on the reasonable costs of restoration. The above reference "Schedule of Damage Compensation" identifies the Company's position concerning damages, however, neither the Iowa or Minnesota signatories, nor Landowners, Landowner's Designates, or Tenant's are in any way bound to accept the Company's position.

- D. Within 45 days after the completion of construction of the Pipeline, a Company representative will personally meet with all Landowners, Landowner's Designates and/or Tenants to investigate and measure the losses or inconveniences caused by Pipeline construction activities.
- E. By no later than 30 days after the meeting identified in subparagraph D, the Company shall provide the Landowner, the Landowner's Designate, and the Tenant with a detailed itemized list of the damages the Company proposes to pay the Landowner, Landowner's Designate and the Tenant.
- F. Prior to the construction of the Pipeline, the Company shall provide to each Landowner, Landowners Designate and/or Tenant the name, telephone number and mailing address of the Company representative assigned to that geographic area and responsible for the liaison activities on behalf of the Company. This Company representative will be the contact person both during construction and operational related activities.
- G. The Company shall respond within 48 hours to any Landowner and/or Tenant issues or concerns both during the construction and long-term operational activities.

20. **Advance Notice Of Access To Private Property**

- A. The Company will provide the Landowner and Tenant with a minimum of 24 hours prior notice before accessing his/her property for the purpose of constructing the Pipeline.
- B. Prior notice shall first consist of a personal contact or a telephone contact, whereby the Landowner and the Tenant is informed of the Company's intent to access the land. If the Landowner and Tenant cannot be reached in person or by telephone, the Company will mail or hand deliver to the Landowner and the Tenant's home a dated, written notice of the Company's intent. The Landowner and Tenant need not acknowledge receipt of the written notice before the Company can enter the Landowner's property.

21. **Indemnification**

For any Pipeline installation covered by this agreement, the Company or its successor in interest will indemnify all Landowners and Tenants, their heirs, successors, legal representatives, and assigns from and against all claims, injuries, suits, damages, (including, but not limited to, crop loss,

repairs to irrigations systems and Tile, real and personal property damages) costs, losses, and reasonable expenses resulting from or arising out of the laying, maintenance, removal, repair, use or existence of such Pipeline, including damage to such Pipeline or any of its appurtenances and the leaking of its contents, except where such claims, injuries, suits, damages, costs, losses, and expenses are caused by the negligence or intentional acts, or willful omissions of such owners, their heirs, successors, legal representatives, and assigns. This section shall not preclude the Company from securing releases from future damage claims from Landowners and Tenants as part of damage settlements, as long as the subject matter of the releases does not exceed the subject matter of the corresponding settlements. However, the above-referenced releases shall not be included as part of any easement agreements obtained by the Company.

22. Damages

The Company shall reasonably compensate Landowners and/or Tenants for damages, losses or inconvenience caused by the Company which occurred on or off the Pipeline Right-of-Way associated with construction, installation, operation, maintenance and existence of the Pipeline. These damages, losses or inconveniences may include but are not limited to loss of crops, pasture, timber, trees, produce, livestock, fences, drain Tiles, irrigation systems or equipment.

23. Agent For Service Of Process

The Company shall appoint an agent for service of process in Iowa and Minnesota and shall provide written notice setting out the name, address and telephone number of said agent to each Landowner, Landowner's Designate and Tenant within 30 days of the execution of this Agreement.

The Iowa and Minnesota signatories and the Company concur that this agreement is the complete agreement between the signatories governing the mitigation of agricultural impacts that may result from the construction of the Pipeline, within the states of Iowa and Minnesota, as proposed in the Company's application to Federal Energy Regulatory Commission for a Certificate of Public Convenience and Necessity, in Docket Nos. CP97-168-000, *et al.* The Iowa and Minnesota signatories will take this Agreement into account during interactions with agencies, organizations and individuals regarding the Alliance Pipeline Project.

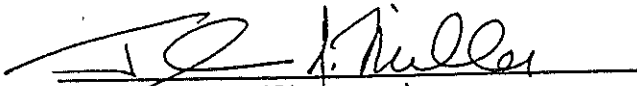
24. Execution In Counterparts

This Agreement may be executed in counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same Agreement.

(Signature)

B.W. Hanna
Vice-President, Engineering & Environment
Alliance Pipeline Inc.
605 5th Avenue SW, Suite 400
Calgary, AB, Canada
T2P 3H5

Date: _____, 1997



(Signature)

Thomas J. Miller
Attorney General of Iowa
Hoover State Office Building
Second Floor
Des Moines, Iowa 50319

Date: September 3, 1997

24. Execution In Counterparts

This Agreement may be executed in counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same Agreement.



(Signature)

B.W. Hanna
Vice-President, Engineering & Environment
Alliance Pipeline Inc.
605 5th Avenue SW, Suite 400
Calgary, AB, Canada
T2P 3H5

Date: Sept 2, 1997

(Signature)

Thomas J. Miller
Attorney General of Iowa
Hoover State Office Building
Second Floor
Des Moines, Iowa 50319

Date: _____, 1997

Dale M. Cochran
(Signature)

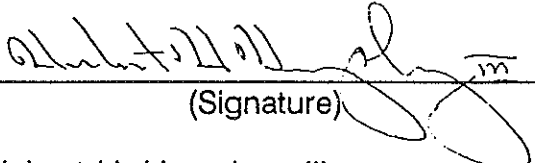
Dale M. Cochran
Secretary of Agriculture and Land Stewardship
Wallace State Office Building
Des Moines, Iowa 50319

Date: Sept. 2, 1997

James A. Maret
(Signature)

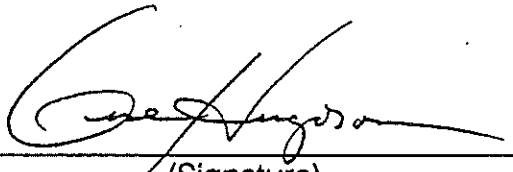
James A. Maret
Consumer Advocate
Office of Consumer Advocate
Lucas State Office Building
Des Moines, Iowa 50319

Date: 9-3, 1997


(Signature)

Hubert H. Humphrey III
Attorney General
State of Minnesota

Date: 9 - 2, 1997


(Signature)

Gene Hugoson
Commissioner
Minnesota Department of Agriculture

Date: 9-2-97, 1997