



Cimarron Link

An Invenergy Project

Oklahoma Landowner Protocol

**For Right-of-Way Acquisition for
the Cimarron Link Project**

Introduction

The Cimarron Link transmission project ("Cimarron Link" or "the Project") has established the Landowner Protocol ("Protocol") as part of Cimarron Link Transmission LLC's ("Company") approach to Right-of-Way ("ROW") acquisition for the Project, in order to recognize and respect the interests of Landowners. The Landowner Protocol is a comprehensive policy of how Cimarron Link interacts, communicates, and negotiates with Landowners. The Landowner Protocol includes: the establishment of a Code of Conduct, the Company's approach to Landowner and easement agreement negotiations, the Company's compensation package, determination of land valuation, the Agricultural Impact Mitigation Protocol ("Ag Protocol"), the tracking of obligations to Landowners, the availability of arbitration to Landowners, and adherence to applicable decommissioning requirements.

1. Code of Conduct

Cimarron Link has implemented a Code of Conduct for its employees, subcontractors, and ROW acquisition land agents, and any other personnel representing the Project, with the goal of acquiring voluntary transmission line easements by respectfully talking to and understanding the concerns and priorities of Landowners. The Code of Conduct governs all communications and interactions with Landowners and occupants of affected property. Cimarron Link requires all employees, agents and representatives to follow the Code of Conduct, which among other Company principles, requires that (1) all communications with Landowners and occupants must be factually correct and made in good faith, (2) all communications and interactions with Landowners and occupants must be respectful and reflect fair dealing, and (3) all communications and interactions with Landowners and occupants must respect the privacy of Landowners and other persons. Landowners are provided with contact information for land agents as well as a secondary contact to report any possible violations of the Code of Conduct. Reported violations of the Code of Conduct are taken seriously and are investigated by Invenenergy management.

2. Approach to Landowner and Easement Agreement Negotiations

Cimarron Link is committed to conducting easement negotiations in a fair manner that is respectful of property rights. The Company desires to establish and maintain long-lasting relationships with Landowners. Cimarron Link strives to implement the following key elements as part of its approach to easement negotiations:

- Communicating the overall purpose of the Project to Landowners;
- Seeking to actively involve Landowners in the routing process during open-house and public meetings, as well as during one-on-one meetings between land agents and Landowners;
- Providing clear information to Landowners on the routing criteria used by Cimarron Link;
- Providing a review process for Landowner-requested siting changes on their property;
- Demonstrating respect for private property rights and existing land uses;
- Offering a fair and comprehensive compensation package for transmission line easements;
- Utilizing the same methodology for determining compensation for all Landowners in order to ensure that all Landowners receive fair and consistent compensation, regardless of who they are or when they sign an easement agreement;
- Listening to Landowner concerns and establishing a process for negotiating easement provisions where possible to address these concerns; and
- Documenting agreements with Landowners to ensure that negotiated provisions and obligations are met during construction, maintenance, and operation.

The goal of these policies is to obtain voluntary transmission line easements. Because of its approach to compensation, which provides options for ongoing annual payments, the Project recognizes that it is proposing to enter into a long-term business relationship with Landowners and the intent is to start that relationship off based on a solid foundation of respect and fairness. Cimarron Link's approach to Landowner negotiations will not change regardless of when these negotiations take place.

3. Compensation

There are two primary components to the compensation being offered to Landowners by Cimarron Link:

- 1. Easement Payment.** Cimarron Link will pay Landowners for the total acreage comprising the easement area on a dollar per acre basis based on the market value as determined by a certified appraisal firm. Market value refers to the median price per acre based on the property type in each county determined by comparable sales. The dollar per acre market value will be multiplied by the easement acreage and then a premium will be applied to determine compensation as shown in the Easement Calculation Sheet in Exhibit B-1 of the easement agreement. The easement area to be acquired on some properties may be very small in size. Therefore, Cimarron Link will provide Landowners a minimum easement payment of \$5,000 for all parcels in each county, regardless of the size of the easement area on their land.
- 2. Agricultural Impact Compensation.** Landowners will be made whole for any agricultural-related losses that occur as a result of the Project. If impacts are reasonably certain to occur due to construction activities, Cimarron Link will pay Landowners a lump-sum Advance Agricultural Impact Compensation Payment prior to construction based on the estimated anticipated impacts directly associated with construction activities, with a true-up payment, if needed, paid after construction. Additionally, Landowners will be compensated for any agricultural impacts resulting from pre-construction activities (e.g. surveys or geotechnical investigations). Cimarron Link will pay 300% of the expected value of impacted crops to account for anticipated future diminished crop yields. The compensation for each crop type will be calculated based on the highest price and highest yield recorded for each crop type over the five years preceding the year of start of construction, even if the highest yield and highest price occur in different years.

If a tree with commercial value must be removed, Landowners will be compensated either for the relocation and replanting of the tree, or for the value of the tree as described in the Agricultural Impact Mitigation Protocol.

Additionally, Landowners will be compensated for any agricultural impacts associated with operations, maintenance, and decommissioning activities regardless of when such impacts occur.

Cimarron Link is only seeking an easement, which will allow Cimarron Link to use a portion of Landowners' property necessary for the placement and operation of a transmission line. The property will still belong to Landowners and can be utilized for activities such as farming, recreation, and other activities that do not interfere with the operation of the transmission line. After construction of the facilities, the Landowner will retain the ability to continue agricultural production on the entirety of the easement area except for the relatively small footprint of the structures, which typically occupy less than 1% of the total easement area.

4. Agricultural Impact Mitigation Policies

Cimarron Link has established agricultural impact mitigation policies to avoid, minimize and mitigate any impacts to agricultural land or activities, which are described in the Cimarron Link Agricultural Impact Mitigation Protocol ("Ag Protocol"). To support this effort, a construction inspector (the "Construction Inspector") will monitor construction activities and verify compliance with the Ag Protocol. Best practices, construction standards and policies detailed in the Ag Protocol include:

- Landowner/Tenant coordination and advance notice of access to private property;
- provision of contact information for reporting agricultural impact mitigation work that does not meet the commitments outlined in the Ag Protocol;
- standards for transmission support structures and above ground facilities type and placement;
- mechanisms to address impacts to important agricultural improvements;
- implementation of soil protection measures; including, decompaction, fertilization, stabilization, repair of damaged soil conservation practices, and erosion prevention;
- removal of construction debris upon completion of construction;
- repair or compensate Landowner to repair any damage to private property as a direct result of preconstruction activities, construction, operation, or maintenance of the Project;
- topsoil segregation and soil removal from transmission support structure holes/foundations;
- Landowner coordination on clearing of trees and brush and compensation for trees of commercial value;
- development of Organic Farm Site Plans to mitigate any negative impacts to organic farms;
- indemnification of Landowners and Tenants from third party claims, losses, and expenses;
- gate installation and maintenance procedures;
- remediation of diminished communication systems and equipment due to transmission structures; and
- compensation for any lost revenue from agricultural or conservation program unenrollment.

5. Tracking of Landowner Obligations

Cimarron Link tracks obligations negotiated by Landowners in the easement agreement, as well as any obligations captured by land agents or other employees in activity notes or Landowner questionnaires ("Landowner Obligations"). There will be a designated point of contact responsible for communicating with Landowners, contractors, and subcontractors to address Landowner obligations and construction/reclamation stipulations. Prior to entering a Landowner's property for surveys or construction, Cimarron Link will notify field personnel, as applicable, of all Landowner Obligations. Contact information of a designated point of contact will be provided to Landowners to communicate any issues or concerns during surveys and construction.

Cimarron Link will ensure a list of Landowner Obligations is provided to the Construction Inspector. The Construction Inspector shall monitor construction activities to ensure that such construction activities are performed in compliance with the Ag Protocol and applicable Landowner Obligations. Landowners will be able to report any concerns to a designated point of contact that will work directly with the Construction Inspector to determine how to proceed and work diligently to address any Landowner concerns. The Construction Inspector shall have the authority to stop any construction activities that are in breach of the Landowner Obligations or the Ag Protocol. After construction, Cimarron Link will work with Landowners to provide for the evaluation and final settlement of any Agricultural Impact Payment in accordance with the provisions negotiated by Landowners in their easement agreements. Cimarron

Link will continue to be in contact with Landowners throughout the operation of the Project with regard to ongoing impacts, issues or concerns.

6. Binding Arbitration

If Cimarron Link and a Landowner have reached agreement on the form of easement but are unable to reach agreement on the market value, then at the Landowner's request, Cimarron Link will submit the issue of Landowner compensation to binding arbitration under the following terms:

Cimarron Link will hire an expert to determine the market value for the proposed agreement. If Landowner disagrees with the market value provided by Cimarron Link's expert, Landowner will hire an expert to provide their determination of the market value for the proposed agreement. If the values provided by the two experts are within 10% of each other, the Parties agree to set the market value at the number which is the median value between the two numbers (i.e. split the difference). If the market values provided by the two experts are not within 10%, the two experts collectively will engage a third expert to determine the market value, which third expert's market value must be between the original two quotes provided by each Party's respective expert. If the third expert's market value is not in between the two prior quotes, the Parties agree to use the middle market value for their agreement. Any arbitration will take place in Oklahoma and will be conducted under Oklahoma law. Arbitrators shall be selected from a pool of qualified arbitrators who are familiar with land use and land values in Oklahoma.

7. Decommissioning

Cimarron Link transmission facilities will be decommissioned, at the expense of the Project owner, at the end of their useful life in accordance with the Project Decommissioning Plan and requirements under applicable laws and contractual obligations. The useful life of the transmission facilities may be extended through upgrades and replacements. In any circumstance in which the Project is retired from service or abandoned prior to service, Cimarron Link shall perform the following wind-up activities:

- dismantling, demolishing and removing all equipment, facilities and structures;
- restoring the land upon which the transmission line was located consistent with the Project Decommissioning Plan;
- terminating all transmission line easements and filing a release of such easements in the real property records of the county in which the property is located;
- securing, maintaining and disposing of debris from the Project facilities; and
- performing any activities necessary to comply with applicable laws, contractual obligations, and that are otherwise prudent to retire the Project facilities and restore any Landowner property.