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We have received multiple inquiries from De Smet Farm Mutual members regarding liability exposure related to the CO2 pipeline that is expected to run through or near their property. There are specific exclusions for liability protection (Coverage L) that apply to pollutants.

EXCLUSIONS THAT APPLY TO COVERAGE L – PERSONAL LIABILITY
AND TO COVERAGE M – MEDICAL PAYMENTS TO OTHERS

This policy does not apply to **bodily injury** or **property damage** which results directly or indirectly from:

the discharge, dispersal, release, or the escape of **pollutants** into or upon land, water or air.

CO2 and other chemicals (whether in solid, liquid, or gaseous form) would be pollutants as defined by your policy.

While we are not personally privy to any contracts between pipeline owners and landowners, please be aware that members may have exposure to significant personal liability for any damages caused by issues related to the pipeline on their property that are not covered by their liability insurance.

In the future, technology may render the pipeline useless or ineffective, pipeline owners and operators may change, and other factors could change that would increase the potential that you may be personally liable for cleanup, removal, and other activities that cause damage as a result of the pipeline being installed. Having a pipeline running through a member's property, carrying a pollutant, subjects them to substantial uninsurable exposure.

Bulletin (02-03-2023)