

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

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IN RE: DAKOTA ACCESS, LLC )

) DOCKET NO. HLP-2014-0001

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**RESPONSE OF NORTHWEST IOWA LANDOWNERS  
ASSOCIATION TO DAKOTA ACCESS' STATEMENT  
OF INSURANCE COVERAGE**

**COMES NOW** Northwest Iowa Landowners Association (NILA) and in support of this Response to Dakota Access' Statement of Insurance Coverage, and states as follows:

1. NILA was an intervenor in this docket and has a continuing interest in ensuring that Dakota Access complies with the Board's Order issued on March 10, 2016.

2. On September 21, 2018, Dakota Access filed a Response to the Board's Order requiring Dakota Access to show that it is complying with the requirement to have \$25 million of insurance coverage for claims made in Iowa. Dakota Access' Response stated that its insurance policies covers claims made in any state and that it does not need to have insurance exclusive to Iowa.

3. While NILA is disappointed that the permit was approved in the first place, primarily because of the risk to Iowa farmland, NILA appreciates that the IUB had conditioned its permit approval upon the insurance requirement.

4. It matters not whether the IUB has authority to require insurance coverage. The IUB order in March 2016 conditioned the permit upon DAPL providing insurance coverage. DAPL waived any objection and accepted the permit with such condition. However, DAPL is attempting to evade that condition.

5. If DAPL does not wish to comply with the IUB condition, the IUB should simply suspend the permit until the insurance requirement is met. If DAPL fails to comply for a long period of time, the IUB should revoke the permit altogether, as this project is simply too risky for Iowa farmland.

6. It is a simply, self-evident fact that farmers are concerned about their land, and that, cumulatively speaking, there is no greater asset in Iowa than its farmland. It should go without saying that NILA is particularly concerned about the insurance coverage requirement. NILA refers the IUB to the fact that DAPL has increased the amount of oil flow through the pipeline since issuance of the permit by the IUB. An oil spill will have devastating impact upon the farmer's ground where the spill occurs, as well as surrounding areas. The IUB is altogether correct to get in front of this.

7. For a company that is making millions upon millions (the exact amount, of course, to be the subject of confidential record, as this is a private, for-profit company), it should not be a problem for DAPL to comply with the insurance requirement. However, it should be alarming that, for whatever reason, DAPL fights the IUB concerning the insurance requirement. NILA urges the IUB to better understand why it is that DAPL seemingly is unable to secure insurance coverage for oil spill risk here in Iowa as required by the IUB permit.

8. In NILA's Brief filed following the hearing in late 2015, NILA highlighted the problems concerning risk to Iowa farmland. Dakota Access's business structure contributes to this problem. Iowa Code Section 479B.14 states that a permit shall not be sold until the sale is approved by the board. At hearing, DAPL pointed to this and some IUB board members took comfort with this statute. However, as predicted by NILA, this requirement is meaningless because owners within Dakota Access (an Delaware limited liability company formed shortly before its application for permit for the apparent purpose to protect Texas oil interests) can freely sell their interests without regulatory approval. Unsurprisingly, we have seen that happen, with a new owner of Dakota Access who has a poor record of pipeline leaks. It is abundantly important that the IUB act to ensure that DAPL's actions do not go unchecked.

9. NILA agrees with the Sierra Club in that the insurance requirement applies only to claims within Iowa, and should not extend to the other three states. The IUB cannot take care of landowners in North Dakota, South Dakota nor Illinois. The IUB's order applies only to Iowa and the potential claimants in Iowa. Further, the amount of \$25 million is low when compared to

the risk of a pipeline leak, however splitting that coverage with three other states is laughably low.

WHEREFORE, NILA prays that the Board to require the DAPL to make full disclosure as to why DAPL is unable to comply with the insurance requirement;

AND WHEREFORE NILA prays that the Board require full compliance of the \$25 million insurance coverage for claims only in Iowa;

AND WHEREFORE, if DAPL continues to fail to comply with the full insurance requirement for Iowa, NILA prays that the IUB remove the risk and stop the flow of oil by suspending and, if necessary, revokin the permit.

Submitted by:  
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**CERTIFICATE OF SERVICE**

I further certify that this document was electronically filed with the Iowa Utilities Board on October 2, 2018.\

/s/ John M. Murray