

STATE OF IOWA
DEPARTMENT OF COMMERCE
BEFORE THE IOWA UTILITIES BOARD

IN RE:)
) Docket No. HLP-2014-0001
DAKOTA ACCESS LLC)

**RESPONSE OF SIERRA CLUB IOWA CHAPTER TO DAKOTA ACCESS'
STATEMENT OF INSURANCE COVERAGE**

Comes now Sierra Club Iowa Chapter and in support of this Response to Dakota Access' Statement of Insurance Coverage, state as follows:

1. Sierra Club 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 cover claims made in any state and that it does not need to have insurance exclusive to Iowa.

3. Sierra Club is especially interested in the insurance coverage required by the Board's Order of March 10, 2016, because a spill from the pipeline would cause tremendous damage to rivers and streams, natural areas, and wildlife. As shown by the undisputed evidence at the

contested hearing in this case, spills from other oil pipelines have resulted in damage to rivers and other environmental damage costing millions, and even billions, of dollars to remediate.

4. There should be no question that in requiring at least \$25 million of insurance coverage in its Order, the Board intended that coverage to apply only to incidents in Iowa. This is so because the Board would have no jurisdiction or authority to mandate insurance coverage in another state. Furthermore, no other state along the pipeline route required Dakota Access to provide insurance coverage for general damages. South Dakota required insurance only for damage to public roads and bridges. So there is no reason Dakota Access would have believed it could get by with not having the full \$25 million of coverage for Iowa.

5. In its Response, Dakota Access claims that the Board has no legal authority to impose the insurance requirement. But it is clear that the Board simply incorporated as a condition of the permit the verbatim commitment Dakota Access made in its Reply Brief. Furthermore, Iowa Code § 479B.1 gives the Board authority to "protect landowners and tenants from environmental or economic damages" caused by the pipeline.

6. Frankly, Dakota Access' Response is just one more example of its disdain for the Board's authority. Unfortunately, up to now the Board has let Dakota Access get by with that attitude. Sierra Club hopes that the Board can now see that Dakota Access will do whatever it can get away with and that the Board will bring this conduct to an end.

WHEREFORE, Sierra Club requests that the Board require that the \$25 million of insurance coverage be for claims made in Iowa.

/s/ Wallace L. Taylor

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