Press Release
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Sierra Club Tells the Iowa Utilities Board to Revoke
the Dakota Access Pipeline Permit

In March of 2016, when the Iowa Utilities Board granted a permit to Dakota Access to build a crude oil pipeline through Iowa, the Board required Dakota Access to have at least $25 million of general liability insurance at all times to cover damages to Iowans caused by a spill from the pipeline. In fact, the insurance requirement was imposed by the IUB at the suggestion of Dakota Access.

But the insurance policies that have been submitted by Dakota Access cover claims made in any of the four states through which the pipeline passes. So, if there are claims made in other states, there may not be enough coverage left for claims made in Iowa. None of the other states required insurance coverage.

Beginning in August of 2018, the Board has issued a series of orders requiring Dakota Access to provide insurance policies limited to claims made in Iowa. That began a cycle where Dakota Access has asked for more time to obtain insurance limited to Iowa. At the same time, Dakota Access has told the Board that the Board has no authority to require the insurance.

The Board has continued to allow Dakota Access more time to obtain the required insurance policies, but Dakota Access has still not shown insurance policies limited to claims in Iowa.

On December 28, 2018, the Board gave Dakota Access an ultimatum to have the required insurance policies in two weeks. Now, on January 4, 2018, Dakota Access has filed insurance policies that still do not have coverage limited to claims in Iowa.

Today The Sierra Club Iowa Chapter has filed a response with the IUB, demanding that Dakota Access’ license to operate its pipeline in Iowa be revoked.

Dakota Access has refused to comply with the barebones requirements in its permit that protected Iowans in case of a spill or an accident from its crude oil pipeline. We call on the Office of Consumer Advocate (OCA) to intervene in this as it did in the original permit hearings and demand that Dakota Access comply with the Iowa-specific insurance requirement. The OCA, landowners and the Sierra Club all recognized that a leak from the pipeline could be catastrophical. The permit was granted on the condition that Dakota Access have three things, a $250,000 bond, a 25 million dollar insurance policy dedicated only to Iowa and irrevocable parental guarantees of Energy Transfer Partners and the other parent corporations to pay in case of a spill. "At every step of the way Dakota Access and Energy Transfer Partners have balked. They should not be allowed to gamble with Iowa’s water and land and then make us pay when there is a spill,” said Carolyn Raffensperger, Chair of the Iowa Chapter of the Sierra Club.