

STATE OF IOWA
DEPARTMENT OF COMMERCE
IOWA UTILITIES BOARD

IN RE: DAKOTA ACCESS, LLC	Docket No. HLP-2014-0001 DAKOTA ACCESS'S RESPONSE TO THE BOARD'S JUNE 9, 2017 ORDER REGARDING INSURANCE REQUIREMENT
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Dakota Access, LLC (“Dakota Access”) hereby submits its response to the Iowa Utilities Board (“Board”)’s June 9, 2017 Order Regarding Insurance Requirement.

I. Introduction

Ordering Clause 3.b. of the Board’s March 10, 2016 Final Decision and Order (“Final Order”) in the above-captioned matter required Dakota Access to file, “A general liability insurance policy in the amount of at least \$25,000,000, to be filed and reviewed each time it is renewed, but at a minimum annually...” *Final Order* at 153. Pursuant to the Board’s Final Order, Dakota Access filed general liability and excess liability policies (the “Original Policies”) reflecting \$26 million in coverage with the Board on March 16, 2016, and later filed public versions of the policies (with Board-permitted redactions) on June 1, 2016.

Dakota Access has continually had in place insurance coverage in excess of the Board’s requirements since March of 2016. The term of the Original Policies was initially set to expire on March 15, 2017. Prior to that date, Dakota Access extended the term of the Original Policies to May 1, 2017. Copies of the endorsements reflecting the extension of the term of the Original Policies were filed with the Board on March 22, 2017. Prior to May 1, 2017, Dakota Access again extended the term of the Original Policies to June 1, 2017, in anticipation of placing the pipeline in service and acquiring new policies for a longer term on or before June 1, 2017, to

replace the Original Policies. Copies of the endorsements reflecting the extension of the term of the Original Policies to June 1, 2017 were filed with the Board on May 15, 2017.

On June 9, 2016, the Board issued its Order Regarding Insurance Requirement which required Dakota Access to file either: (a) copies of insurance policies complying with the requirements of the Board's Final Order, or (b) a detailed report describing the status of insurance for the pipeline that is the subject of this docket, including a statement of when new insurance policies. The information requested by the Board is set forth below.

II. Response

On or about May 15, 2017, prior to the June 1 expiration of the extensions, Dakota Access acquired new insurance policies (the "New Policies") which replace the Original Policies. The New Policies are for a term extending from May 15, 2017 to May 15, 2018, and consist of a general commercial liability insurance policy and four excess liability policies, providing total insurance coverage of \$50,100,000 (more than double the Board's \$25 million requirement). Attached hereto as Attachment A is a Certificate of Liability Insurance which reflects the terms and amounts of the New Policies and certifies that Dakota Access has obtained the New Policies.

The attached Certificate of Liability Insurance establishes that Dakota Access has obtained the New Policies with no lapse in coverage; however, the Board's Final Order requires copies of the policies themselves. In the energy industry, when obtaining customized, multi-layered insurance coverage from multiple insurance companies like the New Policies, it typically takes at least 30 days to receive full copies of the policies themselves from the broker. This timing is outside of Dakota Access's control, and Dakota Access has previously informed Board staff that it was simply waiting to receive full copies of the policies from its broker in order to

file them with the Board. Dakota Access did not receive full copies of three of the policies from its broker until June 12, 2017. Attached hereto as Attachments B – F are the full copies of the five policies, consistent with the Board’s June 9, 2017 Order.

Respectfully submitted this 13th day of June, 2017.

By: */s/ Bret Dublinske*

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ATTORNEYS FOR DAKOTA ACCESS, LLC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 13th day of June, 2017, he had the foregoing document electronically filed with the Iowa Utilities Board using the EFS system which will send notification of such filing (electronically) to the appropriate persons.

/s/ Bret A. Dublinske

Bret A. Dublinske