

Enterprise Products Operating, Inc. v. Iowa Utilities Board - CVCV065780
 July 1, 2024, at 9:00 AM the Polk County Courthouse, Room 210

Chronology of Key Events

1960's and 1970's	Mid-America Pipeline Company (MAPCO, Inc.) was the original owner/builder of the Mid-America Pipeline System most of which was constructed in the early 1960s.
1960's to 1993	<p>MAPCO acquired the requisite permits and renewals to construct, maintain, and operate under Iowa Code § 479's permitting scheme.</p> <p>MAPCO's renewal permits were in effect under the prior statute for a period of twenty-five years and were not set to expire until March 1, 2011, March 16, 2011, June 22, 2011, June 22, 2012, June 24, 2013, June 28, 2013, July 12, 2015, July 1, 2016, and June 28, 1998.</p>
1993	Iowa's law regulating MAPCO's assets is deemed federally preempted and null and void. Regulation of the safety and operation of an interstate hazardous liquid pipeline is exclusively vested in federal regulatory agencies. See <i>Kinley Corp. v. Iowa Utilities Board</i> , 999 F.2d 354, 358 (8th Cir. 1993).
May 26, 1995	<p>Iowa Legislature enacted the current version of Iowa Code § 479B, as a result of <i>Kinley</i>. This legislation recognized the Board's limited authority over state regulation of interstate facilities.</p> <p>Subsequently, pipelines and storage facilities carrying hazardous liquids were required to apply for a new hazardous liquid pipeline (HLP) permit under Iowa Code 479B. The new law applied to both interstate and intrastate assets.</p>

<p>November 1997</p>	<p>Williams Natural Gas Liquids, Inc. ("Williams") acquired a 100% ownership interest in Mid-America Pipeline Company (MAPCO, Inc.)</p>
<p>July 31, 2002</p>	<p>Enterprise Products Operating L.P. purchased from Williams 98% ownership interest in Mid-America Pipeline Company, LLC, and acquired the MAPL pipeline system.</p> <p>Warranties were made by the sellers (Williams and MAPL) to the buyer (Enterprise), that all proper and complete permits were in place for the operation of the Pipeline.</p>
<p>At some point in 2022</p>	<p>The Board began an investigation of HLP pipelines located in Iowa.</p>
<p>February 14, 2022</p>	<p>The Board alleges that it sent a letter to Enterprise, but no record was found of such. The letter not received, was addressed to a different company and for a permit that was issued in 1998 to a different company, Quantum Pipeline Company. The letter made no mention of Enterprise's Pipeline or MAPL or the Iowa permitting statute.</p>
<p>October 5, 2022</p>	<p>Enterprise receives an email notice of a filing uploaded to an unfamiliar docket HLP-1997-0002. The filing was Staff's so called "Second Renewal Notification Letter" dated October 4, 2022 and addressed to Ronald H. Yocum, President of Quantum Pipeline Company and described the need to renew Permit No. N0029. The filing made no mention of Enterprise's Pipeline or MAPL or the Iowa permitting statute.</p>
<p>October 10, 2022</p>	<p>Enterprise received an email correspondence from the Iowa Utilities Board with a "corrected letter" attached regarding the impending expiration of Quantum Pipeline Company's Permit No. N0029. The only "correction" to the IUB letter was to replace Quantum's address with Enterprise's address, the content remained the same. Like</p>

	the February 2022 letter, and the October 5th letter, the October 10th letter made no reference to the Pipeline or MAPL or the Iowa permitting statute.
November 28, 2022	Enterprise responded to the October 2022 letter by notifying the Board that Enterprise did not own and had never owned or had any affiliation with the pipeline permitted by Permit No. N0029.
February 6, 2023	The Board issued to Enterprise the Order Requiring Response by February 20, 2023 and Setting Show Cause Hearing for March 17, 2023 (the “Show Cause Order”).
February 17, 2023	Enterprise requested an additional two weeks to hire local counsel and submit information in response to the Board’s Order. On February 19, 2023, the Board granted two weeks extension.
March 6, 2023	Immediately upon learning of the permitting discrepancy regarding the Pipeline through the Show Cause Order, Enterprise — through counsel — took diligent and good-faith steps to submit paperwork to resolve the permitting issue. See IUB Hr’g Transcript, at pp. 21-22, ¶¶ 15-1 (Mar. 22, 2023).
March 9, 2023	Enterprise requested a continuance of the Show Cause Hearing to review the necessary paperwork and to prepare a permit application. On March 13, 2024, the Board denied the request for more time.
March 16, 2023	Enterprise filed a permit application for its Iowa pipeline asset.
March 17, 2023	Show Cause Hearing held before the Iowa Utilities Board.

April 4, 2023	Enterprise meets with Board Staff to request guidance for permit exhibit requirements to ensure compliance with Staff's standards for applications
April 21, 2023	Board issues an order imposing a civil penalty of \$1.8 million
May 11, 2023	Enterprise files a Motion for Rehearing and Reconsideration
June 9, 2023	Board enters order denying Motion for Rehearing and Reconsideration
July 7, 2023	Enterprise files Petition for Judicial Review in Polk County District Court
December 27, 2023	Enterprise files an Amended and Restated Petition to more fully comply with Board's rules and permit requirements
May 24, 2024	Enterprise files another revised petition in response to Board direction to separate the permit into three applications