

IOWA UTILITIES COMMISSION

IN RE: MIDAMERICAN ENERGY COMPANY	DOCKET NO. P-0776
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ORDER GRANTING WAIVER AND PIPELINE PERMIT AMENDMENT NO. 2

On January 24, 2025, MidAmerican Energy Company (MidAmerican) filed a petition with the Utilities Commission (Commission) for an amendment of Pipeline Permit No. R1321 pursuant to Iowa Code chapter 479. The petition requests to construct, operate, and maintain approximately 1.76 miles of additional 12-inch diameter natural gas pipeline in Benton County, Iowa. The pipeline subject to Permit No. R1321 runs across both Benton and Linn counties; however, this amendment only concerns the portion of the line that is within Benton County.

On March 14, 2025, the Commission issued a staff review letter that directed MidAmerican to respond to questions regarding the petition for amendment. MidAmerican provided a response on March 31, 2025.

On March 31, 2025, MidAmerican also filed a request for waiver of hearing requirements found within Commission rules at 199 Iowa Administrative Code (IAC) 10.6 and 10.9(2)(b). On April 17, 2025, the Office of Consumer Advocate (OCA), a division of the Iowa Department of Justice, filed a response stating it has no objections to the request for waiver of hearing requirements.

On July 10, 2025, Commission staff filed a report regarding the amendment, which states the petition and exhibits as amended are complete and sufficient to

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proceed; however, staff requested that MidAmerican provide a response to some additional questions detailed in the report. MidAmerican provided a response to those questions on July 22, 2025.

ANALYSIS OF REQUEST FOR WAIVER

A. Legal Standards

At the time MidAmerican's request was filed, Commission rules at 199 IAC 10.6 and 10.9(2)(b) established the requirement for notice of hearing when a proper petition for permit is received by the Commission; required a hearing when there is a petition for permit; and stated that applicable procedures for an original petition for permit, including hearing, shall also be followed for petitions for a permit amendment. As of July 16, 2025, those provisions are now found at 199 IAC 10.5 and 10.8(2)(b), respectively.¹

Commission rule 199 IAC 1.3 provides that the Commission may, in response to a request, grant a waiver from a rule adopted by the Commission, in whole or in part, as applied to a specific set of circumstances, if it finds: (1) the application of the rule would pose an undue hardship on the person for whom the waiver is requested; (2) the waiver would not prejudice the substantial legal rights of any person; (3) the provisions of the rule subject to a petition for waiver are not specifically mandated by statute or another provision of law; and (4) substantially equal protection of public health, safety, and welfare will be afforded by a means other than that prescribed in the rule for which the waiver is requested.

¹ Updates to chapter 10 of the Commission's rules were commenced through Docket No. RMU-2023-0010 in accordance with Executive Order Number 10 issued by Governor Kim Reynolds on January 10, 2023. The final version of the rules adopted by the Commission (as set out in its Order Adopting Amendments filed on April 30, 2025, in the docket) went into effect on July 16, 2025.

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B. Request for Waiver

MidAmerican asserts the application of 199 IAC 10.6 and 10.9(2)(b) (now 199 IAC 10.5 and 10.8(2)(b), respectively) will pose an undue hardship if a hearing is held, as it would impose unnecessary costs for customers and cause an undue delay.

MidAmerican asserts no person's legal rights will be prejudiced by a waiver of the rules as it already has all necessary land rights and no objections have been filed in the docket. Lastly, MidAmerican asserts that the Commission rules subject to the request for waiver are not prescribed by statute or another provision of law, and that no concerns regarding the equal protection of public health, safety, and welfare will result from the issuance of a waiver.

The Commission finds that MidAmerican's request satisfies the waiver criteria established in 199 IAC 1.3. There is no statutory requirement that amendments must follow the same procedural requirements as original permit issuances. Requiring MidAmerican to go through a hearing would create an unnecessary administrative burden and waiving the hearing requirement will not prejudice the legal rights of any person because MidAmerican already has the necessary land rights.

The Commission further finds that substantially equal protection of the public health, safety, and welfare will be provided through a review of the information MidAmerican has submitted to justify its request for an amendment permit, and a waiver does not change the safety requirements for the pipeline and the inspections that Commission staff perform.

No objections regarding the petition or waiver request were filed. The Commission finds that the request satisfies the relevant criteria and it is appropriate to

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waive the requirement for a hearing. The Commission will grant MidAmerican's request for a waiver of the hearing requirement.

ANALYSIS OF PERMIT AMENDMENT

Iowa Code chapter 479 establishes the specific requirements for granting a permit for a natural gas pipeline. The Commission has adopted rules in 199 IAC chapter 10 that also establish the requirements for a pipeline permit. Commission subrule 10.8(2) normally requires the same exhibits be filed for an amendment as for a new pipeline and requires that the applicable procedures for a new permit be followed for an amendment. However, in this instance, some of those required provisions have been waived.

An informational meeting is required to be held if the proposed pipeline will operate at a pressure in excess of 150 pounds per square inch gauge and will extend for a distance of five miles or more. An informational meeting was not required for this amendment because the proposed pipeline extends for only 1.76 miles.

No hearing will be held regarding this petition for amendment as Commission rules at 199 IAC 10.5 and 10.8(2)(b) regarding hearing requirements will be waived. The remaining relevant statutory requirements regarding the petition for an amendment of a pipeline are addressed below.

A. Iowa Code § 479.6

1. Iowa Code §§ 479.6(1) and (2) require that the petition include the name of the entity requesting the permit and the entity's principal place of business.

MidAmerican's petition contains this information.

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2. Iowa Code §§ 479.6(3) and (4) require the petition to include a legal description and map of the proposed pipeline. Commission rules at 199 IAC 10.3(1)(a) and (b) require Exhibits A and B, respectively, and describe the information to be provided in the legal description and maps to comply with these statutory requirements. MidAmerican filed the required information.

3. Iowa Code §§ 479.6(5) and (6) require that the petition include the specifications of materials and manner of construction of the pipeline and the maximum and normal operating pressure proposed for the pipeline. Commission rules at 199 IAC 10.3(1)(c) require an Exhibit C that describes the information needed to meet these statutory requirements. MidAmerican filed the required information.

4. Commission rules at 199 IAC 10.3(1)(j) require an Exhibit K with an affidavit showing that the pipeline company undertook a review of land records to identify all affected persons for all parcels over which the pipeline is proposed to be located. MidAmerican filed an adequate Exhibit K indicating it had done a title search and review of the reports to identify all the affected persons for the parcels over which the pipeline is to be located, and that it has obtained all necessary easements required for the project.

B. Iowa Code § 479.9

Iowa Code § 479.9 states that any person, corporation, company, or city whose rights or interests may be affected by the proposed pipeline may file written objections. No objections have been filed regarding the proposed pipeline.

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C. Iowa Code § 479.12

Iowa Code § 479.12 states the Commission may grant a permit for a natural gas pipeline in whole or in part upon terms, conditions, and restrictions as to safety requirements and as to location and route as determined to be just and proper. This section of the statute is also applicable for petitions for amendment. The Commission is required, as a condition precedent to granting an amendment to the permit, to determine whether the proposed pipeline will promote the public convenience and necessity.

The statutory requirements of Iowa Code chapter 479, as well as specific facts that relate to a proposed pipeline, are considered when making a determination as to whether to approve an amendment to a permit. In this case, the evidence shows that the proposed pipeline will meet all federal and state safety requirements, all necessary easements are obtained, and no objections have been filed regarding the proposed pipeline.

MidAmerican states the purpose of the amendment is to supplement the capacity of the existing Cedar Rapids Lateral due to International Flavors & Fragrances' expansion in Cedar Rapids, Iowa, as it plans on building natural gas burners on-site in anticipation of future growth at the facility. MidAmerican asserts that the expansion will bring economic benefits to the Cedar Rapids area by creating construction jobs and new permanent positions, as well as generate new taxes. Based upon the evidence regarding the need for the amendment of the existing pipeline and compliance with statutory and Commission rules, the Commission finds that the proposed pipeline will promote the public convenience and necessity and an amended permit should be

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issued to allow construction of the pipeline. However, commencement of construction is to be conditioned upon MidAmerican's filing of an updated Exhibit E showing all required consents and reviews have been obtained.

Nothing in this order changes the length of time Permit No. R1321 will be valid. Permit No. R1321 will be in effect until January 18, 2042, unless revoked, terminated, or amended by the Commission.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the subject matter of MidAmerican's petition under the provisions of Iowa Code chapter 479.
2. The statutory requirements in Iowa Code chapter 479 have been considered, and the evidence supports the granting of a permit for the proposed pipeline.

ORDERING CLAUSES

IT IS THEREFORE ORDERED:

1. The request for waiver of hearing filed on March 31, 2025, by MidAmerican Energy Company is granted.
2. The notice of hearing requirements in 199 Iowa Administrative Code 10.4 is moot upon waiver of the hearing in Ordering Clause 1.
3. Prior to commencing construction, MidAmerican Energy Company shall file an updated Exhibit E showing it has obtained all required consents and reviews.
4. The Petition for Pipeline Permit Amendment filed by MidAmerican Energy Company on January 24, 2025, as revised, is granted. Amendment No. 2 to Permit No.

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R1321 is hereby issued to MidAmerican Energy Company.

5. The Utilities Commission retains jurisdiction of the subject matter of this docket pursuant to Iowa Code chapter 479 and may at any time during the period of the permit make such further orders as may be necessary.

UTILITIES COMMISSION



Sarah Martz, Chair



Joshua Byrnes, Commissioner



Erik Helland, Commissioner