

SUPREME COURT OF IOWA

East Buchanan Telephone Cooperative v. Iowa Utilities Board

738 N.W.2d 636 (Iowa 2007) · No. No. 05-1212 · Decided September 14, 2007

SUMMARY

The Supreme Court of Iowa reviewed Iowa Utilities Board orders concerning East Buchanan Telephone Cooperative's proposed blocking of wireless transit traffic delivered by Qwest. The court held that the challenge to the board's temporary injunction was moot, and that although the board lacked judicial power to issue an injunction, it had authority to order the cooperative to refrain from blocking traffic under its broad regulatory powers. The court affirmed because East Buchanan failed to establish the order's invalidity or resulting prejudice.

CASE DETAILS

COURT	Supreme Court of Iowa
WRITING FOR THE COURT	Hecht, Justice; Hecht; Appel
JURISDICTION	Iowa
DECIDED	September 14, 2007
DOCKET	No. 05-1212
DISPOSITION	affirmed
PROCEDURAL POSTURE	East Buchanan Telephone Cooperative sought judicial review under the Iowa Administrative Procedure Act of Iowa Utilities Board orders temporarily and permanently directing it not to block specified wireless transit traffic. The district court affirmed the Board's decision, and East Buchanan appealed to the Supreme Court of Iowa.
STANDARD OF REVIEW	Review was governed by Iowa Code section 17A.19. The Supreme Court reviewed the district court's decision by applying the IAPA standards to the agency action and determined whether substantial rights were prejudiced by agency action of a type listed in section 17A.19(10).
PRECEDENTIAL VALUE	Published Iowa Supreme Court opinion; precedential
PARTIES	East Buchanan Telephone Cooperative v. Iowa Utilities Board, U.S. Cellular Corporation, Qwest Corporation, Office of Consumer Advocate

TOPICS

judicial review of agency action

administrative law

mootness

remedies

commercial litigation

PRACTICE AREAS

administrative law

telecommunications regulation

appellate procedure

equitable remedies

QUESTIONS PRESENTED

1. Whether East Buchanan's challenge to the Board's temporary order remained justiciable after the Board issued a permanent order.
2. Whether the Iowa Utilities Board had authority to issue a permanent order directing East Buchanan not to block the disputed telecommunications traffic.
3. Whether East Buchanan established that the Board's permanent order was invalid and that its substantial rights were prejudiced under the Iowa Administrative Procedure Act.
4. Whether the Board's characterization of its order as granting permanent injunctive relief required judicial relief.

HOLDINGS

1. The challenge to the temporary order was moot because the temporary order merged into the later permanent order.
2. The Iowa Utilities Board, as an executive-branch administrative agency, lacks judicial power to grant an injunction, which is a judicial remedy enforceable through contempt.
3. The Board had authority to issue an order permanently directing East Buchanan not to block the disputed traffic without prior Board approval.
4. East Buchanan was not entitled to judicial relief because it failed to prove that the Board's order was invalid or that its substantial rights were prejudiced.

KEY QUOTATIONS

“An injunction is a judicial remedy enforceable through a court's authority to find a party in contempt.” (641)

“We therefore conclude that within the broad "general powers" and implied authority of the board under section 476.2(1) is the authority to permanently order EBTC not to block traffic in violation of chapter 476.” (642)

FACTUAL BACKGROUND

East Buchanan Telephone Cooperative provided telephone, cable television, and internet services in four Buchanan County communities and charged other carriers access fees for calls delivered to its customers. After Qwest refused to continue paying access charges for certain wireless-originated traffic transited through Qwest, East Buchanan threatened to block that traffic. The Iowa Utilities Board found that blocking the calls could

impair service and endanger public safety, issued temporary and then permanent orders barring the conduct, and the resulting judicial-review proceeding challenged the Board's authority and the factual basis for relief.

PROCEDURAL HISTORY

Qwest and U.S. Cellular filed complaints with the Iowa Utilities Board after East Buchanan threatened to block certain wireless traffic unless Qwest paid access charges. The Board issued a temporary order, conducted a contested-case hearing, and then issued a permanent order directing East Buchanan not to block the traffic without Board approval. The district court affirmed, and the Supreme Court of Iowa affirmed the district court.

DISPOSITION

affirmed

CASES CITED

- AT&T Commc'ns of the Midwest, Inc. v. Iowa Utils. Bd., 687 N.W.2d 554, 557 (Iowa 2004)
- Univ. of Iowa Hosp. & Clinics v. Waters, 674 N.W.2d 92, 95 (Iowa 2004)
- In re T.S., 705 N.W.2d 498, 501 (Iowa 2005)
- Matlock v. Weets, 531 N.W.2d 118, 121-22 (Iowa 1995)
- Foods, Inc. v. Leffler, 240 N.W.2d 914, 919 (Iowa 1976)
- St. Joseph Hosp. v. Peterson, 196 N.W.2d 418, 419 (Iowa 1972)
- Iowa Power & Light Co. v. Iowa State Commerce Comm'n, 410 N.W.2d 236, 240 (Iowa 1987)
- Iowa Network Servs., Inc. v. Qwest Corp., 363 F.3d 683, 686 (8th Cir. 2004)