## NEWS RELEASE



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## MPSC approves siting permit for Enbridge to relocate Line 5 in Straits of Mackinac, with conditions; finds tunnel best option

The Michigan Public Service Commission today approved a siting application filed by Enbridge Energy LP for a proposed replacement segment of pipelines now located on the lakebed of the Straits of Mackinac, replacing them with a single pipeline in a tunnel deep below the lakebed, subject to the company obtaining additional government approvals and permits and with conditions related to the tunnel's safety and construction (Case No. U-20763).

The Commission's order determined there is a public need for the replacement section of Line 5 and the products it carries, finding that without the pipeline's operation, suppliers would need to use higher-risk and costlier alternative fuel supply sources and transportation for Michigan customers, including those who use propane for home heating.

Today's order also found there is a public need to protect the ecological, natural, and cultural resources of the Great Lakes that would be helped by replacing the existing dual pipelines, now exposed to the elements and risks including ship anchor strikes on the Straits' lakebed. Other modes of transporting Line 5's products, such as by truck, rail, oil tanker, or barges, likely would increase environmental impairment and increase the risk of spills that could significantly harm the Great Lakes and its environment, the Commission found, and there are no feasible and prudent alternatives to the replacement project pursuant to the Michigan Environmental Protection Act (MEPA).

## The Commission also found that:

- Enbridge has demonstrated that an experienced and knowledgeable firm designed the tunnel, and it will be built using state-of-the-art materials and practices that will meet or exceed industry standards.
- The replacement segment is a significant improvement over the existing dual pipeline configuration, virtually eliminating the risk of anchor strikes, in addition to the replacement segment being housed in a tunnel that can serve as a secondary containment vessel that would contain a leak if one developed.
- The Straits Line 5 replacement segment meets or exceeds current safety and engineering standards, given that the inspection procedures required by

Enbridge at the manufacturing and installation levels exceed required minimum safety standards.

The Commission also found that the route, location, and design of the project is reasonable and should be approved, subject to conditions. The conditions are that Enbridge must:

- Receive required governmental permits and approvals and make no significant changes to the route and location of the Straits Line 5 replacement segment within the tunnel.
- No third-party utilities may be co-located within the tunnel without further application to, and approval by, the Commission. The Commission found that inclusion of third-party utilities could increase the risks posed to the replacement project, and that there was insufficient evidence on the present record to make a determination that co-locating such utilities was consistent with the Commission's obligations under Act 16.
- Exceed minimum federal regulations to ensure the safety, integrity and reliability
  of the Straits Line 5 replacement segment. The Commission directed Enbridge to
  implement procedures for low-hydrogen welding for all mainline girth welds and
  to ensure that the procedures require both preheat and inter-pass temperature
  requirements. Enbridge must also ensure that the mainline girth welds are
  nondestructively tested using automatic phased array ultrasonic testing methods.

The Commission also required that Enbridge, before it begins construction, submit a detailed risk management plan to the State of Michigan that includes geotechnical test bore sitings with related data and real-time reporting; results of concrete cast section inspections; placement plan of gaskets; analyses of bentonite mix, and any changes in slurry pressure.

The Commission also recommended that — to the extent feasible, beneficial, safe and permitted by agreements and other permitting authorities — all equipment that will be used in the tunnel should be designed to meet the most stringent standards for electrical equipment under the National Electric Code. The Commission finds that this recommendation provides additional safety and risk mitigation in the event of an "accidental rupture or breakdown of [closed] containers or systems, or in case of abnormal operation of equipment."

Enbridge initially filed its application in April 2020 seeking siting approval under Act 16 of 1929 to replace and relocate the Line 5 section through the Straits of Mackinac into a new tunnel beneath the lakebed. First built in 1953, Line 5 is a 645-mile interstate pipeline that originates in Superior, Wisc., spans Michigan's Upper Peninsula, crosses the Straits and then spans the Lower Peninsula before terminating near Sarnia, Ontario. Line 5 transports light crude oil and natural gas liquids, including propane used for home heating in Michigan. Its average annual capacity is 540,000 barrels per day.

In the approximately four miles of Line 5 crossing the Straits, there are currently two, 20-inch pipelines, the span of which are primarily near or on top of the lakebed. Enbridge would replace the dual pipelines with a single, 30-inch pipeline in the concrete-lined tunnel with an inside diameter of 21 feet, routed through bedrock 60-370 feet beneath the lakebed. The tunnel will have space for the Line 5 replacement segment in addition to ventilation systems, leak detectors, dewatering equipment, and equipment needed for inspections and maintenance, among other things.

The Commission in July 2022 reopened the record in this case, finding the record was deficient on crucial matters of engineering and safety. The Commission directed Enbridge to file documents and any relevant information to develop a full and complete record on matters including tunnel engineering and safety, electrical equipment and risk of fire and/or explosion, and the safety of the current dual pipelines, including leak detection systems and shut-down procedures. Following Enbridge's submittal, all parties were given the opportunity to review and submit additional information on these topics to the MPSC. The Commission's final decision was based on the entire record.

With today's Commission order, Enbridge will be able to proceed with the construction of the replacement pipeline so long as the project receives approval by regulatory agencies including the Mackinac Straits Corridor Authority and United States Army Corps of Engineers. Upon construction of the tunnel, Enbridge will deactivate the existing dual pipelines once the replacement segment is placed into service.

A Line 5 issue brief includes additional background about the case and today's order.

Intervenors in the case were the Bay Mills Indian Community; the Environmental Law and Policy Center and Michigan Climate Action Network; For Love of Water; Grand Traverse Band of Ottawa and Chippewa Indians; Little Traverse Bad Bands of Odawa Indians; the Mackinac Straits Corridor Authority; Michigan Attorney General Dana Nessel; Michigan Environmental Council; Michigan Climate Action Network; Michigan Laborers District Council; Michigan Propane Gas Association; National Wildlife Federation; Nottawaseppi Huron Band of Potawatomi Indians, and Tip of the Mitt Watershed Council.

To look up cases from today's meeting, access the <u>MPSC's E-Dockets filing system</u>. Watch recordings of the MPSC's meetings on the <u>MPSC's YouTube channel</u>.

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