



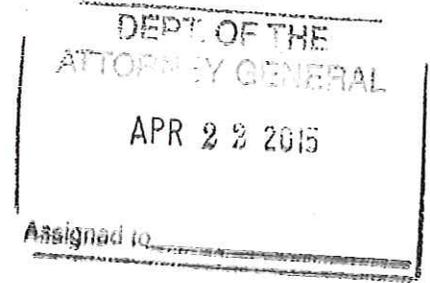
Bradley F. Shamla
Vice President, U.S. Operations
Liquids Pipelines

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Enbridge Energy Company, Inc.
Enbridge (U.S.), Inc.
Minneapolis Office
7701 France Avenue South
Suite 600
Edina, MN 55435

4/22: Copy to
Peter, Matthew, Carol,

April 17, 2015



✓ Honorable Bill Schuette
Attorney General
Michigan Dept. of Attorney General
6th Floor G. Mennen Williams Building
525 W. Ottawa Street
P.O. Box 30755
Lansing, MI 48909

Honorable Dan Wyant
Director
Michigan Department of Environmental Quality
Constitution Hall
525 West Allegan Street
P.O. Box 30473
Lansing, MI 48909

Honorable Keith Creagh
Director
Michigan Department of Natural Resources
P.O. Box 30028
Lansing, MI 48909

Dept. of Attorney General
RECEIVED

APR 23 2015

**NATURAL RESOURCES
DIVISION**

Re: Enbridge Line 5 Pipelines at the Straits of Mackinac
Your Letter of March 12, 2015

Dear Attorney General Schuette, Director Wyant, and Director Creagh,

Thank you for your letter of March 12, 2015. Enbridge Energy, Limited Partnership ("Enbridge") appreciates the opportunity to respond to your inquiries as we have done previously.

Your letter made two requests of Enbridge: first to document the form and amounts of insurance it has in place to cover the liability imposed under the Easement; and second, provide an explanation and document how the insurance is sufficient to cover liability for all damage or losses resulting from an incident involving the pipelines that cross the Straits of Mackinac.

Before responding directly to the requests, I would like to clarify that Enbridge commits to fully respond to an incident and to provide all necessary emergency and operational resources, including financial resources, to address the damage impacts of any release from the pipelines until it is fully remediated to the satisfaction of appropriate agencies. As you may be aware, Enbridge is proactively working with the U.S. Coast Guard, U.S. EPA and other participating local and state agencies to ensure we have effective plans in place and are jointly involved in planning an emergency response exercise in the Straits of Mackinac on September 24, 2015.

Enbridge does carry adequate and comprehensive insurance coverage as a financial risk management tool to reduce the financial impacts the company might incur as a result of its committed response to such an event. The insurance recovery available to Enbridge occurs in due course, subsequent to Enbridge's

immediate and ongoing response to an incident and is not designed to provide funding for Enbridge's responses. It therefore should not be considered as the primary method that would be relied on to provide assurances to the State for required response activities.

Enbridge has substantial resources, both operationally and financially, to meet its obligations under the Easement, which was well demonstrated in the response to the incident that occurred in Marshall, Michigan in 2010. While Enbridge has sought and received recompense from its insurers since the incident, in no way were any of Enbridge's response efforts contingent on insurance coverage. Enbridge drew on its immense enterprise resources to remediate the impacts of the incident.

With that context, I have enclosed an insurance certificate that sets forth a global liability insurance program under which Enbridge is covered, including for a sudden and accidental pollution event, in the total amount of \$700,000,000.00. The amounts reflected in the certificate are representative of the insurance coverage placed and available to Enbridge and is just part of a long history of insurance programs Enbridge has maintained during the past decades of its operations. We trust that it addresses your first request.

Turning to the second request, documentation of the sufficiency of that amount was provided in my letter of February 27, 2015. One of the questions to which Enbridge responded was an assessment of a "worst case scenario" and the cost of fully remediating such an occurrence. Based upon the worst case discharge volume calculated for this area provided in that response and other factors,¹ the expected cost of cleanup for a worst case discharge would be approximately \$400 million. Enbridge has in place significant and sufficient risk mitigation tools, such as its insurance program, to ensure that even a worst case scenario as set forth above would not materially diminish Enbridge's financial stability.

I trust that the responses in this letter, along with those of our previous submissions, demonstrate to you on behalf of the State of Michigan that Enbridge is in full compliance with the financial obligations imposed on it by the Easement. If you would like to discuss further the contents of this letter, please do not hesitate to contact me. Thank you again for the opportunity to answer your requests.

Sincerely,

ENBRIDGE ENERGY, LIMITED PARTNERSHIP
By Enbridge Pipelines (Lakehead) L.L.C.
Its General Partner



Bradley F. Shamia
Vice President, U.S. Operations

Enclosure

C: Leon Zupan
Cynthia Hansen
Joel Kanvik
Kevin Underhill

¹ Despite this being a theoretical worst case scenario, I would be remiss if I failed to point out the numerous circumstances that would prevent a theoretical worst case scenario from actually occurring. For example, please see Enbridge's responses to questions 12 and 13 in the February 27, 2015 letter.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/29/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Marsh USA Inc. 500 Dallas St, Suite 1500 Houston, TX 77002	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS:		FAX (A/C, No):
	INSURER(S) AFFORDING COVERAGE		
654901-ALL-AI-X-14-15	INSURER A: Zurich American Insurance Co		NAIC # 16535
INSURED Enbridge Inc., Enbridge Energy Partners Inc. 1100 Louisiana Suite 3300 Houston, TX 77002	INSURER B: Lloyd's Of London		1122000
	INSURER C:		
	INSURER D:		
	INSURER E:		
	INSURER F:		

COVERAGES **CERTIFICATE NUMBER:** HOJ-002362742-02 **REVISION NUMBER:** 3

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Sudden & Accidental Pollution GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			GLO 9835824-01	05/01/2014	05/01/2015	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 2,000,000 MED EXP (Any one person) \$ 25,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> MCS 90 <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			8842306	05/01/2014	05/01/2015	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			N/A			<input type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 GL - Sudden & Accidental pollution (excluding crude oil pollution).
 Excess Layers - including Sudden & Accidental pollution for all operations.

CERTIFICATE HOLDER**CANCELLATION**

Enbridge Inc., Enbridge Energy Partners Inc. 1100 Louisiana, Suite 3300 Houston, TX 77002	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE of Marsh USA Inc. Andrew F. Steptowe
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ADDITIONAL REMARKS SCHEDULE

AGENCY Marsh USA Inc.		NAMED INSURED Enbridge Inc., Enbridge Energy Partners Inc. 1100 Louisiana Suite 3300 Houston, TX 77002	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

The General Liability and Excess Liability placements were made by Marsh Canada and Marsh Bermuda. Marsh USA Inc. has only acted in the role of a consultant to the client with respect to this placement, which is indicated here for your convenience.

1st Excess Liability: \$5M XS \$10M

Insurer: Lloyd's Underwriters / Associated Electric & Gas Insurance Services Ltd.
Policy Number: EI187014 / XL5098703P
Limit: \$5,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

2nd Excess Liability: \$10M XS \$15M

Insurer: Ironshore Canada Ltd. / Lloyd's Underwriters / Hudson Specialty Insurance Company / Zurich Insurance Company Ltd.
Policy Number: C444624914 / EI251714 / HSICP2014027013 / 8842329
Limit: \$10,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

3rd Excess Liability: \$15M XS \$25M

Insurer: Associated Electric & Gas Insurance Services Ltd. / Chubb Insurance Company of Canada / Lloyd's Underwriters
Policy Number: XL5100903P / 79888454 / EI252714
Limit: \$15,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

4th Excess Liability: \$100M XS \$40M

Insurer: Energy Insurance Mutual
Policy Number: 262746-14GL
Limit: \$100,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

5th Excess Liability: \$75M XS \$140M

Insurer: Lloyd's Underwriters / Temple (Munich Re) / Westport Insurance Corporation / Allianz Global Risks US Insurance Company / Zurich Insurance Company Ltd.
Policy Number: EI187114 / EXC103672 / 656450 / XXX00015118169 / 8842331
Limit: \$75,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

6th Excess Liability: \$50M XS \$215M

Insurer: Westport Insurance Corporation / Argo Reinsurance / Markel Bermuda Limited
Policy Number: 656273 / ARGO-CAS-CM-000654.1 / 04406-6481-CLM-2014
Limit: \$50,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

7th Excess Liability: \$25M XS \$265M

Insurer: Oil Casualty Insurance Ltd.
Policy Number: U920399-0514
Limit: \$25,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

8th Excess Liability: \$35M XS \$290M

Insurer: Westport Insurance Corporation / XL Insurance Company Ltd.
Policy Number: 656449 / CA00003014L114A



ADDITIONAL REMARKS SCHEDULE

AGENCY Marsh USA Inc.		NAMED INSURED Enbridge Inc., Enbridge Energy Partners Inc. 1100 Louisiana Suite 3300 Houston, TX 77002	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance**

Limit: \$35,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

9th Excess Liability: \$100M XS \$325M
Insurer: Lloyd's Underwriters / Allianz Global Risks US Insurance Company / Temple (Munich Re) / Zurich Insurance Company Ltd.
Policy Number: EI252814 / XXX00024431355 / EXC106452 / 8842335
Limit: \$100,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

10th Excess Liability: \$50M XS \$425M
Insurer: Arch Insurance (Bermuda) / Liberty Mutual Insurance Company
Policy Number: UFC0044130-03 / 1000058540-06
Limit: \$50,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

11th Excess Liability: \$50M XS \$475M
Insurer: Royal & Sun Alliance / Temple (Munich Re) / Zurich Insurance Company Ltd.
Policy Number: 9141052 / EXC103899 / 8842337
Limit: \$50,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

12th Excess Liability: \$25M XS \$525M
Insurer: Endurance Specialty Insurance Limited
Policy Number: EXC10003152803
Limit: \$25,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

13th Excess Liability: \$25M XS \$550M
Insurer: Argo Reinsurance Ltd
Policy Number: ARGO-CAS-CM-00372.4
Limit: \$25,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

14th Excess Liability: \$50M XS \$575M
Insurer: Aviva Insurance Company of Canada / Lloyd's Underwriters / Chubb Atlantic Insurance Limited
Policy Number: ELP 81605919 / EI253514 / 2017-1-06456
Limit: \$50,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

15th Excess Liability: \$50M XS \$625M
Insurer: ACE Bermuda
Policy Number: ENB-1742/AE03
Limit: \$50,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

16th Excess Liability: \$25M XS \$675M
Insurer: Iron-Starr Excess Agency Ltd.
Policy Number: IS0001768
Limit: \$25,000,000
Effective Date: 5/1/2014 to Expiration Date: 5/1/2015

AGENCY CUSTOMER ID: 654901

LOC #: Houston



ADDITIONAL REMARKS SCHEDULE

Page 4 of 4

AGENCY Marsh USA Inc.		NAMED INSURED Enbridge Inc., Enbridge Energy Partners Inc. 1100 Louisiana Suite 3300 Houston, TX 77002	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance