

Straits of Mackinac Line 5 Replacement Project U-20763

July 21, 2020

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Our Mission



The Michigan Public Service Commission's (MPSC) mission is to protect the public by **ensuring safe, reliable, and accessible energy** and telecommunications services at reasonable rates for Michigan's residents.

Outline

Project Background

- Line 5
- Recent Milestones

Case No. U-20763 Activity to date

Upcoming Milestones

MPSC Pipeline Siting Process

- Act 16 Jurisdiction
- Contested Case Process
- MPSC Considerations
- How to Participate

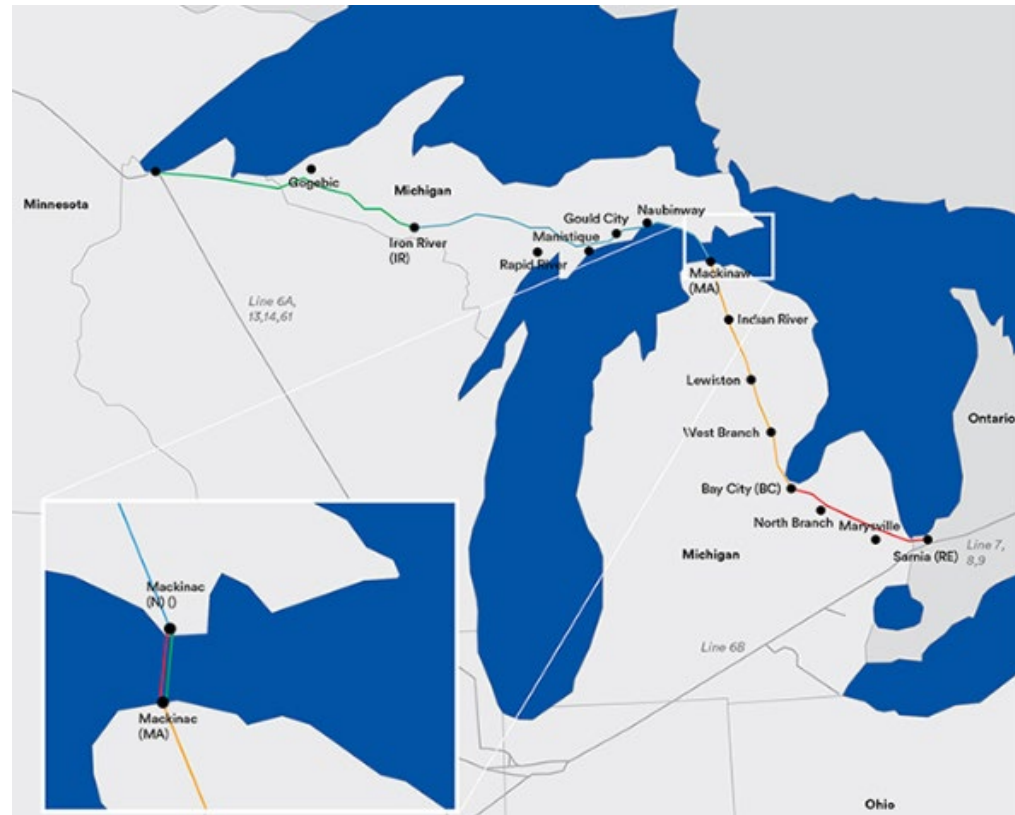
Application

- Project Overview
- Expert Witness Testimony Review



Project Background

- Line 5 is a light crude oil and natural gas liquids pipeline that extends from Superior, Wisconsin to Sarnia, Ontario.
- Approximately four miles of Line 5 consists of dual 20-inch diameter pipelines lying on the lakebed across the Straits of Mackinac.
- Constructed with approval from the MPSC and an easement granted by the Conservation Commission in 1953.



*Source: Enbridge

Recent Milestones

- First Agreement between Enbridge and the State of Michigan, November 2017
 - Conduct Assessment of alternative to replace the Dual Pipelines
- Second Agreement between Enbridge and the State of Michigan, October 2018
 - Acknowledges that construction of a tunnel beneath the Straits is a feasible option
 - State and Enbridge agree to pursue further agreements for construction of the Straits Tunnel in which to locate a replacement for the Dual Pipelines
- Public Act 359 of 2018
 - Creates the Mackinac Straits Corridor Authority (MSCA)
 - Authorized MSCA to enter into an agreement with Enbridge to build and utilize a tunnel across the Straits
- Tunnel Agreement between Enbridge and MSCA, December 2018
 - Enbridge would build tunnel and transfer to MSCA upon successful completion
 - Tunnel would then be leased back to Enbridge to house the Line 5 Replacement segment.
- Third Agreement between Enbridge and the State of Michigan, December 2018
 - Further detail on topics such as operation of Dual Pipelines prior to the replacement, and the requirement to deactivate the Dual Pipelines upon replacement.

U-20763 Activity to Date

- April 17, 2020 – Enbridge files application with the MPSC
 - Enbridge requests that the Commission grant approval for the Straits Line 5 Replacement Segment
 - In the alternative, Enbridge requests a declaratory ruling confirming that it already has the authority to complete the project pursuant to the MPSC's 1953 approval.
- April 22, 2020 - MPSC Order puts Act 16 application on hold and seeks additional input regarding the request for a declaratory ruling
- June 30, 2020 - MPSC Order finds that a new Act 16 application is required, denies Enbridge's request for relief, and proceeds with contested case

Upcoming Milestones

- August 5th – Deadline for filing petition to intervene
- August 12th Prehearing Conference, 1:00 P.M.
 - Administrative Law Judge (ALJ) presides over hearing and hears arguments from legal counsel for parties
 - Petitions to intervene
 - Case schedule Set
 - Motions
 - Commissioners will not participate
- August 24th Remote Public Hearing, time is TBD
 - Dedicated to receiving public comments
 - Participation by the three Commissioners and Staff

June 30, 2020 Order

Commission may permit intervention when it will “bring a unique perspective to the issues raised by the case.” June 5, 1996 order in Case No. U-11057, pp. 2-3.

The Commission recognizes the cost burden for parties to participate in proceedings of this nature and encourages parties to align positions and coordinate on the presentation of evidence as appropriate and feasible. This also provides the Commission with consolidated evidence and argument from the parties. The quality of the evidence and argument (the depth and breadth of issues addressed and the support given to expert opinion and analyses), rather than the quantity of intervenor support, is most important for the Commission to make an informed decision.

Beyond the formal hearing process, the Commission is planning to provide various opportunities for the public to comment through a variety of means. Written comments may be filed during the pendency of this case and should reference Case No. U-20763. Comments should be sent to: Executive Secretary, Michigan Public Service Commission, 7109 W. Saginaw Hwy., Lansing, MI 48917. Electronic comments may be emailed to mpscdockets@michigan.gov. If you require assistance please call (517) 284-8090 or by e-mail at mpscdockets@michigan.gov.

Comments filed with the Commission in this matter will become public information available on the Commission’s website and subject to disclosure; and all comments will be filed in Case No. U-20763.

In addition, the Commission plans to hold one or more public hearings attended by the Commissioners to receive public comment. The Commission will hold a public hearing on June 24, 2020, with details forthcoming in a formal notice to be filed in this case. For more information, see other communications, such as the Commission’s dedicated Line 5 webpage and e-mail.

“The quality of the evidence and argument (i.e., depth and breadth of issues addressed and the support given to expert opinion and analyses), rather than the quantity of intervenor support, is most important for the Commission to make an informed decision”

MPSC Pipeline Siting Process

Act 16 Jurisdiction

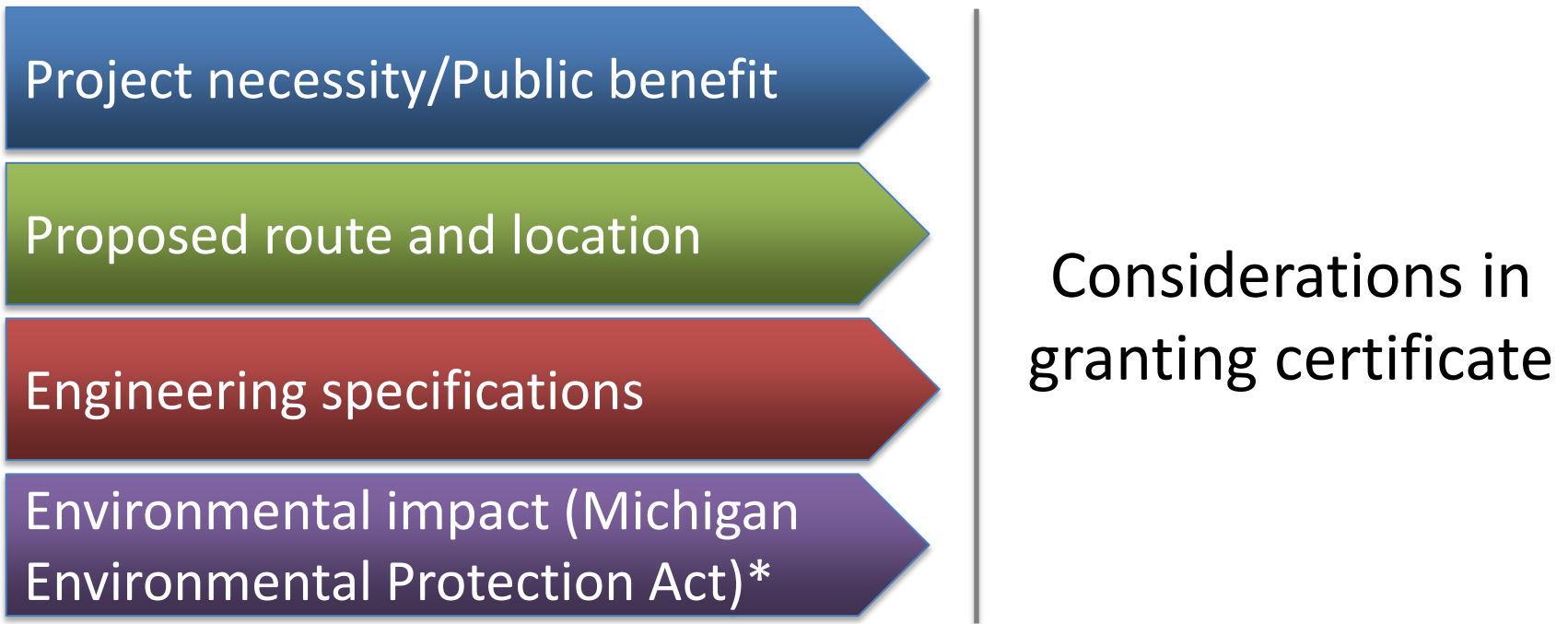
- Public Act 16 of 1929
- Grants siting authority to the MPSC for:
 - Intrastate and interstate crude oil and petroleum product pipelines
 - Pipelines carrying certain substances consisting primarily of carbon dioxide
- Common carrier requirement
- Approval grants the right of eminent domain to applicant which allows for condemnation
 - Condemnation proceedings handled in local courts

U-20763 Contested Case Process



MPSC Considerations

The MPSC will base its decision on applicable law and the record of evidence in the case.



* Would the project cause “pollution, impairment, or destruction of the air, water, or other natural resources, or the public trust in these resources”?

* If so, are there feasible and prudent alternatives “consistent with the reasonable requirements of the public health, safety, and welfare”?

Public Comment

- Public comment - Any interested person may comment on the proposed pipeline application without petitioning for intervention
- There are primarily three questions for the public to evaluate:
 - (1) Is there a public benefit of the proposed project?*
 - (2) Is the proposed pipeline designed and routed in a reasonable manner?*
 - (3) Is there environmental impairment? If so, are there feasible and prudent alternatives?*

Tribal Outreach/Consultation

- MPSC and Staff will comply with requirements in Executive Directive [2019-17](#)
- Commissioners may not engage in *ex parte* communications during contested case
- April 1, 2020 – Virtual Pre-file Meeting and Presentation with Chairman Talberg, MPSC Staff and EGLE Representatives
- July 29, 2020 – Virtual Initial Consultation with MPSC Leadership and Staff. Review and discuss Enbridge's application and the MPSC's Act 16 process.
- Fall/Winter 2020 – Formal Consultation with MPSC Leadership and Staff. Timing will be finalized once the case schedule is established.

Straits Line 5 Replacement Project Overview

Note: Information presented in this section was submitted as part of Enbridge's application. It is not yet part of the formal record in the case and does not necessarily reflect the opinions of MPSC Staff.

Application – Overview

- Proposal to replace the current crossing — consisting of two, 20-inch diameter pipes referred to as the Dual Pipelines — with a single, 30-inch diameter pipe located within a concrete-lined tunnel below the lakebed of the Straits.
- Approximately 0.4 to 0.8 miles of new pipe to connect the replacement pipe segment to Enbridge's existing Line 5 on both sides of the Straits.
- The replacement is intended to eliminate the possibility of a release into the Great Lakes cause by an anchor strike or other event.
- Upon placing the replacement segment into service, the Dual Pipelines will be deactivated pursuant to the terms of the Third Agreement.

Application – Tunnel

- Enbridge notes the application to the MPSC does not seek authorization to design, construct, or operate the tunnel.
- Designed, constructed and maintained pursuant to the Tunnel Agreement between the MSCA and Enbridge.
- Located at a depth of approximately 60-250 feet beneath the lakebed.
- Approximately 18-21 feet in diameter
- Constructed in accordance with environmental permits to be obtained from the U.S. Army Corps of Engineers and the Michigan Department of Environment, Great Lakes, and Energy (EGLE).
- Constructed within an easement issued by the Michigan Department of Natural Resources (MDNR) to the MSCA and the assignment of rights to Enbridge

Expert Witnesses

Marlon Samuel – Director, Customer Service

- Overview of Enbridge, Lakehead System, and Line 5
- Use of Line 5 (past, current, forecasted)

Amber Pastoor – Project Manager

- Project scope and overview
- Location, right of way, and workspace
- Pipeline design and construction

Paul Turner – Environmental Permitting Project Lead

- Environmental Impact Review
 - Environmental Protection Plan
 - Unanticipated Discovery Plan
- Joint Permit Application with EGLE and USACE
- Alternatives to the Project

*Expert Witness Testimony was filed as document [U-20763-0002](#) in the U-20763 Docket

Line 5 Transportation

Transportation Rates and Structure

- Lakehead System is a “common carrier” by the Federal Energy Regulatory Commission (FERC)
- Governed by Tariffs approved by FERC
- Monthly nominations from shippers

Use of Line 5

- Past 10 years = 90% of annual capacity of 540,000 barrels per day
- Currently transports Natural Gas Liquids (NGLs) and Crude Oil
 - Rapid River, MI propane production
 - Lewiston, MI crude oil
 - Marysville, MI Crude Terminal
 - Sarnia, ON
- Line 5 utilization expected well into the future based on supply/demand projections and limited regional pipeline capacity

*Testimony submitted by Marlon Samuel

Pipeline Design

- Pipe segment will be designed, installed, operated, and maintained in accord with federal pipeline safety regulations

2. Pipeline Specifications

The replacement pipe segment will be designed, constructed, and tested in accordance PHMSA 49 CFR Part 195. The pipeline, as stated above in this document, will be a single 30-inch diameter pipeline and will meet the requirements of PHMSA 49 CFR Part 195. The pipe specifications are shown in Table No. 1 below.

Table No. 1 – Pipeline Specifications

Explanation	Specifications
Pipe size	30-inch outside diameter (NPS 30)
Pipe	Steel pipe manufactured according to American Petroleum Institute ("API") Specifications 5L
Pipe Grade	X70
Pipe Design Factor	0.6
Joint Factor	1.0
Wall Thickness	Will meet the PHMSA 49 CFR Part 195 standards
Coating	Will meet the PHMSA 49 CFR Part 195 standards
Applicable Design Codes	49 CFR Part 195

*Testimony submitted by Amber Pastoor with reference to Exhibit A-7



*Exhibit A-4

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	<p>Map Location</p>		<p>Legend</p> <ul style="list-style-type: none"> Dual Pipelines - Line 5 Proposed Pipeline Replacement Segment Pipeline and Tunnel Easements Workspace Area 	<p>FIGURE 2A PIPELINE AND TUNNEL EASEMENTS NORTH SIDE</p> <p>STRAITS LINE 5 REPLACEMENT SEGMENT STRAITS OF MACKINAC, MICHIGAN</p>
<p>Drawn: ZT 4/14/2020 Approved: BJ 4/14/2020 Project #: 31402075.000</p>				

*Exhibit A-4

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<p>Drawn: ZT 4/14/2020 Approved: BJ 4/14/2020 Project #: 31402075.000</p>	<p>Map Location</p>		<p>Legend</p> <ul style="list-style-type: none"> Dual Pipelines - Line 5 Proposed Pipeline Replacement Segment Pipeline and Tunnel Easements Workspace Area 	<p>FIGURE 2B PIPELINE AND TUNNEL EASEMENTS SOUTH SIDE</p> <p>STRAITS LINE 5 REPLACEMENT SEGMENT STRAITS OF MACKINAC, MICHIGAN</p>
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*Exhibit A-4

Environmental Review

- Enbridge submitted an Environmental Impact Report (Exhibit A-12) which discusses potential impacts of the project.
- Environmental Protection Plan (Appendix A)
 - Outlines construction-related environmental procedures that Enbridge will implement during construction
 - Based best management practices and experiences from recent construction in the Midwest.
 - Intended to meet applicable permits
- Unanticipated Discovery Plan (Appendix B)
 - Procedures to be followed in the event of an unanticipated discovery of archaeological or paleontological resources, or human remains, during construction for the Project
- Joint Permit Application to EGLE and USACE (Exhibit A-11)

*Testimony submitted by Paul Turner

Environmental Review

- Alternatives considered (2018 Report)
 - Construct pipeline within a tunnel – Deemed feasible
 - Trenched pipeline with secondary containment – Deemed feasible
 - Construct pipeline via Horizontal Directional Drill (HDD) – Deemed technically infeasible

Report to the State of Michigan

Alternatives for replacing Enbridge's dual Line 5 pipelines crossing the Straits of Mackinac

June 15, 2018



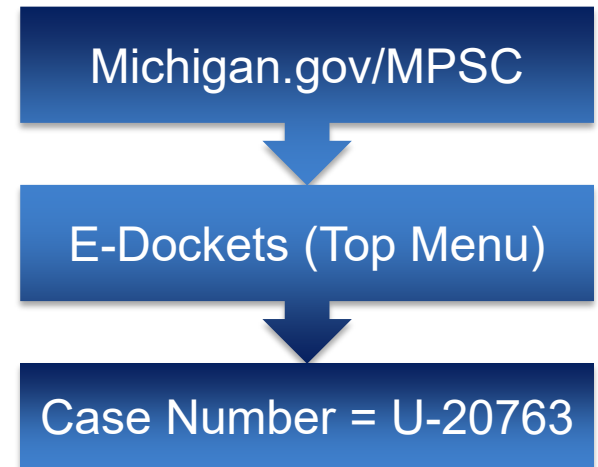
 **ENBRIDGE**
Life Takes Energy™

*Testimony submitted by Paul Turner with Exhibit A-9

How to Submit Public Comments

- Submit public comment via:
 - Mail (be sure to include “**Case No. U-20763**”):

Executive Secretary
Michigan Public Service Commission
7109 West Saginaw Hwy
Lansing, Michigan 48917
 - E-mail: mpscedockets@michigan.gov
- All public comments will be placed in the docket for Case No. U-20763 and will be available for review by the public and the Commission. Link: [U-20763 Docket](#)
- Public comments received during any scheduled public hearings, like the August 24th hearing, will be transcribed and included in the case docket.
- Follow case development by subscribing to receive notifications when new filings are made to the docket or by signing up for the MPSC Line 5 email distribution list on the www.michigan.gov/MPSCLine5 website.



MPSC Contact Information

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Thank you!

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