

GREAT LAKES

BUSINESS NETWORK

House of Representatives
P.O. Box 30014
Lansing, Michigan 48909

Michigan State Senate
P.O. Box 30036
Lansing, Michigan 48909

Mackinac Bridge Authority
N 415 I-75
St. Ignace, Michigan 49781

Dear Decision Makers,

As members of the Great Lakes Business Network (GLBN) – a Network that formed around the common goal of protecting the Great Lakes and our blue economy that depends on the health of our freshwater – we strongly oppose the deal signed by Governor Snyder and Enbridge Energy on October 3rd, 2018.

The GLBN is a coalition of over 100 business leaders that have come together to advance protections for the Great Lakes, which are the backbone of our economy and our way of life. Prior to Governor Snyder signing the deal with Enbridge, the GLBN adopted the following statement about the potential to put Line 5 in a tunnel:

The 65-year-old Line 5 pipeline poses an immediate threat to our businesses, economy and way of life. Discussion of building a tunnel is a diversion from the key issues and simply kicks the can down the road. What we need are decision makers who take all necessary steps to quickly and efficiently decommission the Straits section of pipeline to protect our way of life. Independent studies have shown that Michigan is not dependent on Line 5 and that practical and immediate alternatives exist. Constructing a utility tunnel has not been properly vetted, would take significant time and resources to complete and should not be a factor in the decision to decommission the current pipeline as soon as possible.

Unfortunately, Governor Snyder's deal does not address our concerns about the tunnel. In fact, the deal makes it worse. The GLBN has 5 areas of key concern:

- 1. First and most importantly, this deal does not appropriately address the risk to the Great Lakes from Line 5. Under the terms of the Snyder/Enbridge deal, the**

GREAT LAKES

BUSINESS NETWORK

65-year-old pipeline remains in operation until and unless a tunnel is built – a process that we believe will take 10 years under a “best case” scenario. In the interim – which could be permanent under the likely scenario that a tunnel is never built – our businesses remain at risk from Line 5. Given the overwhelming opposition from citizens, businesses, other elected officials and tribes, we believe it is inappropriate for Governor Snyder and Attorney General Bill Schuette to rely on a tunnel being built in order to decommission Line 5.

2. **This agreement provides Enbridge with all the decision-making power, including the ability to walk away from the idea of a tunnel at any time, at which point they can continue to operate the pipeline under the current easement agreement.**
Providing Enbridge all decision-making power around the future of Line 5 is unacceptable given their poor track record for safety, transparency, accountability and environmental stewardship. Moreover, this agreement provides no incentive for Enbridge to spend more than \$500 million on a tunnel alternative; in fact, it provides them motivation to prolong this deal and keep the 65-year-old pipeline in place for as long as possible.
3. **This deal inappropriately saddles the Mackinac Bridge Authority (MBA) with ownership of this new public-private infrastructure.** Instead of remaining singularly focused on management and maintenance of the Mackinac Bridge for the benefit of Michigan citizens, the MBA would be required to split their focus to attend to the needs of Enbridge, their tunnel and their shareholders. According to past and present MBA members, this would create considerable liability, politicize the MBA and take the MBA away from its core mission.
4. **This hastily prepared agreement is a clear attempt to tie the hands of the next governor and finalize this deal to the benefit of Enbridge.** Beyond the deal negotiated behind closed doors, the governor also appears intent on pushing legislation through the lame duck session of the legislature to expand the mission of the MBA to include a private oil tunnel. Additional changes include needing to alter the statutory authority of the MBA to allow them to enter into an agreement for the hypothetical tunnel, take ownership of said tunnel and then lease said tunnel back to Enbridge. These actions have the high likelihood of increasing the liability to Michigan citizens and the MBA during a point where risk and liability need to be removed. These extraordinary and historical changes to the MBA would take place before appropriate feasibility studies have been completed and with strong opposition from many communities, including the Native American community.
5. **The details of this agreement, and how the MBA would manage the oversight of a private oil tunnel have not been fully considered or worked out.** This includes the MBA’s ownership of the tunnel and lease arrangement back to Enbridge, as well as the financial risk and liability should there be a catastrophic event. The appropriate feasibility studies and environmental reviews, as well as mandatory consultation with Native American tribes with treaty rights, have not yet been undertaken.

GREAT LAKES BUSINESS NETWORK

This vintage 65-year-old oil pipeline poses an immediate risk to our most critical resource, the Great Lakes, which directly employees 1.5 million people, provides \$62 billion in wages, provides 30 million Americans with fresh drinking water and provides critical habitat for thousands of wildlife, some of which are endangered or threatened. This lop-sided deal can be easily cured with the current or incoming administration by carrying out the will of Michigan citizens by enforcing ongoing easement violations, including missing protective coating and supports, and starting the process to revoke the easement immediately.

There have been numerous studies, all of which use Enbridge's own data, showing that alternatives to the current Line 5 are easily achievable and would have minimal to no financial impact to consumers and businesses with some planning and lead time (around 6 months). In fact, in each scenario, where the little product used from Line 5 is delivered by alternative means, the cost increase would be "lost in the noise of price volatility or negligible".

As a growing network of over 100 regional businesses that depend greatly on the health of the Great Lakes for our livelihood, we encourage you to oppose this Snyder/Enbridge deal and instead work with the next Governor to find solutions that protect the Great Lakes, respect tribal treaty rights, reflect the interest and the will of Michiganders and the best interests of the state.

Kind Regards,

Great Lakes Business Network Members