



**Ohio House Committee on Energy and Public Utilities
The Honorable Brian Baldrige, Chairman**

**Proponent Testimony on
House Resolution 13
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March 16, 2020**

Chairman Baldrige, Vice Chair McClain, Ranking Member Sheehy, and members of the House Transportation and Public Safety Energy & Public Utilities Committee - thank you for the opportunity to allow for API Ohio to provide proponent testimony on House Resolution (HR) 13.

The American Petroleum Institute-Ohio (API Ohio) is a division of the American Petroleum Institute (API). API represents all segments of America's oil and natural gas industry, which supports more than ten million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. Our roughly 600 members produce, process, transport and distribute the majority of the nation's energy, and participate in API Energy Excellence, which is accelerating environmental and safety progress by fostering new technologies and transparent reporting. API was formed in 1919 as a standards-setting organization and has developed more than 700 standards to enhance operational and environmental safety, efficiency, and sustainability.

The API and its member companies support the resolution urging Michigan Governor Gretchen Whitmer and Michigan Director of Natural Resources Daniel Eichinger to make all efforts to keep the Enbridge Line 5 operating. Safety is a core value throughout every aspect of our industry's operations. Pipelines are the safest, most efficient way to transport the oil and natural gas that Americans use and expect to be available every day. Pipelines and other energy infrastructure are critical to providing this energy security, and we pride ourselves on working with regulators to promote the safety of the community and the environment in which we operate.

For more than six decades, Enbridge's Line 5 has delivered reliable and affordable energy to businesses and consumers in our region. From the gasoline that fuels the transportation system, the natural gas liquids used in the manufacturing of pharmaceuticals, the propane that heats homes, hospitals, and schools – Line 5 has been the most efficient and safest way to obtain the energy and raw materials we use every day.

In 2018, the State of Michigan and Enbridge agreed to enhance the safety and reliability of Enbridge's Line 5 in the Mackinac Straits by proposing a replacement segment to be built 100 feet below the existing pipeline easement in a tunnel. The Great Lakes Tunnel offers the greatest possible safeguards to Lake Michigan, while ensuring the region continues to receive essential energy. The project is a \$500 million private investment benefiting the regional economy and is currently going through the permitting process to begin construction.

On November 13, 2020, the State of Michigan reversed course and ordered the pipeline's closure within 180 days, citing easement violations. This matter is currently under litigation, nevertheless, consumers—including hospitals, schools, emergency responders, manufacturers, and families—continue to need the energy this pipeline delivers. Forcing this pipeline out of service could reduce the reliability of getting the energy needed by these consumers, while at the same increasing its cost.

Moreover, at least nine refineries, including those in Ohio, currently receive crude oil from Enbridge's Line 5 significantly impacting their operations without clear alternatives. It is estimated a shutdown of the pipeline puts at least 15% of northwest Ohio's fuel supply at risk, as well as more than half of the jet fuel supplies for the Detroit Metro Airport which services many Ohioans in the region¹. According to RBN Energy, a privately held energy commodities analytics company, an Enbridge Line 5 closure "would likely impact consumers through increased prices for transportation fuels²."

Our industry is committed to safely delivering its products to market without incident by employing robust and holistic safety practices and we are hopeful this resolution, with bipartisan support, will result in the continued operation of this vital pipeline in our region.

Thank you again for the opportunity to testify on HR 13.

¹ https://www.enbridge.com/~media/Enb/Documents/Factsheets/FS_Without_Line5_econ_impact.pdf

² <https://rbnenergy.com/lve-got-to-have-you-part-2-the-crude-oil-and-lpg-supply-roles-of-enbridges-line-5>