




# THE IMPORTANCE OF LINE 5

Michigan Oil and Gas Production



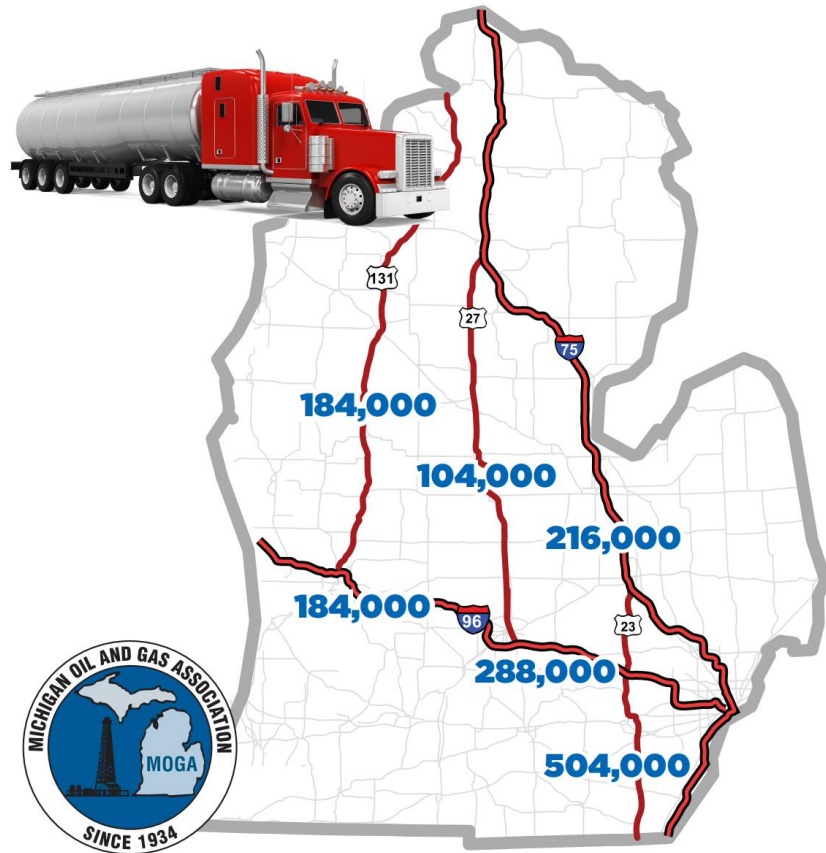
## Line 5: Safe and Reliable Transportation for Northern Michigan Product

- ▶ Michigan's northern oil producers rely on Line 5 to provide safe, reliable transportation of their product to refineries located downstate, in northern Ohio, and in Sarnia.
  - ▶ Product is loaded onto Line 5 at Lewiston Station via pipeline.
  - ▶ Nearly 14,000 barrels per day of oil are moved on Line 5 from Lewiston to refineries; two-thirds of Michigan's total homestate production.
  - ▶ We support continued, safe operation of Line 5.
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# Alternatives for Michigan Producers

- ▶ Trucks
  - ▶ At least 1 year wait for new tanker trucks.
  - ▶ Consistent driver shortage -- 50 new drivers needed.
  - ▶ Additional 500,000 miles on Michigan roadways a month.
  - ▶ Increased GHG emissions.
- ▶ Railcars
  - ▶ Requires new rail terminals and storage.
  - ▶ Trucks still needed.
  - ▶ Increased GHG emissions.

**Without Line 5**, there would be **503,104 more trucking miles each month** on Michigan's highways to deliver Michigan's crude oil to refineries in Toledo & Detroit.



## Trucking Miles

- ▶ 503,104 added miles on Michigan's roads.

# Potential Consequences of Line 5 Shutdown

## MICHIGAN NEEDS LINE 5



Line 5 safely transports  
**14,000**  
barrels of Michigan-  
produced light crude oil  
per day.

It would take  
**2,000**



trucks or

**800**



railcars to transport the  
same amount daily.

Great Lakes.  
Michigan Jobs.

- ▶ Propane shortage.
- ▶ Increased cost of propane.
- ▶ Refinery closures.
- ▶ Gas shortages.
- ▶ Higher prices for gasoline and consumer products.
- ▶ Lost jobs and economic activity.
- ▶ Increased environmental impacts from emissions and potential rail or truck accidents.

# Michigan's a Large Oil Consumer

- ▶ Michigan is among the top 11 states in total petroleum consumption.
- ▶ 4/5 of the state's petroleum use is in the transportation sector, and motor gasoline accounts for 2/3 of Michigan's total petroleum consumption.
- ▶ Michigan's industrial sector accounts for about 1/10 of petroleum use.
- ▶ Although the residential sector accounts for about 7%, Michigan is among the top 5 states for residential sector petroleum use.
- ▶ Almost 1 in 10 Michigan households heat with petroleum products, and nearly 90% of those homes use propane.
- ▶ The commercial sector accounts for most of the rest of the state's petroleum consumption.

EIA State Energy Profile Analysis 2018

## MICHIGAN NEEDS LINE 5

The light crude transported on Line 5 fuels Michigan and the surrounding economies with:

Enough gas to fill  
**1 million**  
passenger cars and  
trucks a day.



Enough diesel to fill  
**6,000**  
semi-trailers a day.



Enough jet fuel to fly  
**883**  
commercial planes  
per day.



Enough propane to heat  
**300,000**  
homes per year.  
(with 1,100 sq. ft. of living space)



Great Lakes.  
Michigan Jobs.



**Line 5 carries the fuel used  
to create the petroleum  
products we use daily!**



**Medicine**



**Toiletries**



**Toothbrushes**



**Sunglasses**



**Clothing**



**Electronics**



**Sports  
Equipment**



**Candles**



**Running  
Shoes**



**Paints**



**Rubber**



**Cosmetics**

**and many more products we use in our daily lives!**

# Oil is a Critical Resource

Michigan's transportation sector will remain heavily dependent on oil for decades despite efforts to transition to electric vehicles or alternative fuels.

Airplanes still need jet fuel.

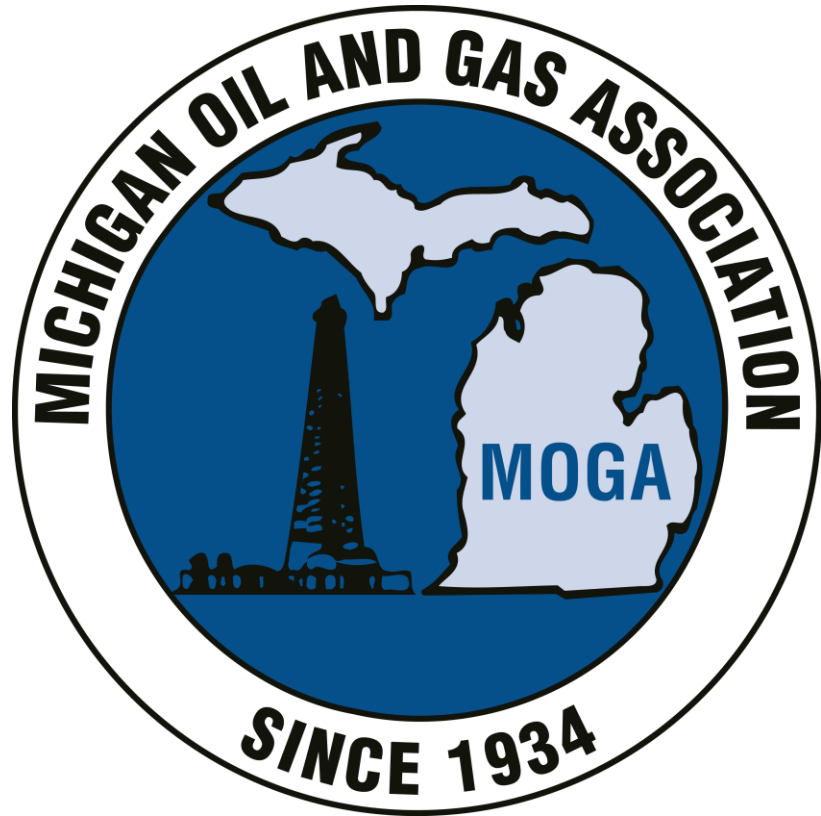
Oil continues to be a critical raw material used in consumer goods and products, which is not likely to change in the future.

# Line 5 Remains the Safest Way to Transport the Oil and Propane Michigan Needs

- ▶ While we wait for the Great Lakes Tunnel to be constructed over the next few years, Line 5 remains the safest alternative to maintain our supply of oil and propane.
- ▶ According to a 2018 PHMSA report provided to Congress, pipelines remain the safer mode of transport for oil as compared to trucks or train cars.
- ▶ Line 5 is monitored 24/7 and has been recently inspected and proven safe to operate.
- ▶ Enbridge made a large investment into a robust vessel monitoring system to ensure ships cross the Straits safely.
- ▶ All reasonable steps have been taken to mitigate the potential threats to Line 5.



# Thank You!



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