



January 6, 2014

Dane County, Wisconsin  
Zoning and Land Regulation Committee

Re. #CUP 2291

Mr. Chairman and Members of the Committee,

As the Zoning and Land Regulation Committee of Dane County continues its consideration of the Enbridge application for a Conditional Use Permit for the Line 61 Waterloo Pump Station, we wanted to once again communicate to the Committee and the people of Dane County our commitment to addressing your concerns and questions regarding the project, our company, the protection of the environment, as well as remediation plans in the increasingly rare occurrence of a release from one of our pipelines.

We understand your concerns about risks associated with pipelines and have taken significant steps as a company to reduce those risks. The \$4.4 billion we have invested in integrity and safety since 2012 continues to place Enbridge at the forefront of the industry in terms of operational safety. That investment includes:

- Continued enhancements and technological investments in our control center, where trained technicians monitor pressure and flow on all Enbridge lines, and are empowered to shut down any line in the event of any emergency or any indeterminate circumstances that might be an emergency (but might not).
- Increased inspections of our lines, with recently developed and highly sophisticated instruments that perform the equivalent of an MRI from the inside of the pipe, and through foot and aerial patrols
- Increased monitoring and remote shut-down capabilities built into any new or upgraded pipelines
- Enhanced corrosion prevention for the exterior of our pipes, through improved pipe coatings and cathodic protection
- Improved pipeline design and engineering
- More frequent interaction and training with emergency responders, including table-top and field drills, informational briefings and status reports, and face-to-face meetings.

Specific to the pump station project in Dane County, we have heard the concerns expressed by the leadership of both the Town of Medina and Dane County. The following is a summary of what actions Enbridge has done or is willing to do to address those concerns:

1) Spill Basin

- Enbridge agrees to provide a spill basin sized at a minimum 60-minute flow.

2) Sound and Light Mitigation

- Enbridge agrees that noise associated with operations at the site will be below 50 db as measured at property lines.
- Enbridge agrees that exterior lighting shall be down-shrouded to limit light pollution onto adjoining property.

### 3) Independent Inspection

- Enbridge will provide Dane County the resources necessary to hire a local engineering firm to represent the County and landowners during the construction of the pump station. That firm would provide an independent opinion to the county and the neighboring landowners that Enbridge was acting in compliance with the permit conditions and our specifications. They will not review or approve design plans but simply provide a third-party engineering-based opinion as to whether or not we were in compliance.

### 4) Liability and Insurance

- Enbridge carries General Liability insurance, which includes Sudden and Accidental Pollution Liability (S&A), a coverage that provides protection in the event of a release that is as the name suggests "Sudden and Accidental."
- In addition to Enbridge's insurance, up to \$1 billion in funds are available through the Oil Spill Liability Trust Fund, administered by the U.S. Coast Guard under the U.S. Department of Homeland Security, and can be obtained rapidly in the event of a spill. (See: [http://www.uscg.mil/npfc/About\\_NPFC/osltf.asp](http://www.uscg.mil/npfc/About_NPFC/osltf.asp)) The Oil Spill Liability Trust Fund is funded through excise tax on crude oil received at a U.S. refinery and to petroleum products entered into the United States for consumption, use, or warehousing.
- It has been suggested that Enbridge also carry Environmental Impairment Liability (EIL). However, EIL coverage is for pollutants that are more of the seeping nature, where detection would occur in months or years. In the unlikely occurrence of a pipeline incident, the event will be sudden and accidental. Further, EIL coverage is designed for storage and waste facilities, where the risk of seepage is high due to stagnant toxins buried or not properly monitored. Enbridge's operations through Dane County are transitory with pipelines and sealed tanks, which are regularly monitored and where losses would be promptly detected.

The best example of our insurance coverage and our commitment in action is the Enbridge July 2010 release on a tributary of Michigan's Kalamazoo River. From day one, we accepted full responsibility for the capture, containment, and removal the oil spilled into the region, and for the restoration of the impacted area. No taxpayer dollars – federal, state, or local - were used for the response or cleanup activities. Four years later, with the support and co-operation of so many in the community, we are pleased to have completed the cleanup of the Kalamazoo River. Enbridge will continue to monitor water quality and will take appropriate action if it is needed. Many residents report that the region is cleaner than before the spill. More important than anecdotes concerning the event, however, is the proof that Enbridge will invest the resources necessary to demonstrate its commitment to the environment and the communities where it operates.

We therefore pledge to Dane County that same level of resolve, to design, build, and operate safe facilities as well as commit all the company's resources necessary to capture, remove, and remediate following the unlikely occurrence of any release from our pipeline.

Numerous government studies have found pipelines are the safest method of delivering petroleum products. Domestic refiners demand for increasing amounts of secure and reliable oil from North American sources and the latest technology has enabled producers to access more crude oil. Until or unless more pipeline capacity is available to deliver the oil to refiners, alternative modes of transportation have been and will continue to be sought.

According to a recent Wall Street Journal report, dozens of oil trains travel through Wisconsin every day carrying crude oil bound for Midwestern and East Coast refineries. Until we are able to operate Line 61 at its designed capacity level, the additional crude oil likely will be transported by train. Western Wisconsin communities, where rail lines currently carry up to 30 oil trains per day, may be forced to put up with yet more oil trains to meet demand by shippers and refiners.

On January 27, 2015, the Dane County Zoning and Land Regulation Committee has the opportunity to provide a thoughtful and positive outcome not only for Dane County but also the State of Wisconsin by approving the Conditional Use Permit for the Waterloo pump station and allowing the utilization of the safest method of delivering petroleum to refiners while also ensuring the safety of the community and environment.

Sincerely,



Lee Monthei  
VP Execution U.S.  
Major Projects