

For more than 65 years, Enbridge has been committed to the safe delivery of energy that fuels our lives.

Every hour of every day, Enbridge pipelines transport the energy American consumers need to fuel their vehicles, heat their homes, power manufacturing, and create jobs. This commitment to safety goes into everything we do, including the design, installation, and ongoing operations of our pipeline systems.

Enbridge is a leader in energy transportation in North America and has proudly served the state of Wisconsin and this region since 1949.

Enbridge operations help Wisconsin meet 100% of its refinery capacity needs and 70% of Midwest refinery capacity needs through the transportation of oil and natural gas liquids to refineries in the Great Lakes region. This energy is used locally and regionally every day to fuel communities and grow local economies.

## We want to hear from you.

Enbridge is committed to the relationships it has with landowners along its right-of-way. If you have any questions or comments about this letter, or any other matter pertaining to Enbridge and its operations, please contact us at **866-331-3493** or **EnbridgeinWI@enbridge.com**. We will do our best to return your call or email message in a timely manner.

To learn more about Enbridge in Wisconsin, visit: [enbridge.com/wisconsin](http://enbridge.com/wisconsin)



In 2015, Enbridge paid more than **\$28,870,000** to Wisconsin in property taxes.



Enbridge has undertaken the most extensive maintenance, integrity and inspection program in the history of the North American pipeline industry.



Enbridge meets 100 percent of Wisconsin refinery capacity needs.

4.36 million barrels per day of refined petroleum products are consumed in the Midwest every day.

### A Special Thank You



Dear Landowner,

In February 2014 Enbridge informed landowners it was commencing field surveys along the existing Line 61 corridor between Superior, Wis. and Pontiac, Ill. The surveys were part of Enbridge's evaluation of a potential expansion to its system. Survey work

began in April, continued throughout 2015 and is now mostly complete. 98% of landowners granted permission for crews to perform surveys. Enbridge wants to thank you and all of our landowners for your cooperation during this effort.



More than 50 grants totaling **\$59,000** were awarded to emergency response organizations in Wisconsin in 2015.

More than **500** construction jobs created during recent expansion projects.



## The Wisconsin Assembly passes resolution declaring April 2016 as Safe Digging Month

Damage from third-party activities is a leading cause of pipeline incidents. To protect people and the environment, and to reduce the risk of pipeline damage, federal and state laws require anyone planning to excavate near a pipeline right-of-way (ROW) to call their local toll-free one-call number in advance of any ground disturbance activity.

811 is the free, FCC-designated national one-call number that connects a caller from anywhere in the country to the appropriate local one-call center. Anyone conducting soil-disturbing activities should call 811.

Even though underground pipelines are identified above-ground by pipeline markers, the marker may not necessarily be directly over the pipeline. Also, as the depth of pipelines and other underground utilities can change over the years due to erosion,

previous digging projects or uneven surfaces, there are varying depths to underground systems. That's why it's important to contact Enbridge directly at least three days before you do any type of excavation in any area that you believe might be on or near an Enbridge ROW, including:

- Fixing or improving an existing ditch, drain tile or fence
- Building a berm
- Constructing roads, paving, parking, driveways, ditches, railways, overhead or underground utilities
- Installing fence posts
- Altering the grade or deep tilling the soil
- Operating non-agricultural equipment or vehicles on or over the ROW
- Encroaching on the ROW with services or other utilities

The construction of buildings, foundations or stockpiling of materials is prohibited on the ROW. Enbridge representatives must be on-site to supervise any excavation near the ROW.

For installations across the ROW, written permission from Enbridge is required. Depending on the installation, approval could take up to 10 days. We can help you avoid problems and delays by:

- Helping you obtain written permission for construction/excavation over Enbridge pipelines
- Locating and marking Enbridge pipelines
- Providing guidelines for excavation and blasting
- Ensuring an Enbridge field representative is on-site



E= Connecting Wisconsin Communities / Spring 2016 Edition

# E=

## Connecting Wisconsin Communities

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4½ minutes  
The approximate time it takes to call 811

OR

4½ days  
The average work delay due to hitting a pipeline while digging



The cost of calling 811 before digging



The percentage of time work is completed without damage when the 811 system is used prior to digging

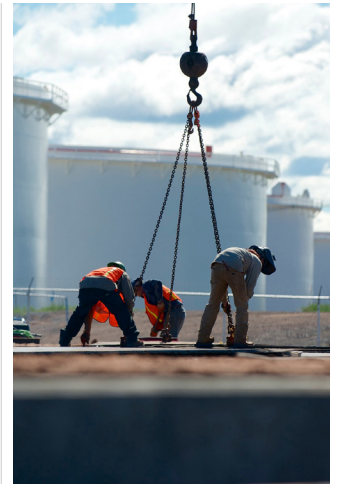


A nationwide number that can save money and lives



## Connecting Wisconsin Communities — Spring 2016 Edition

### Pipeline System Expansion Update



### Looking to the Future

In order to increase access to safe, reliable and secure supplies of North American produced crude oil, and to better meet the needs of refineries in the U.S. and in Canada, Enbridge continues to evaluate a potential expansion of its pipeline system in Wisconsin and Illinois. The expansion would involve a new pipeline from Superior, Wis. to Pontiac, Ill. which would transport a combination of light and heavy crude oil. The diameter and associated capacity of the new potential pipeline project have not yet been determined. The estimated capital investment would be \$3-4 billion.

At this time, no expansion project has been approved. Enbridge will only move forward with a project if and when sufficient customer support exists and regulatory approval is received. If a project were to be approved, Enbridge would publicly announce its plans and begin discussions with landowners and other stakeholders.

As we've conducted our evaluation, a number of questions have been raised and we've provided the answers to them below.

#### Does the fuel I use every day come from crude oil transported in Enbridge's pipelines?

By supplying 100% of crude oil to Wisconsin's only refinery in Superior and much of the crude oil to Midwest refinery hubs in Minnesota and in Illinois, there is a high likelihood that the fuel in your tank—whether for your vehicle or for your farm equipment—was originally transported as crude oil in an Enbridge pipeline. Additionally, the many products you rely on every day—from fertilizers to plastics—may have been produced using crude oil transported in our pipelines.

#### How does Enbridge work with landowners to obtain easement agreements?

Whenever a new pipeline project is proposed, Enbridge representatives begin by meeting with landowners to discuss project impacts, identify special considerations, begin easement negotiations, and communicate project schedule. The representatives then work with landowners to reach a mutual agreement that reasonably compensates landowners for the easement and temporary construction working space necessary for the pipeline route across their property. In some cases, some additional temporary workspace is required during construction. The size of this area varies depending on the proximity of other pipelines and constructability issues. If temporary workspace is needed, the representatives discuss the various provisions with affected landowners and answer their questions. Historically, Enbridge has reached agreements with the vast majority of landowners. Recent projects in the Midwest have shown an agreement rate at or above 95%.

#### How much right-of-way would be required for a new pipeline?

Along most of the Line 61 corridor in Wisconsin, the right-of-way is 80 feet wide and contains either two or four pipelines within it. If a new pipeline project were to be proposed, additional right-of-way would be required. The actual amount required would vary.

The surveys that were performed over the past two years in support of a potential system expansion required a 300-foot-wide corridor in most cases. This width was necessary for two reasons: First, it allowed surveyors to thoroughly identify and document all features and environmental sensitivities in the area. Second, it provided the design flexibility needed to route the pipeline around and away from these features and sensitivities. The width of the corridor was only for survey purposes; the additional permanent right-of-way needed for a new project would be considerably less.

#### If a new pipeline project were to be proposed, what is the process for developing the route and getting regulatory approval?

In developing the proposed route, the objective is to identify a route that both maximizes opportunities for collocating within existing utility corridors (such as the Line 61 corridor) and minimizes negative impacts to humans and the environment. Route alternatives from established utility corridors may be utilized to avoid areas of population congestion, environmental features or constructability issues. Other factors may include land use, or operations and maintenance issues. Enbridge will work with landowners to identify any special considerations. The final route is ultimately determined by the federal and state agencies that

conduct various reviews of the project. The requirements for environmental review are prescribed by the regulatory agency.

#### Is Enbridge insured to pay for clean-up costs after a release?

Yes. Enbridge carries more than \$860 million in Commercial General Liability Insurance, including Sudden and Accidental Pollution Liability insurance which provides coverage in the event of a release. No taxpayer or landowner funds have ever been required to clean up and remediate any Enbridge oil release in Wisconsin, or anywhere else for that matter. Enbridge has always invested in, and will continue to invest in, the resources necessary to demonstrate its commitment to safety and the environment in the communities where it operates. We are in compliance with all state and federal pipeline safety regulations, and we are committed to our industry leading safety and pipeline integrity programs.

#### What is Enbridge's safety record in Wisconsin?

Enbridge operates 1,552 miles of pipelines in Wisconsin. In 2015, we transported 2.8 billion barrels of crude oil in these pipelines. In 2015, we had five reportable releases in Wisconsin totaling 26 barrels. All of the releases were located at Enbridge's Superior Terminal, which is designed and built to contain releases and limit impact to the environment. All of the spilled oil was recovered. Safety will always be our number one priority. Ensuring the safety of communities and the environment is our most important duty — and everything we do is based on this foundation.

Our goal — simply, unequivocally — will always be zero incidents.

#### Does the presence of a pipeline affect property values?

Studies conducted over the last two decades have found that property values are unaffected by the presence of pipelines. A just-released study by the Interstate Natural Gas Association of America (INGAA) determined that the presence of underground natural gas transmission pipelines does not affect the sales, prices or value of residential properties. The study, conducted by a third party, backed the findings of a previous study conducted in 2001 which concluded that neither the size of the pipeline nor the product it carried has a significant impact on the sales price of a home. A similar study conducted in 2013 could not identify a systematic relationship between proximity to the pipeline and sale price or value.

More information about the recent INGAA study can be found at: [www.ingaa.org/Foundation/Foundation-Reports/PropertyValues.aspx](http://www.ingaa.org/Foundation/Foundation-Reports/PropertyValues.aspx).

#### Is the product transported in Line 61 more corrosive than other forms of crude oil?

No. One of the types of crude oil currently transported on Line 61 is called dilbit. The properties of dilbit, which is bitumen from western Canada mixed with a diluent such as condensate for pipeline transportation, are no different than other forms of crude oil. In 2013 the National Research Council of the Washington, D.C.-based National Academies released a study entitled "Effects of Diluted Bitumen on Crude Oil Transmission Pipelines." The findings of the study, commissioned by the U.S. Department of Transportation, were unequivocal — and confirm the results of other scientific work regarding dilbit:

- "The (NRC's study) committee does not find any causes of pipeline failure unique to the transportation of diluted bitumen."
- "Furthermore, the committee does not find evidence of chemical or physical properties of diluted bitumen that are outside the range of other crude oils — or any other aspect of its transportation by transmission pipeline that would make diluted bitumen more likely than other crude oils to cause releases."
- "Diluted bitumen does not have unique or extreme properties that make it more likely than other crude oils to cause internal damage to transmission pipelines from corrosion or erosion," reads the study.

### Recent Expansions

#### Line 61 Upgrade Project

The Line 61 Upgrade Project does not require pipeline construction outside of the pump station facilities. This project does include construction of new pump stations and modifications to existing pump stations, and will increase the pipeline's average annual capacity to 1.2 million barrels per day (bpd) which is the pipeline's designed full operating capacity. The first phase of the project increased capacity to 560,000 bpd, generated 60 construction jobs, and was completed in late 2014 at a cost of \$151 million. The second phase, a \$635 million investment for a series of 13 new or modified pump stations in Wisconsin, has created approximately 275 highly skilled construction jobs. Construction on pump stations is expected to be completed later this year.

#### Superior Terminal

Enbridge crude oil tank facilities temporarily store crude oil as it moves through our pipeline system to be delivered to refineries serving consumers.

Crude oil tank facilities—also called terminals—are integral parts of our interstate transportation system and serve important operational functions.

Currently, more than 2.5 million bpd of crude oil are transported into the Superior Terminal, which has 45 storage tanks and 10 million barrels of breakout, or temporary, storage capacity. The Superior Terminal Project included the addition of three new tanks along with additions and modifications to facility piping infrastructure within the terminal facility. The new tanks are 286 feet in diameter and nearly 56 feet tall. The \$330 million project added approximately 1.5 million barrels of storage capacity and created 250 construction jobs. A \$155 million upgrade project, which added two storage tanks with one million barrels of additional storage, was completed in late 2014.