



Line 5 Pipeline: Replacement/Tunnel Project

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The Line 5 Pipeline is a 30-inch, 645-mile pipeline owned by Enbridge carrying up to 540,000 barrels per day of crude oil and natural gas liquids from Superior, WI, to Sarnia, Ontario (**Figure 1**). A key segment of Line 5 is an underwater crossing at the Straits of Mackinac—between Michigan's upper and lower peninsulas—where it runs for approximately four miles across the lakebed. This crossing has been an environmental concern due to the risk it poses of a "worst case" oil spill into the Great Lakes.



Figure 1. Enbridge Line 5 Pipeline

Source: CRS using data from Platts, and Esri Data & Maps 2019.

Under the terms of various state agreements, Enbridge plans to replace this pipeline segment with a new one constructed through a tunnel beneath the lakebed—which requires federal approval. Enbridge plans to continue operating the existing pipeline in the meantime. However, for different reasons, the State of Michigan and a federal court have ordered Line 5 to shut down. Whether the pipeline should continue operating is the subject of litigation, federal oversight, and a U.S.-Canada treaty dispute.

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Michigan Easement Challenges

Line 5 was constructed in 1953 as part of a pipeline system linking oil fields in Alberta, Canada, to refinery markets in the Great Lakes region. Michigan granted Enbridge's predecessor—Lakehead Pipe Line Company—an easement to cross the Straits of Mackinac. In October 2018, Michigan and Enbridge entered an agreement whereby Enbridge would construct a tunnel under the straits and replace the existing Line 5 segment with a new pipeline segment through the tunnel. The agreement also provided that the state would be "expressly confirming Enbridge's rights to operate the [existing pipeline] under the terms of the Easement during the construction of the Straits Tunnel and Line 5 Replacement." The agreement was followed by a December 11, 2018, state statute creating the Mackinac Straits Corridor Authority, which approved tunnel construction on December 19, 2018.

On November 13, 2020, under a new gubernatorial administration, state officials notified Enbridge that the 1953 easement was being revoked on safety grounds, requiring the Line 5 segment across the straits to cease operating by May 2021. On November 24, 2020, Enbridge filed a challenge in federal court to the state's pipeline safety jurisdiction and shutdown order, initiating ongoing litigation. Most recently, as of March 2023, the state has appealed an unfavorable U.S. district court ruling in order to return its case to state court. The pipeline continues operating in the meantime.

Army Corps Tunnel Permit

In 2020, Enbridge filed a joint application with the U.S. Army Corps of Engineers (Corps) and the Michigan Department of Environment, Great Lakes, and Energy (EGLE) to build the tunnel for the new Line 5 pipeline crossing. The Corps has permitting authority over the proposed tunnel pursuant to Section 404 of the Clean Water Act (33 U.S.C. §1344), under which the Corps permits activities that may discharge dredge or fill material into waters of the United States, and Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. §403), under which the Corps permits structures and work in or affecting navigable waters.

In carrying out its authorities, the Corps must consider the environmental impacts of its proposed actions (e.g., issuing a tunnel permit) pursuant to the National Environmental Policy Act (NEPA; 42 U.S.C. §§4321 et seq.) among other statutory requirements. On June 23, 2021, the Corps announced that it would be preparing an Environmental Impact Statement (EIS), to "ensure all potential impacts and reasonable alternatives associated with this project are thoroughly analyzed." The Corps states that its environmental review "is limited to the proposed crossing of the Straits of Mackinac and adjacent wetlands." However, it is not clear to what extent the Corps's NEPA review may consider the greenhouse gas emissions associated with the fossil fuels passing through pipeline segment, as called for by some advocates. On March 23, 2023, the Corps announced its intent to publish an EIS for the tunnel project in Spring 2025.

On January 29, 2021, EGLE announced that it had approved Enbridge's application for permits required to build the tunnel. Although EGLE "acknowledged public concerns about the existing oil pipeline and affirmed ... that the current pipeline ... poses an unacceptable risk to the Great Lakes," the agency concluded that "the proposed tunnel could comply with state environmental laws." The tunnel project still requires approval from the Michigan Public Service Commission, which has ruled that it must consider greenhouse gas emissions caused by products transported by Line 5. Commission staff have repeatedly recommended that the tunnel project be approved, but the commission's review is ongoing.

U.S.-Canada Pipeline Treaty

The Canadian government has ardently supported the continued operation of Line 5. Canada has sought to intervene though public statements and court filings, citing a 1977 pipeline treaty with the United States that prohibits a "public authority in the territory of either" from instituting "any measures ... which are

intended to, or which would have the effect of, impeding, diverting, redirecting or interfering with in any way the transmission of hydrocarbon in transit." On October 4, 2021, Canada announced that it was formally invoking the dispute settlement provision of the treaty regarding Line 5.

On November 9, 2021 the White House Deputy Press Secretary stated that "both the U.S. and Canada will engage constructively" in Line 5 negotiations and that shutting down the existing pipeline "is something that we're not going to do." However, litigation unrelated to the tunnel project complicates matters. On September 7, 2022, a U.S. district court ruled that a segment of Line 5 was trespassing on tribal lands in Wisconsin. On June 16, 2023, the court ordered Enbridge to reroute Line 5 around the tribal land—or shut it down—within three years. Enbridge has begun the process for the reroute but has expressed concerns about securing the necessary permits in time to meet the three-year deadline. Enbridge reportedly plans to appeal the order.

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