The Honorable Tim Walz  
Governor of Minnesota  
130 Capitol Bldg.  
75 Rev Dr. Martin Luther King Jr. Blvd.  
Saint Paul, MN 55155

Dear Governor Walz:

On behalf of the oil and natural gas industry, API and its 625 member companies, I am writing concerning the essentiality of the Enbridge Line 3 Replacement Project to the region and predictability of Minnesota’s regulatory processes. I am urging you to resist pressure to delay the permit issued by the Minnesota Public Utilities Commission (PUC).

Minnesota’s economy and the intertwined network of crude oil pipelines, refineries, and products depend critically on Enbridge Line 3. As you may be aware, Minnesota derives nearly 34 percent of its state GDP from industries – manufacturing, trade, transportation & warehousing, and construction – that rely on affordable and abundant petroleum fuels. According to the U.S. Bureau of Economic Analysis, these industries also generated 52 percent of Minnesota’s annual GDP growth in 2017, punching above their weight to the benefit of Minnesotans, who spend more than $18 billion annually on energy, including $12 billion or 63 percent on oil and gas products, according to the U.S. Energy Information Administration (EIA).

Additionally, current events reinforce Line 3’s importance to Minnesota and the United States. As Venezuela’s oil supply has been cut in half to 1.3 million barrels per day (mb/d) from roughly twice that a decade ago, U.S. refiners have increasingly relied upon Canada – 3.6 mb/d of crude oil in 2018 – for qualities that fit the units at many U.S. refineries and are needed to meet U.S. consumer demand for products that cannot be derived from lighter oils. Moreover, with the U.S. energy revolution North Dakota’s light oil production nearly quadrupled in just eight years. This means that Line 3’s diminished capacity has required these developments to place hundreds of additional trucks on the road – traveling approximately 600 miles per day round trip across Minnesota – and rail cars traveling to Superior, Wisconsin, from North Dakota and Canada. Without Line 3, the truck and rail traffic through Minnesota would increase considerably and reduce the efficiency, efficacy, and cost effectiveness of transportation. Line 3 is therefore integral to the region’s infrastructure and must be replaced.

The replacement for Line 3 will be a state-of-the-art pipeline that meets or exceeds robust environmental and safety standards and utilizes industry best practices. This is an opportunity for Minnesota to demonstrate its economic and environmental leadership by partnering with industry to do things right, foster safety and operational integrity, and enable continued prosperity for households and businesses in Minnesota and the region. Please stay the course with the Minnesota PUC’s permit of Enbridge Line 3.

Sincerely,

R. Dean Foreman, Ph.D.  
Chief Economist

cc: Commissioner Steve Kelley  
Minnesota Department of Commerce