

3.0 PURPOSE AND NEED

The Line 3 Replacement Project will enable Enbridge to better meet the petroleum supply needs of PADD II, including Minnesota, as well as Eastern Canada and the Gulf Coast by allowing Enbridge to more reliably and more efficiently transport an economic and secure supply of crude petroleum.

The Project will replace the existing Line 3 in its entirety within Minnesota, from the North Dakota border to the Wisconsin border. The Project accomplishes three goals:

- First, the Project will address the existing Line 3's integrity risks by replacing a pipeline with a large number of integrity anomalies with a new pipeline constructed with the latest technology and materials. The Project will avoid the large number of integrity digs currently forecasted to be required on Line 3 over the next 15 years, as well as the related impacts to landowners and the environment.
- Second, the Project will reduce on-going and forecasted apportionment to the refining industry in PADD II, Eastern Canada, and the Gulf Coast, including Flint Hills and Northern Tier Energy in Minnesota.
- Third, the restored operational flexibility will allow Enbridge to more efficiently operate the Enbridge Mainline System, optimize its pipeline system and reduce power utilization on a per barrel basis.

Enbridge believes that these benefits will help to ensure the future adequacy, reliability, and efficiency of energy supply to Enbridge's customers, and, as a result, to the people of Minnesota and neighboring states. If the Project is not approved, Enbridge will continue to operate Line 3 in a safe and reliable manner, however ongoing maintenance will not restore the operating capabilities of Line 3, leaving Enbridge's customers without adequate, reliable, and efficient transportation capacity to reduce apportionment. Further, the increasing number of integrity digs that are required would not only inconvenience landowners and impact the environment, but would be economically inefficient and likely drive refiners to either seek alternate sources of supply or alternative modes of transportation.

Additional information regarding the need for the Project is provided in Section 3 of Enbridge's Application for a Certificate of Need for the Line 3 Replacement Project, MPUC Docket No. PL-9/CN-14-916.