

MPA/MACS FACTS

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June 30, 2020

ENBRIDGE MUST GET STATE APPROVAL BEFORE BUILDING TUNNEL

Enbridge does not already have authority to construct the tunnel to house the Line 5 pipeline, the Michigan Public Service Commission (MPSC) has ruled. The company will have to formally apply to the MPSC and go through the case process. The decision means Enbridge's request for approval to the MPSC for the underground tunnel may not be answered for at least several more months. There wasn't a specific timeline shared at the MPSC's virtual meeting, but the commission does plan to host an Aug. 24 public hearing to take public comments as part of the process.

The contested case process will involve discovery, comprehensive testimony and evidence and a well-developed record of evidence, according to the MPSC staffer who described the commission's approved order. Enbridge went to the MPSC earlier this year requesting siting approval for the plan, or for the MPSC to declare the company already has authority to move forward with building the tunnel. If the MPSC had ruled Enbridge did have authority, the government body wouldn't need to do anything else, but it could be challenged in court.

Enbridge had asked for a ruling that it already has the authority to do the tunnel based on the MPSC's approval back in 1953 when the pipelines were constructed. But the MPSC decided this underground tunnel project differs significantly from what was approved in the 1953 order. Instead, the MPSC said Enbridge will need to apply for approval for the project, and the commission said that it will be in the public interest to do a contested case process for the project.

The siting approval process for the replacement Line 5 tunnel is just one of the government regulatory hurdles Enbridge has to jump through. Enbridge also has permit requests filed with the Michigan Department of Environment, Great Lakes, and Energy (EGLE) and the U.S Army Corps of Engineers. And then there's the litigation tied to the Enbridge Line 5 tunnel project, which would house a new Enbridge pipeline when completed.

Attorney General Dana Nessel is pursuing litigation to defend her opinion that the legislation allowing the Line 5 tunnel project is unconstitutional. She's also seeking a shutdown of the existing Line 5 pipelines through a separate lawsuit. The state Court of Appeals recently ruled the tunnel law is constitutional. However, Nessel successfully persuaded a court to have the Line 5 pipelines at least temporarily closed after the company recently disclosed damage to part of the pipeline's support structure.

Source: MIRS News

REST OF STATE TO STAY AT PHASE 4 FOR NOW, GOVERNOR SAYS

The recent rise in COVID-19 cases means the rest of Michigan will not join the Upper Peninsula and 17 counties in the northern Lower Peninsula in Phase 5 of Governor Gretchen Whitmer's six-phase plan to reopen the economy, the Governor said. Gov. Whitmer had said for weeks she intended to move the entire state to Phase 5, a move that would have allowed gyms and movie theaters to reopen and much larger social gatherings, by July 4. But with the entire state seeing increases in new COVID-19 cases, especially in the Lansing and Grand Rapids regions, Gov. Whitmer said that will not happen. She said she would have more information in the next day or two on whether she might reimpose restrictions in some areas. The Lansing region was moved from medium risk on the state's coronavirus dashboard to high risk, affecting a five-county area, following an outbreak triggered by a packed East Lansing bar where more than 100 patrons have since tested positive for the virus.

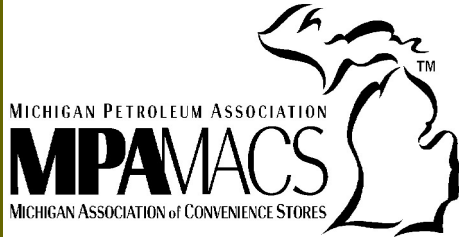
UPCOMING EVENTS

2020

- **Spring Convention & Trade Show - DeVos Place, Grand Rapids (8/11-8/12)**
- **Fall Convention - Boyne Mountain Resort (9/17-9/20)**
- **Central Michigan Oilmen's Club Golf Outing - The Emerald, St. John's (TBD)**
- **NACS Show / PMAA - Las Vegas Convention Center (10/11-10/14)**
- **Christmas Party - Soaring Eagle Resort, Mt. Pleasant (12/3)**

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BUDGET DEAL REACHED ON CURRENT YEAR'S SHORTFALL WITH NO NEW TAXES

Governor Gretchen Whitmer, House Speaker Lee Chatfield (R-Levering) and Senate Majority Leader Mike Shirkey (R-Clarklake) issued a joint statement that they have reached a budget deal to resolve the \$2.2 billion shortfall in the current 2019-20 fiscal year budget in significant part through the use of \$950 million in federal coronavirus relief funds (CARES Act).

The other components of the deal are the withdrawal of \$350 million from the state rainy day fund; \$490 million in savings through a state hiring freeze, layoffs of state employees and "discretionary spending freezes" as well as other reductions; a \$256 million reduction to K-12 schools, a \$200 million reduction to universities and community colleges, a \$97 million reduction to local governments, \$475 million in public safety costs now eligible for federal coronavirus relief funds and \$340 million in continued enhanced federal Medicaid matching funds, allowing for a reduction in General Fund that had been appropriated for COVID-19 response costs. Those moves amount to \$2.2 billion.

The budget agreement does not call for any new tax increases on individuals or businesses. This deal is only a framework and will still have to be voted on and the legislature still has to work on the fiscal year 2020-21 budget which starts on October 1.

GOVERNOR RELEASES MI SAFE SCHOOLS ROADMAP, DIRECTS SCHOOL DISTRICTS TO DEVELOP RETURN TO SCHOOL PLANS

Governor Gretchen Whitmer released the MI Safe Schools Return to School Roadmap, a comprehensive document to help districts create local plans for in-person learning in the fall. The Roadmap outlines a number of safety protocols for schools to implement in each phase of the governor's MI Safe Start Plan. The governor also signed Executive Order 2020-142, which provides a structure to support all schools in Michigan as they plan for a return of PreK-12 education in the fall.

Executive Order 2020-142 requires school districts to adopt a COVID-19 Preparedness and Response Plan laying out how they will protect students and educators across the various phases of the Michigan Safe Start Plan. The MI Safe Schools Return to School Roadmap offers guidelines as to the types of safety protocols that will be required or recommended at each phase. In recognition that these protocols will cost money, the Governor also announced that \$256 million would be allocated to support the districts in implementing their local plans as part of the bipartisan budget agreement the Senate Majority Leader, the Speaker of the House, and the governor announced.

The safety protocols detailed in the MI Safe Schools Roadmap includes guidance on the use of PPE, good hygiene, cleaning/disinfecting, spacing in classrooms, screening for symptoms, athletics, and more. The Roadmap also recognizes the impact COVID-19 has had on students' and educators' mental health, and offers guidance on how schools can address this issue.

To view the MI Schools Return to School Roadmap go to:
www.michigan.gov/documents/whitmer/MI_Safe_Schools_Roadmap_FINAL_695392_7.pdf

To view Executive Order 2020-142, go to:
https://content.govdelivery.com/attachments/MIEOG/2020/06/30/file_attachments/1485859/EO%202020-142.pdf