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January 31, 2017

**Via Electronic Filing**

Rosemary Chiavetta, Secretary  
PA Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Re: Application of Laurel Pipeline Company, L.P. for All Necessary Authority, Approvals,  
and Certificates of Public Convenience To Change the Direction of Petroleum Products  
Transportation Service to Delivery Points West of Eldorado, Pennsylvania,  
Docket No. A-2016-2575829

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Dear Secretary Chiavetta:

Enclosed for electronic filing please find Husky Marketing and Supply Company's Petition to Intervene with regard to the above-referenced matter. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,



Karen O. Moury

KOM/lww  
Enclosure

cc: Cert. of Service w/enc.

## CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of Husky Marketing and Supply Company's Petition to Intervene upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

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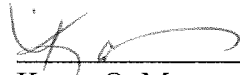
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Dated: January 31, 2017



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Karen O. Moury, Esq.

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

|  |   |                           |
|--|---|---------------------------|
| Application of Laurel Pipeline Company,      | : |                           |
| L.P. for All Necessary Authority, Approvals, | : |                           |
| and Certificates of Public Convenience To    | : | Docket No. A-2016-2575829 |
| Change the Direction of Petroleum Products   | : |                           |
| Transportation Service to Delivery Points    | : |                           |
| West of Eldorado, Pennsylvania               | : |                           |

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**PETITION TO INTERVENE  
OF HUSKY MARKETING AND SUPPLY COMPANY**

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Pursuant to 52 Pa. Code §§ 5.72-5.75 of the Commission’s regulations, Husky Marketing and Supply Company (“HMSC”) petitions to intervene in the Application of Laurel Pipeline Company, L.P. (“Laurel” or “Applicant”) for All Necessary Authority, Approvals, and Certificates of Public Convenience to Change the Direction of Petroleum Products Transportation Service to Delivery Points West of Eldorado, Pennsylvania (“Application”).

The purpose of HMSC’s proposed intervention is to support Laurel’s Application, which is responsive to market demand and would enable the movement of competitively-priced refined products from refineries owned by HMSC’s affiliates to consumers in Western and Central Pennsylvania. In support of its intervention, HMSC states as follows:

**I. BACKGROUND**

1. The name and business address for HMSC are:

Husky Marketing and Supply Company  
550 Blazer Parkway  
Dublin, OH 43017

2. The names and addresses of HMSC attorneys are:

Karen O. Moury (PA ID #36879)  
Carl R. Shultz (PA ID #70328)  
Eckert Seamans Cherin & Mellott, LLC  
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HMSC's attorneys are authorized to accept service its behalf in this proceeding.

3. As the ultimate subsidiary of Husky Energy, Inc. ("Husky"), HMSC was founded in 2007. Husky is one of Canada's largest integrated energy companies and is headquartered in Calgary, Alberta. Husky operates in Canada, the United States and the Asia Pacific Region with Upstream and Downstream business segments. Husky's retail distribution network includes the wholesale, commercial and retail marketing of refined petroleum products. Husky has the largest refining capacity in the state of Ohio. Based in Columbus, Ohio, HMSC sells refined products from Husky's refinery in Lima, Ohio and its joint venture refinery in Toledo, Ohio, including gasoline, diesel and jet fuel.

4. HMSC has entered into various transportation services agreements (some with minimum committed volumes) to move products from its refineries into various markets, including markets in Pennsylvania. To this extent, HMSC has entered into a transportation services agreement ("TSA") with Applicant to move refined products on the segment of pipeline that is the subject of the Application. HMSC is a committed customer under the TSA, and as such, is committed to shipping a certain number of barrels of refined products under this segment of the pipeline.

5. On November 14, 2016, Laurel filed an Application for all Necessary Authority, Approvals and Certificates of Public Convenience to Change the Direction of Petroleum Products Transportation Service to Delivery Points West of Eldorado, Pennsylvania.

6. Under its existing Certificate of Public Convenience, Laurel is authorized to transport, store and distribute petroleum products by means of pipeline and appurtenances for the public in and across Pennsylvania. Pursuant to that authority and under currently effective tariffs, Laurel currently transports petroleum products from east to west - from points of origin near Philadelphia to destination points across the Commonwealth, terminating west of Pittsburgh. Additionally, Laurel assigns a portion of its capacity to Buckeye Pipe Line Company, L.P., which is used to provide interstate transportation service from origin points in New Jersey and Delaware to destinations in Pennsylvania.

7. As noted by the Application, long-developing changes in crude petroleum supplies for refineries and the petroleum products market have generally increased the volumes and decreased the relative price of Midwestern product supplies.

8. Through its proposal to reverse flow on part of the Western Pennsylvania portion of its pipeline system to allow petroleum products to move in an eastbound direction to the Altoona destination point known as "Eldorado," the additional eastbound pipeline capacity will provide consumers in Western and Central Pennsylvania increased access to generally lower-priced Midwestern gasoline and petroleum products. Importantly, the change in direction of service will also provide an additional Midwest source of petroleum products in the event of a disruption of East Coast supplies.

9. By its Application, Laurel requests that the Commission either determine that approval is not required for this change in service or grant all necessary approvals and permit

Laurel to change the direction of its petroleum products transportation service. Because Laurel is not seeking to change the certificate authority granted to it by the Commission and because all current origin and destination points will continue to receive pipeline delivery service under the proposed reconfiguration, Laurel further requests that the Commission confirm that Laurel possesses the authority to reinstate the current direction of service in the future.

10. Pursuant to a Notice published in the *Pennsylvania Bulletin* on December 17, 2016, 46 Pa.B. 7921, petitions to intervene are due on or before February 1, 2017. By this Petition, HMSC seeks to intervene in this proceeding support of Laurel's Application.

## **II. STANDARDS FOR INTERVENTION**

11. The Commission's regulations allow intervention where a person has an "interest in the proceeding which may be directly affected, and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission." 52 Pa. Code § 5.72(a)(2). Intervention is also permitted where participation of the person may be in the public interest. 52 Pa. Code § 5.72(a)(3). A "person" includes a corporation and an association. 52 Pa. Code § 1.8.

12. The eligibility requirements for an interested party to intervene in an action before the Commission are less strict and easier to satisfy than the common law standard for intervention. *See Application of Metropolitan Edison Co. for Approval to Construct an Electric Generating Unit Fueled by Natural Gas*, Docket No. A-110300, 1994 Pa. PUC LEXIS 52 (Order entered February 25, 1994) (citing *William Penn Parking Garage, Inc. v. City of Pittsburgh*, 464 Pa. 168, 346 A.2d 269 (1975)).

### **III. GROUNDS FOR INTERVENTION**

13. HMSC has a substantial and direct interest in participating in this proceeding. Specifically, HMSC is among the shippers who made a binding commitment for the reversal of a portion of the Laurel pipeline to facilitate the transportation of refined petroleum products from Pittsburgh to Central Pennsylvania, in response to the open season hosted by Buckeye Partners, L.P. in October 2016. Specifically, HMSC is committed under the TSA to shipping a certain number of barrels of refined products under the segment of the pipeline that is the subject of the Application. The reversal of this portion of the Laurel pipeline would enable the movement of competitively-priced refined products (including low RVP gasoline) from Husky refineries to consumers in Western and Central Pennsylvania. Through Laurel's project, HMSC would be able to compete in this market that stands to benefit from a situation where refiners in the Midwest have gained access to lower-priced crude petroleum supplies, which have allowed for expansion of the petroleum products market and decreased the relative price of Midwestern products.

14. HMSC submits that no other party can or will adequately protect its interests in this proceeding. It is necessary for HMSC to participate in this proceeding to present its own unique perspectives associated with the expanded transportation service of refined petroleum products from the Midwest to destination points in Western and Central Pennsylvania. HMSC will offer the perspectives of a refiner and marketer, which will complement and supplement the views advanced by the Applicant - a pipeline company.<sup>1</sup>

15. HMSC further submits that its participation in this proceeding is in the public interest. Since HMSC supports regulatory approval for the reversal of a portion of the pipeline

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<sup>1</sup> The Commission has permitted interventions in support of applications where the intervenor has a direct and substantial interest in the proceeding. *See, e.g., Application of Consumer Pennsylvania Water Company, Shenango Valley Division*, 2001 Pa. PUC LEXIS 1, Docket No. A-212750F0007 (Order entered January 11, 2001).



in order to be responsive to evolving market conditions and demand across the region, its views are consistent with the Commission's efforts in both the transportation industry and the retail energy industry to facilitate competition for the benefit of consumers. *See Final Rulemaking Amending 52 Pa. Code Chapters 1, 3, 4, 23 and 29 to Reduce Barriers to Entry for Passenger Motor Carriers*, Docket No. L-2015-2507592 (Order entered October 27, 2016); *Natural Gas Retail Markets Investigation*, Docket No. I-2013-2381742 (Order entered December 18, 2014); *Electric Retail Markets Investigation*, Docket No. I-2011-2237952 (Order entered February 15, 2013).

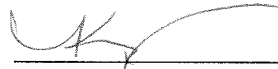
16. HMSC will be bound and directly affected by the Commission's order in this proceeding. If the Commission declines to either promptly conclude that Laurel does not need authority from the Commission to reverse a portion of the pipeline or to promptly approve the Application, HMSC will be bound and directly affected by the Commission's action in that it will be unable to meet the market demand for the movement of competitively-priced Midwestern-sourced petroleum to points east of Pittsburgh.

17. For these reasons, HMSC's business interests may be directly and immediately affected by the Commission's disposition of the Laurel application. Accordingly, pursuant to Section 5.72 of the Commission's regulations, 52 Pa. Code § 5.72, HMSC should be permitted to intervene in this proceeding.

**IV. CONCLUSION**

WHEREFORE, Husky Supply and Marketing Company respectfully requests that the Pennsylvania Public Utility Commission grant this Petition to Intervene, allowing it to participate in the above-captioned matter.

Respectfully submitted,



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Date: January 31, 2017

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