

2017.015

House of Representatives • Commonwealth of Pennsylvania

ALLEGHENY COUNTY

Democratic Delegation



DOM COSTA
CHAIRMAN
ALLEGHENY COUNTY DELEGATION

217 IRVIS OFFICE BUILDING
P.O. BOX 20201
HARRISBURG, PA 17120-2021
(717) 783-8961

DAN DEASY
VICE CHAIRMAN
(717) 772-8187

ADAM RAVENSTAHL
SECRETARY
(717) 787-5470

MEMBERS:

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LEADER

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HARRY READSHAW

JAKE WHEATLEY, JR.

JESSE WHITE

ANITA BOEHM
EXECUTIVE DIRECTOR
(412) 361-2040

January 30, 2017

Pennsylvania Public Utility Commission
400 North Street, Keystone Building
Harrisburg, PA 17120

Re: **PUC Docket No. A-2016-2575829**
Application of Laurel Pipeline, L.P.

Dear Chairman Brown:

I'm writing today as Chairman of the Allegheny County Delegation with concerns from myself, and a number of members of my delegation, regarding the proposal by Buckeye Partners to reverse the flow on their Laurel pipeline between Altoona and the greater Pittsburgh area. We are concerned that this change will have impacts that will adversely affect the Commonwealth of Pennsylvania. From increases in fuel prices in western PA to damage to the refineries in southeast PA, this proposal to reverse flow may appear to have minimal impact but is clearly of great consequence.

Currently, the greater Pittsburgh fuel market is supplied by multiple pipelines from Ohio and Chicago based refineries, but there is only one line that feeds Pittsburgh from the east – the Laurel pipeline. Reversing Laurel would make it impossible to move fuel to Pittsburgh via pipeline from the east. While currently, the Pittsburgh area fuel retailers are able to buy product from the Midwest or from the southeast PA refineries (and choose to do so depending upon which is cheapest), the pipeline reversal will eliminate this optionality and make it substantially more difficult for a competitive environment to exist. As I'm sure you can imagine, this is a great concern to myself and the legislators of Allegheny County.

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CHAIRMAN'S OFFICE~~

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Furthermore, this reversal would severely restrict the ability of the southeastern PA refineries to distribute their refined products to the west. For a refinery, restricted distribution options can have devastating economic effects. These refineries employ well over 1000 people and support a massive number of indirect jobs. The Commonwealth of PA made large investments over the past few years to ensure these employers stay in business. It would be troubling to allow a pipeline reversal that would threaten all of that hard work and investment.

The Buckeye proposal currently pending before the PUC must be examined very seriously. We request that the matter be referred to an administrative law judge for a full hearing so that all parties may discuss in detail the wide-ranging concerns. It is imperative that a change of this magnitude be given the due diligence it deserves.

Sincerely,

A handwritten signature in black ink that reads "Dom Costa". The signature is written in a cursive, flowing style with a large initial "D".

Dom Costa
Chairman,
Allegheny County Delegation
State Representative
21st Legislative District

CC: Vice-Chairman Andrew Place
Commissioner John Coleman
Commissioner Robert Powelson
Commissioner David Sweet
Secretary Rosemary Chiavetta



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ALLEGHENY COUNTY

Democratic Delegation

Dom Costa, CHAIRMAN

P. O. BOX 202021

HARRISBURG, PA 17120-2021

Chairman Brown

Pennsylvania Public Utility Commission

400 North Street, Keystone Building

Harrisburg, PA 17120

MESSENGER