

2017.019

COMMITTEES

- STATE GOVERNMENT, VICE CHAIR
- BANKING & INSURANCE
- COMMUNICATIONS & TECHNOLOGY
- CONSUMER PROTECTION & PROFESSIONAL LICENSURE
- URBAN AFFAIRS & HOUSING

9TH SENATORIAL DISTRICT
STATE SENATOR
TOM KILLION

SENATE BOX 203009
 HARRISBURG, PA 17120-3009
 717-787-4712
 FAX 717-783-7490
 TOLL FREE 1-888-9TH-DIST

100 EVERGREEN DRIVE
 SUITE 113
 GLEN MILLS, PA 19342
 610-358-5183
 FAX 610-358-5184

tkillion@pasen.gov
 senatorkillion.com



Senate of Pennsylvania

January 31, 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 about the proposal by Buckeye Partners to reverse the flow on their Laurel pipeline between Altoona and the greater Pittsburgh area. I am 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 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.

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,

Tom Killion
 Senator, 9th Senatorial District

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

TK/ms

PA PUBLIC UTILITY COMMISSION
 SECRETARY'S BUREAU

RECEIVED
 FEB 1 2017

RECEIVED
 CHAIRMAN'S OFFICE
 17 JAN 31 PM 3:18
 312060



Senate of Pennsylvania

9TH DISTRICT

TOM KILLION

SENATE BOX 203009

THE STATE CAPITOL

HARRISBURG, PA 17120-3009

HAND CARRY

Gladys M. Brown, Chairman
Pennsylvania Public Utility Commission
400 North Street, Keystone Building
Harrisburg, PA 17120