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June 8, 2017

**VIA EFILING**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor  
Harrisburg, PA 17120

Re: Application of Laurel Pipe Line Company, L.P. for Approval to change direction of Petroleum Products Transportation Service to Delivery Points West of Eldorado, Pennsylvania, Docket No. A-2016-2575829  
Affiliated Interest Agreement between Laurel Pipe Line Company, L.P. and Buckeye Pipe Line Company, L.P., Docket No. G-2017-2587567

Dear Secretary Chiavetta:

Pursuant to ALJ Eranda Vero's June 7, 2017 e-mail, Gulf Operating, LLC ("Gulf"), Philadelphia Energy Solutions Refining & Marketing, LLC ("PESRM"), Sheetz, Inc. ("Sheetz"), Monroe Energy, Inc. ("Monroe") and Giant Eagle, Inc. ("Giant Eagle"), (together, the "Indicated Parties"), submit this letter in response to the June 6, 2017 letter that counsel for Laurel Pipe Line Company, L.P. ("Laurel") submitted in the above-captioned proceeding.

In its letter, Laurel claims that the Indicated Parties' presently pending Petition for Interlocutory Review of a Material Question ("Petition") before the Pennsylvania Public Utility Commission ("Commission") is moot. The Indicated Parties were not aware that Laurel intended to submit its letter to the Commission with the position it now asserts.

The purpose of this letter is to outline for the Commission the conditions under which the Indicated Parties could agree that the Commission will not issue a substantive decision on the Petition.

Laurel's pending Application before the Commission seeks to reverse the flow of petroleum products on an existing pipeline that has been transporting products between Southeastern Pennsylvania and Pittsburgh since the mid-1950s. A diverse group of stakeholders,

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including the Indicated Parties, have opposed Laurel's Application. The Petition seeks a ruling from the Commission that inquiring into Laurel's potential plan to extend the proposed reversal east of Eldorado, Pennsylvania (i.e., the currently proposed location for the reversal) is relevant and germane to the ultimate public interest determination the ALJ and the Commission must make in this proceeding.

Against this background, Laurel's June 6, 2017 letter claims the Petition is moot because of two actions Laurel has taken or proposes to take: 1) Laurel's recent discovery production to the Indicated Parties "about Laurel's potential plans to reverse the flow of the pipeline east of Eldorado", and 2) Laurel's commitment that it will not move to strike evidence regarding plans to reverse the flow of the pipeline east of Eldorado in the pending proceeding before ALJ.

The Indicated Parties would be willing to agree that a Commission ruling on the material question the Petition raised is not necessary at this time only if the two primary proposals contained in Laurel's letter are modified or conditioned to recognize the appropriate context of those elements.

**Condition 1: Extension/modification of the existing litigation schedule consistent with that requested in the Motion To Extend currently pending before the ALJ.**

First, the production Laurel provided to the Indicated Parties consists of over 25,000 pages of documents: 1262 that Laurel produced on June 1, 2017, and an additional 378 documents produced on June 6, 2017. And, on the morning of June 8, 2017, Laurel produced another 60 documents. This massive document production is in response to interrogatories Laurel resisted answering since *February 3, 2017 and February 6, 2017*, respectively. Because the material delivered on June 1, 6 and 8 was not indexed in any way to correspond to specific interrogatories, it is not clear how much of this information relates to the flow reversal east of Eldorado, other interrogatories, or a deposition currently scheduled for one of Laurel's representatives on June 13, 2017. The Indicated Parties obviously will require substantial time and effort to evaluate these productions. As a result, it is not realistic for the Indicated Parties to evaluate the production and prepare and submit their Direct Testimony by the currently scheduled June 14, 2017 due date. Even before Laurel produced this massive production to the Indicated Parties, they had filed with the ALJ on June 1, 2017 a Motion to Extend the current litigation schedule to allow sufficient time to complete discovery, evaluate the information Laurel provided in discovery and submit their Direct Testimony. Since the June 1 service of this additional and enormous document production, Laurel has exacerbated the need for relief on the litigation schedule, which is now more necessary than ever. *Accordingly, the first condition that must be satisfied before the Indicated Parties are willing to agree that the Commission need not act on the Petition is an extension/modification of the existing litigation schedule consistent with that requested in the Motion To Extend currently pending before the ALJ. The Indicated Parties clarify that the extension sought in the motion that is currently pending before the ALJ would commence on the day the Indicated Parties submit correspondence requesting that the Commission not rule on the pending petition for interlocutory review.*

**Condition 2: Agreement of all parties, subject to acceptance by the presiding ALJ in an appropriate order, that no party will move to strike any testimony regarding any plans or discussions about flow reversals on the Laurel pipeline east of Eldorado, Pennsylvania.**

Second, Laurel's offer not to move to strike evidence is not binding upon all the other parties in the case. Any other party would still be free to move to strike the testimony that Laurel commits not to move to strike, effectively asserting the very claims Laurel proposes not to make with respect to further flow reversals east of Eldorado. This makes Laurel's second proposal element a meaningless concession to the Indicated Parties unless *all parties* in the proceeding agree to the same condition. *Accordingly, the second condition that must be satisfied before the Indicated Parties are willing to agree that the Commission need not act on the Petition is written notification from all parties, subject to acceptance by the presiding ALJ in an appropriate order, that no party will move to strike any testimony regarding any plans or discussions about flow reversals on the Laurel pipeline east of Eldorado, Pennsylvania.*

If and when these conditions are implemented, the Indicated Parties will submit further correspondence requesting that the Commission not rule on the Petition.

Very truly yours,



Alan M. Seltzer

AMS/tlg  
cc: Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Laurel Pipe Line Company, L.P. :  
for Approval to Change Direction of Petroleum : Docket No. A-2016-2575829  
Products Transportation Service to Delivery :  
Points West of Eldorado, Pennsylvania :

Affiliated Interest Agreement between :  
Laurel Pipe Line Company, L.P. and : Docket No. G-2017-2587567  
Buckeye Pipe Line Company, L.P. :

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the parties and in the manner listed below:

**Via First Class Mail and Email**

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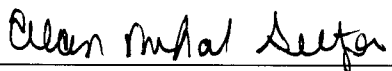
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Dated this 8<sup>th</sup> day of June, 2017.

  
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