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November 3, 2017

VIA ELECTRONIC FILING

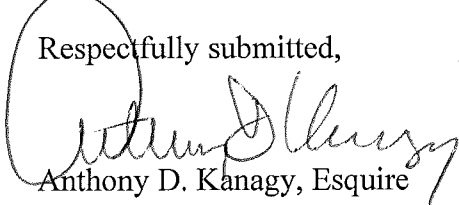
Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**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 Nos. A-2016-2575829 and G-2017-2587567**

Dear Secretary Chiavetta:

Enclosed please find the Stipulation in Settlement Between Laurel Pipe Line Company, L.P. and
The Bureau of Investigation and Enforcement in the above-referenced proceeding. Copies will
be provided as indicated on the Certificate of Service.

Respectfully submitted,



Anthony D. Kanagy, Esquire

ADK/skr

cc: Honorable Eranda Vero
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST CLASS MAIL

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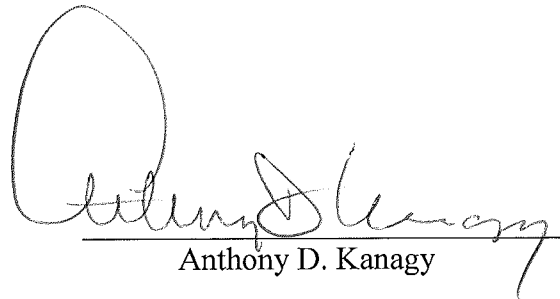
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Date: November 3, 2017



Anthony D. Kanagy

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Laurel Pipe Line 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 : : :
Pipeline Capacity Agreement Between Laurel Pipe Line Company, L.P. and Buckeye Pipe Line Company, L.P.	: : : Docket No. G-2017-2587567 : :

**STIPULATION IN SETTLEMENT
BETWEEN LAUREL PIPE LINE COMPANY, L.P. AND
THE BUREAU OF INVESTIGATION AND ENFORCEMENT**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE ERANDA VERO:

The Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission (“Commission”) and Laurel Pipe Line Company, L.P. (“Laurel”), parties to the above-captioned proceeding and signatories hereto (hereinafter collectively referred to as the “Stipulating Parties”), file this Stipulation resolving all issues between Laurel and I&E in the above-captioned proceeding (the “Stipulation”).¹ The Stipulation resolves the issues raised by I&E in this proceeding, and the Stipulating Parties hereby stipulate and agree to the terms and conditions set forth herein. In support, the Stipulating Parties represent as follows:

¹ The Clean Air Council, Husky Marketing and Supply Company, and the Indicated Parties, collectively comprised of Gulf Operation, LLC (“Gulf”), Philadelphia Energy Solutions Refining and Marketing, LLC (“PESRM”), Sheetz, Inc. (“Sheetz”), Monroe Energy, Inc. (“Monroe”), and Giant Eagle, Inc. (“Giant Eagle”), are not parties to this Stipulation.

I. BACKGROUND PERTINENT TO THIS STIPULATION

1. On November 14, 2016, Laurel filed the above-captioned Application with the Pennsylvania Public Utility Commission (“Commission”) at Docket No. A-2016-2575829. The Application sought all necessary, authority, approvals and Certificates of Public Convenience, to the extent required, authorizing Laurel to change the direction of its petroleum products transportation service over a portion of its system west of Eldorado, Pennsylvania, and confirming that Laurel may, in its discretion, reinstate the current direction of service in the future without further Commission approval.

2. I&E filed a Notice of Intervention on December 20, 2016.

3. Laurel served its Direct Testimony and associated exhibits on I&E, the Administrative Law Judge and the other intervenors and protestants, on February 7, 2017.

4. Additionally, Laurel filed a Capacity Agreement at Docket No. G-2017-2857567 on February 6, 2017, and a Motion to Consolidate the Capacity Agreement with the Application pending at Docket No. A-2016-2575829 on February 7, 2017. On March 2, 2017, the ALJ granted Laurel’s Motion to Consolidate.

5. On February 14, 2017, a Prehearing Conference was held. The parties submitted an agreed upon procedural schedule on February 21, 2017.²

6. Non-company direct testimony was filed by other parties, including I&E, on July 14, 2017. Laurel filed its rebuttal testimony responding to I&E’s testimony on August 31, 2017. I&E filed surrebuttal testimony on October 6, 2017. Laurel filed rejoinder responding to I&E’s surrebuttal testimony on October 20, 2017.

7. Extensive discovery has been conducted throughout this proceeding to investigate Laurel’s claims.

² The schedule was subsequently modified in an Order dated June 20, 2017.

8. Settlement discussions were held which resulted in the resolution of all issues raised by I&E prior to the hearing date scheduled for November 6, 2017. The agreement of the Stipulating Parties is embodied in this Stipulation.

9. The Stipulation among the Stipulating Parties is set forth in Section II, *infra*.

II. STIPULATION

10. In order to fully resolve the issues raised by I&E in this proceeding, the Stipulating Parties stipulate and agree to the following terms and conditions:

- a. That any Commission approval in this proceeding will be conditioned upon Laurel taking all safety actions identified in the Company’s Integrity Impact Review Report (“IRR”) to comply with the standards articulated in the PHMSA safety guidelines.
- b. That within thirty (30) days of the approval of the Company’s application, Laurel will provide an updated version of Figure 1 from Mr. Collier’s rejoinder testimony (reproduced below) to Paul Metro, Manager of the Commission’s Pipeline Safety Division. The original Figure 1 estimated dates based on the assumption that the pipeline would be reversed on September 1, 2018. The updated schedule will reflect the estimated completion dates for the identified safety actions based on the anticipated in-service date that results from the Commission’s Order.

FIGURE 1: LAUREL LINE - INTEGRITY IMPACT REVIEW ACTIONS SUMMARY AND SCHEDULE

Pre-Reversal Actions	Estimated Date
Perform Hydrostatic Pressure Test	6/15/18
Updated Surge Analysis	3/31/18
Updated Emergency Flow Restricting Device (EFRD) analysis	Completed
Update to Computational Pipeline Monitoring System (LeakWarn)	8/24/18
Review and Update Procedure Manuals (Operations, Maintenance & Emergency Response)	8/1/18
Update to Work Management System for new Equipment	8/1/18
Revise Startup and Shutdown Procedures and Train Controllers	8/1/18
Review and Update Supervisory Control and Data Acquisition (SCADA) System	8/1/18
Update Oil Spill Response Plan	8/1/18

Preventative & Mitigative Actions Review	8/1/18
Post-Reversal Actions	Estimated Date
As Built Drawings and Compile Project Records	12/31/18
Inspect Mainline Isolations Valves	9/1/2018, 9/8/2018, and 10/1/2018
Perform Visual Surveys of Aboveground Equipment	10/1/18
Determine and Evaluate actual Pressure Cycling of Pipeline	10/1/2018 and 3/1/2019

- c. Laurel agrees that the Commission's safety inspectors may inspect the Laurel Line, including review of the Company's compliance with the actions identified in the IRR. The parties agree that Laurel and the Commission reserve all arguments regarding any issues that may arise from the inspection process.
- d. Laurel and I&E acknowledge that this fully satisfies the concerns raised by I&E in this proceeding, and that I&E will not oppose Commission approval of the project.

11. The following terms of this Stipulation reflect a carefully balanced compromise of the interests of the Stipulating Parties in this proceeding. The Stipulating Parties believe that approval of the Stipulation is in the public interest. The Stipulation will be supported by the Stipulating Parties and shall be construed as their respective and collective litigation positions on the issues raised by I&E in this proceeding as of the date of its submission to the presiding Administrative Law Judge and throughout the remainder of this proceeding.

III. CONDITIONS OF STIPULATION

12. The terms and conditions of this Stipulation reflect and constitute the joint litigation position of the Stipulating Parties in this proceeding. The Stipulation resolves all issues raised by I&E, and precludes the Stipulating Parties from asserting positions in any way contrary to this Stipulation with respect to the issues raised by I&E during this proceeding. In addition, the Stipulating Parties agree that Laurel and I&E may appropriately respond to any

opposition to the granting of the Stipulation raised by the remaining non-signatory parties or to any other issue not addressed in the Stipulation that is raised by non-signatory parties.

13. If the ALJ, in the Initial Decision, recommends that the Commission adopt the Stipulation as herein proposed without modification, the Stipulating Parties agree to waive the filing of Exceptions on the issues raised by I&E. However, the Stipulating Parties do not waive their rights to file Exceptions with respect to any modifications to the terms and conditions of this Stipulation. The Stipulating Parties also reserve the right to file Replies to any Exceptions that may be filed.

14. The Stipulating Parties acknowledge that the Stipulation reflects a compromise of competing positions to resolve outstanding issues in a fair, just and reasonable manner, and does not necessarily reflect any party's position with respect to any issues raised in this proceeding.

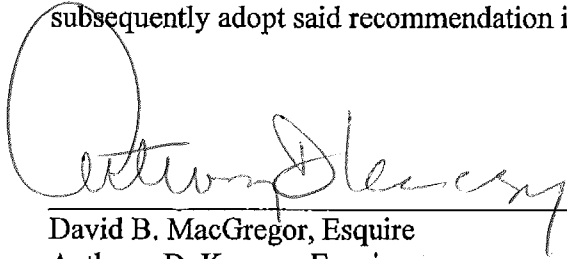
15. The Stipulating Parties agree that this Stipulation resolves all of the issues and concerns raised by I&E related to Laurel's Application. The Stipulating Parties respectfully request that both the ALJ and the Commission approve the Stipulation in its entirety.

16. The Stipulating Parties agree that the Stipulation shall not constitute or be cited as precedent, and shall be without prejudice to any of Stipulating Parties' positions, in any other proceeding, except to the extent required to implement the explicit terms of this Stipulation.

17. The Stipulating Parties may execute this Stipulation in separate counterparts, each of which, when so executed and delivered, shall constitute an original, but all of which together shall constitute one and the same instrument.

WHEREFORE, the Stipulating Parties, by their respective counsel, respectfully request that Administrative Law Judge Eranda Vero recommend this Stipulation in Settlement Between Laurel Pipe Line Company, L.P. and the Bureau of Investigation and Enforcement, including all

the terms and conditions thereof, for approval without modification and that the Commission subsequently adopt said recommendation in its Final Order ending this proceeding.



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Respectfully submitted,

Date: 11/3/2017



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Date: 11/3/2017