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April 30, 2019

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: Giant Eagle, Inc., Guttman Energy, Inc.; Lucknow-Highspire Terminals, LLC; Monroe Energy, LLC; Philadelphia Energy Solutions Refining and Marketing, LLC; and Sheetz, Inc. v. Laurel Pipe Line Company, L.P. Docket No. C-2018-3003365

Dear Secretary Chiavetta:

Enclosed for filing is the Prehearing Conference Memorandum in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Sincere Garrett P. Lent GPL/kls

Enclosures

cc: Honorable Eranda Vero Certificate of Service

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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PREHEARING CONFERENCE MEMORANDUM OF LAUREL PIPE LINE COMPANY, L.P.

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE VERO:

Pursuant to 52 Pa. Code § 5.222(d) and the Prehearing Conference Order dated March 13, 2019, Laurel Pipe Line Company, L.P. ("Laurel" or the "Company") hereby submits this Prehearing Conference Memorandum.

I. STATUS REPORT

1. A Prehearing Conference was held in this matter on October 16, 2018.

2. At the conference, the parties indicated that discovery was ongoing and that they would provide a status report to the Administrative Law Judge Eranda Vero (the "ALJ") by February 4, 2019.

3. On January 29, 2019, the parties convened at the offices of McNees, Wallace and Nurick in Harrisburg, PA, to participate in discussions regarding the timing of a hydrostatic test for purposes of preparing the Eldorado to Coraopolis segment of the L718 line for bidirectional flow, pursuant to paragraph 3 of the Joint Stipulation and Settlement dated October 3, 2018 in Docket No. P-2018-3004857.

4. The parties discussed in good faith the possibility of changing the period during which Laurel and/or Buckeye is prohibited from conducting the hydrostatic test on the Eldorado to Coraopolis segment of the L718 line under the terms of the Joint Stipulation and Settlement dated July 23, 2018 in Docket No. P-2018-3003368, *i.e.* "any subsequent summer (June 1-September 15) period." However, no agreement to change this period was reached.

5. On February 12, 2019, the parties again convened at the offices of McNees, Wallace and Nurick in Harrisburg, PA, for purposes of an informal technical conference. At the conference, the parties discussed technical issues related to the proposed bidirectional operation of the Eldorado to Coraopolis segment of the L718 line.

6. On February 28, 2019, the ALJ issued a Prehearing Order instructing the parties to submit a status report by no later than March 5, 2019.

7. On March 5, 2019, Complainants¹ and Laurel submitted Prehearing Conference Memoranda with the requested stats report. In their memoranda, the parties proposed to conduct a Settlement Conference on or before April 19, 2019 and provide me with a status update by no later than April 30, 2019.

8. A Settlement Conference was held on April 12, 2019. The parties have been actively engaged in settlement negotiations since the conference.

II. PROCEDURAL SCHEDULE

9. As discovery and settlement negations remain ongoing, Laurel and the Complainants agree that they are not in position to propose a litigation schedule at this time.

¹ Giant Eagle, Inc. ("Giant Eagle") Guttman Energy, Inc. ("Guttman"), Lucknow-Highspire Terminals, LLC ("LHT"), Monroe Energy, LLC ("Monroe"), Philadelphia Energy Solutions Refining and Marketing, LLC ("PESRM"), and Sheetz, Inc. ("Sheetz"), are collectively referred to as the "Complainants."

10. Laurel and the Complainants propose to defer the establishment of a litigation schedule at this time, in order to provide the parties an opportunity to continue settlement negotiations.

11. In addition, the Laurel and the Complainants propose to provide the ALJ with a further status update no later than June 1, 2019.

III. <u>SETTLEMENT WITH I&E</u>

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12. As a result of settlement discussions between Laurel and I&E, Laurel and I&E have achieved a settlement-in-principle that resolves I&E's issues in the above-captioned proceeding.

13. A Joint Stipulation and Settlement between Laurel and I&E with respect to I&E's issues is forthcoming, and will be filed and directed to the ALJ for approval.

IV. CONCLUSION

WHEREFORE, Laurel Pipe Line Company, L.P., respectfully requests that the Administrative Law Judge Eranda Vero issue a Prehearing Order setting a deadline for a subsequent status report on or before June 1, 2019.

Respectfully submitted,

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Date: April 30, 2019

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Counsel for Laurel Pipe Line Company, L.P.

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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Date: April 30, 2019