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Lillian S. Harris

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January 23, 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 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

Dear Secretary Chiavetta:

Enclosed please find the Answer of Laurel Pipe Line Company, L.P. to Monroe Energy LLC's Petition to Intervene in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

Lillian S. Harris

LSH/skr Enclosures

cc: 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

John R. Evans Small Business Advocate Office of Small Business Advocate 300 North Second Street, Suite 202 Harrisburg, PA 17101

Tanya J. McCloskey, Esquire Senior Assistant Consumer Advocate Office of Consumer Advocate 555 Walnut Street Forum Place, 5th Floor Harrisburg, PA 17101-1923

Adam D. Young, Esquire Michael L. Swindler, Esquire Bureau of Investigation & Enforcement Commonwealth Keystone Building 400 North Street, 2nd Floor West PO Box 3265 Harrisburg, PA 17105-3265 Robert A. Weishaar, Jr., Esquire McNees Wallace & Nurick LLC 1200 G Street, NW Suite 800 Washington, DC 20005

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Alan M. Seltzer, Esquire John F. Povilaitis, Esquire Buchanan Ingersoll & Rooney, PC 409 N. Second Street, Suite 500 Harrisburg, PA 17101-1357

VIA FIRST CLASS MAIL:

Christopher A. Ruggiero, Esquire Vice President, General Counsel & Secretary Monroe Energy, LLC 4101 Post Road Trainer, PA 19061

Date: January 23, 2017

Lillian S. Harris

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

LAUREL'S ANSWER TO MONROE ENERGY LLC'S PETITION TO INTERVENE

Pursuant to Sections 5.66 of the Pennsylvania Public Utility Commission's ("PUC" or "Commission") regulations, 52 Pa. Code § 5.66, Laurel Pipe Line Company, L.P. ("Laurel") hereby files this Answer to the Petition to Intervene of Monroe Energy, LLC ("Petition") in the above-captioned proceeding. In support thereof, Laurel asserts the following:

T. ANSWER TO THE PETITION TO INTERVENE

- 1. Admitted.
- Admitted.¹ 2.
- 3. Admitted.
- 4. Admitted.
- Admitted in part and denied in part. It is admitted that Laurel currently transports 5. petroleum products from points of origin near Philadelphia, Pennsylvania, to destination points across the Commonwealth, terminating west of Pittsburgh, Pennsylvania. It is further admitted that, in addition to these intrastate shipments, Buckeye Pipe Line Company, L.P. ("Buckeye")

¹ For purposes of this Answer, Laurel's Application 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-2016-257589 (filed Nov. 14, 2016), will be referred to by the term "Application."

uses a portion of Laurel's facilities to provide interstate transportation service pursuant to a Commission-approved capacity agreement. It is denied, however, that Laurel and Buckeye are general partners with Buckeye Partners, L.P. Buckeye Partners, L.P. is an indirect general partner of Laurel, as well as an indirect general partner of Buckeye. Buckeye Partners, L.P. is the parent of the general partner of both Laurel and Buckeye. It is further denied that Laurel's Application fails to provide adequate clarity as to the ownership structure between Laurel and its affiliates.

- 6. Admitted in part; denied in part. The first sentence of paragraph 5 in Monroe's Petition calls for a legal conclusion to which no response is required. To the extent that a response is required, Laurel denies that the change in direction of service proposed by its Application "dramatically modifies" the service provided by Laurel. Deliveries on Laurel's pipeline system will continue at all origin points and at all destination points; the only change is the direction of deliveries west of Eldorado. The second sentence of paragraph 5 is admitted.
- Admitted in part; denied in part. Upon reasonable investigation, Laurel lacks adequate knowledge as to whether Monroe is a wholly-owned subsidiary of Delta Air Lines, Inc. ("Delta"), and therefore denies the same. Laurel also lacks adequate knowledge as to whether Monroe operates the "Trainer refinery and related assets" located near Philadelphia, Pennsylvania, and therefore denies the same. Laurel further lacks adequate knowledge as to the types of facilities, including "pipelines and terminal assets," operated by Monroe, and adequate knowledge as to the types of products supplied by Monroe to "various sites in Pennsylvania, including without limitation Pittsburgh," and therefore denies the same. The fourth sentence in paragraph 7 calls for a legal conclusion to which no response is required. To the extent that a response is required, as stated in the Application, a variety of alternatives exist for Monroe to

continue to transport its petroleum products to points west of Eldorado. The fifth sentence in paragraph 7 is denied.

The final sentence of paragraph 7 also calls for a legal conclusion to which no response is required. To the extent that a response is required, Laurel denies that approval of the Application will "significantly impact Monroe and Monroe's customers in the Pittsburgh area" because such customers do not "depend on refined products from the Trainer refinery and Monroe's other facilities." By way of further response, Laurel submits that petroleum products are fungible. Therefore, a customer does not "depend" on refined products from a specific refinery, but instead, would likely benefit from a reduction in the price of petroleum products with no related decrease in quality or reliability of service.

8. Admitted in part; denied in part. It is admitted that Monroe has an interest in this proceeding that is not represented by any other party of record, sufficient to grant it intervenor status. However, Laurel denies the extent of Monroe's interest as represented by its Petition, as explained by Laurel's denial of certain allegations contained herein.

WHEREFORE, Laurel Pipe Line Company, L.P. respectfully requests that the Pennsylvania Public Utility Commission grant the Petition to Intervene, subject to Laurel's responses to the specific allegations contained in the Petition.

Respectfully submitted,

David B. MacGregor (ID # 28804)

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Of Counsel:

Post & Schell, P.C.

Date: January 23, 2017

Attorneys for Laurel Pipe Line Company, L.P.

VERIFICATION

I, David Arnold, being Vice President, Domestic Pipelines for Buckeye Partners, L.P., hereby state that the information set forth above is true and correct to the best of my knowledge, information and belief, and that if asked orally at a hearing in this matter, my answers would be as set forth therein. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

Date: 1-23-17

David Arnold

Vice President, Domestic Pipelines

Buckeye Partners, L.P.