Chiavetta, Rosemary

From: Burns, Lois

Sent: Wednesday, June 14, 2017 12:18 PM

To: Chiavetta, Rosemary

Cc: Perry, June

Subject:FW: Southeast Delegation Letter Re: Laurel PipelineAttachments:SED Laurel Pipeline Letter.pdf; Other Letters.pdf

Rosemary: the Vice Chair has asked me to send you this correspondence in the Laurel Pipeline case. He requests that you provide it to the parties in the case as appropriate.

Please let us know whether you need anything further from our office. Thank you for your assistance.

From: Place, Andrew

Sent: Wednesday, June 14, 2017 8:33 AM

To: Burns, Lois

Subject: FW: Southeast Delegation Letter Re: Laurel Pipeline

FYL

From: Vitali, Greg [mailto:GVitali@pahouse.net]
Sent: Wednesday, June 14, 2017 8:28 AM

To: John Quigley; Simeone, Christina E; Place, Andrew

Subject: FW: Southeast Delegation Letter Re: Laurel Pipeline

Any thoughts in this issue? Thanks

From: Chiba, Koh

Sent: Monday, June 12, 2017 7:38 PM To: Chiba, Koh < KChiba@pahouse.net>

Subject: Southeast Delegation Letter Re: Laurel Pipeline

Dear Southeast Delegation Members,

Rep. Dean would like to invite the Southeast Delegation to join the Philadelphia and Allegheny Delegations, and the General Assembly Transportation Committees in submitting a letter to the PUC regarding a proposal to reverse the flow of the Laurel Pipeline.

There is concern that a reversal of the pipeline will result in significant negative impacts on fuel prices, refinery development, and job security throughout the Commonwealth. The letter urges the PUC to refer the matter to an administrative law judge for a full hearing, so that all parties may discuss in detail the wide-ranging concerns.

Here is an article that explains the situation more fully:

http://www.nydailynews.com/newswires/news/business/pennsylvania-pipeline-fight-upend-international-oil-flows-article-1.3214852.

Attached is a draft letter from the Delegation that we will be circulating for signatures this week. Providing, over $2/3^{rds}$ of the members agree to sign on, will be forwarding a copy of the letter to the PUC.

For your reference, also attached are the letter penned by the Philadelphia, Allegheny, and General Assembly Transportation Committees.

Thank you,

Koh Chiba

Regional Director, Southeast Delegation State Representative Dean 153rd Legislative District KChiba@pahouse.net 717-783-7619

SOUTHEAST DELEGATION

OF THE PENNSYLVANIA HOUSE DEMOCRATIC CAUCUS

Berks, Bucks, Chester, Dauphin, Delaware, Lancaster, Lebanon, Montgomery & York Counties

Madeleine Dean

Chair

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Joanna McClinton

Mark Rozzi

Michael Sturla

Greg Vitali

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:

June 12, 2017

We the undersigned members of the House Southeast Delegation are writing today about the proposal by Buckeye Partners to reverse the flow on their Laurel pipeline between Altoona and the greater Pittsburgh area. We are concerned that this change will have impacts that will adversely affect the Commonwealth of Pennsylvania. From increases in fuel prices in western Pennsylvania, to damage to the refineries in southeast Pennsylvania, this proposal to reverse flow may appear to have minimal impact, but 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 Pennsylvania refineries (and choose to do so depending upon which is cheapest), the pipeline reversal will eliminate this option and make it substantially more difficult for a competitive environment to exist.

Furthermore, this reversal would severely restrict the ability of the southeastern Pennsylvania refineries to distribute their refined products to the west. Restricted distribution options can have devastating economic effects on refineries. These refineries located in the southeast part of the state employ well over 1000 people and support a massive number of indirect jobs. The Commonwealth of Pennsylvania 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 wideranging concerns. It is imperative that a change of this magnitude be given the due diligence it deserves.

Sincerely,

Madeleine Dean Southeast Delegation Chair

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

<u>Member</u>	<u>District</u>
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