

June 28, 2017

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 2nd Floor, Room N201 400 North Street, 2nd Floor North P.O. Box 3265 Harrisburg, PA 17105-3265 PBF HOLDING COMPANY LLC. 1 Sylvan Way, 2nd floor Parsippany, NJ 07054 PH 973-455-7500 www.pbfenergy.com

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Re: Application of Laurel Pipe Line Company, L.P. ("Laurel") 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-2016-275829)

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Dear Secretary Chiavetta:

PBF Holding Company LLC ("PBF Holding") is one of the largest independent petroleum refiners and suppliers of unbranded transportation fuels, heating oil, petrochemical feedstocks, lubricants and other petroleum products in the United States. We sell our products throughout the Northeast, Midwest, Gulf Coast and West Coast of the United States, as well as in other regions of the United States and Canada, and are able to ship products to other international destinations. We own and operate five domestic oil refineries and related assets in the Midwest, East Coast, Gulf Coast and West Coast. We are making this submission in connection with the above-referenced application relating to the Laurel pipeline which we utilize to serve Pennsylvania markets.

In particular, our Delaware City refinery has consistently served customers in the Pittsburgh market through the Laurel pipeline, the only line that supplies Pittsburgh from the east. The reversal of the Laurel pipeline between Altoona and Pittsburgh will restrict the ability of East Coast suppliers to provide fuel via pipeline to Pittsburgh. PBF Holding believes the impact on the Pittsburgh market will be negative – it will effectively remove East Coast pipeline supplies, lowering competition that keeps fuel prices favorable for consumers.

PBF Holding does not support Laurel's plans to reverse the direction of transportation on the Pittsburgh to Altoona segment of the Laurel pipeline. If the primary driver of the reversal is to provide Midwest refiners pipeline access to Altoona, it will be at the expense of the much larger Pittsburgh market; East Coast suppliers who currently serve the Pittsburgh market would then only have pipeline access to Altoona. Midwest suppliers, such as Marathon Petroleum Corporation, currently have the ability to supply the Pittsburgh market via existing pipelines as well as barges and trucks. If the Laurel pipeline is reversed, these suppliers will increase their market share with the additional pipeline capacity that will be taken from East Coast refiners and re-allocated to them. Our modeling suggests, based on historical pricing, the Pittsburgh market

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is best served under the current arrangement of Laurel pipeline originating in Philadelphia and terminating in Pittsburgh. Changing that supply dynamic will lead to a less competitive environment overall to the detriment of Pennsylvania businesses and consumers.

In summary, despite the fact that PBF Holding owns refineries in the Midwest and Gulf Coast that would potentially benefit, PBF Holding does not support Laurel's plans to reverse the direction of the Pittsburgh to Altoona segment of the Laurel pipeline due to the anti-competitive impact that such a reversal would have in the region.

We appreciate this opportunity to provide this information for the Commission's consideration.

Very truly yours,

Matthew C. Lucey President

cc: Ms. Gladys M. Brown, Chairman Mr. Andrew G. Place, Vice Chairman Mr. John F. Coleman, Jr., Commissioner Mr. Robert F. Powelson, Commissioner Mr. David W. Sweet, Commissioner

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