**BEFORE THE**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Laurel Pipe Line Company, L.P. :

For approval to change direction of petroleum : A-2016-2575829

products transportation service to delivery :

points west of Eldorado, Pennsylvania :

Affiliated Interest Agreement between : G-2017-2587567

Laurel Pipe Line Company, L.P. and :

Buckeye Pipe Line Company, L.P. :

ORDER

On July 27, 2017, Laurel Pipe Line Company, L. P. (Applicant or Laurel) served a Notice of Deposition and Request for Production of Documents on Philadelphia Energy Solutions Refining and Marketing, LLC (PESRM) and me.

The Notice of Deposition requested that PERM Witness John J. Sadlowski be made available for deposition at Post & Schell’s offices in Harrisburg, PA on a day, or days, during the week of August 14, 2017, on the following subjects:

1. *the pricing of petroleum products sold by PESRM, including its margins on sales;*
2. *the markets into which PESRM sells petroleum products, and the cost, availability and commercial feasibility of the transportation and/or exchange alternatives that PESRM or its customers have to reach such markets;*
3. *how PESRM acquires crude supplies;*
4. *crude supplies price volatility;*
5. *PESRM finances and economics;*
6. *how and when PESRM determines to reduce or change refinery output;*
7. *how PESRM has analyzed the results of the proposed reversal as well as the results of other projects proposed to bring refined petroleum products from the Midwest to Central or Eastern Pennsylvania; and*
8. *other matters, including issues raised by PESRM in its Direct Testimony and/or responses to Laurel’s interrogatories and requests for the production of documents.*

Notice of Deposition, ¶ 5.

In addition, Laurel requests that at least one week, *i.e.* seven (7) calendar days, prior to the deposition, Ms. Salowski provide copies of correspondence, corporate minutes, investor disclosures, e-mail messages, studies, and analyses that exist related to the subjects identified in Paragraph 5 of the Notice of Deposition and which have not yet been provided to Laurel.

Laurel acknowledges that if the deposition of Mr. Sadlowski are conducted on August 14 or August 15, 2017, this will be a slightly shorter notice than the 20-day notice period provided by Section 5.343 of the Commission’s regulations, 52 Pa.Code §5.343. As reason for taking Mr. Sadlowki’s deposition prior to the expiration of the 20-day period, Laurel generally cites the litigation schedule in this proceeding. See Notice of Deposition, ¶ 7.

On August 3, 2017, PESRM filed timely objections to Laurel’s Notice of Deposition and Request for Production of Documents, in which PESRM raised four separate grounds for objections. First, PESRM objected to subpart (v) of the subject of deposition, “PESRM finances and economics,” as being overly broad and unduly burdensome in the context of a business as complex and large scale as refining. Second, PESRM argues that Laurel’s Notice of Deposition fails to exempt from its request for production of documents any documents subject to a claim of privilege.

PESRM’s third objection concerns Laurel’s request that PESRM produce all documents related to the subjects of deposition at least one week prior to the deposition. According PESRM, Laurel has posed more than 311 interrogatories, including subparts, relating to the Direct Testimony by PESRM or Indicated Party witnesses, which must be answered during the same time frame documents responsive to the Laurel Notice must be located and provided. PESRM believes that under these circumstances, requesting that documents be provided in advance of the twenty (20) days specified by Commission regulations[[1]](#footnote-1) is unreasonable and burdensome pursuant to Section 5.361(a)(2) and (a)(4) of the Commission’s regulations. 52 Pa. Code §5.361(a)(2) and (a)(4).

Lastly, PESRM objects to Laurel’s request to commence the noticed deposition in advance of the minimum 20-day notice period provided for in 52 Pa.Code § 5.343, as well as the proposed location of the deposition. Notwithstanding this objection, PESRM can make its representative available on August 16 or 17, 2017, shortly after the days on which Laurel requests that the deposition commence and the same week it proposes for the deposition, provided that PESRM’s witness is allowed to appear in counsel for Laurel’s Philadelphia office, the vicinity where PESRM’s representative lives and works.

After carefully considering the parties’ respective positions, I shall sustain in part and overrule in part PESRM’s objections to Laurel’s Notice of Deposition.

THEREFORE,

IT IS ORDERED:

1. That the deposition of PESRM’s witness, John J. Sadlowski, by Laurel Pipe Line Company, L.P. shall not be taken before August 16, 2017.

2. That the deposition of PESRM’s witness, John J. Sadlowski, by Laurel Pipe Line Company, L.P. shall be taken in Post & Schell’s offices in Philadelphia.

3. That Laurel Pipe Line Company, L.P. shall specify for PESRM the scope and bounds of its inquiry into PESRM’s finances and economics by no later than August 10, 2017.

4. That PESRM shall produce all documents related to the subjects of John J. Sadlowski’s deposition at least two days prior to the deposition.

5. That any documents subject to a claim of privilege shall be exempt from Laurel Pipe Line Company, L.P.’s request to PESRM for production of documents.

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| --- | --- | --- | --- |
| Date: | August 8, 2017 |  |  |
|  |  |  | Eranda Vero  Administrative Law Judge |

**A-2016-2575829 - APPLICATION OF LAUREL PIPE LINE COMPANY, L.P.**

**SERVICE LIST**

DAVID B MACGREGOR ESQUIRE

ANTHONY D KANAGY ESQUIRE

GARRETT P LENT ESQUIRE

CHRISTOPHER J BARR ESQUIRE

JESSICA R ROGERS ESQUIRE

POST & SCHELL PC

FOUR PENN CENTER

1600 JOHN F KENNEDY BOULEVARD

PHILADELPHIA PA 19103-2808

***Accepts e-Service***

MICHAEL L SWINDLER ESQUIREHEIDI WUSHINSKE ESQUIRE

PA PUBLIC UTILITY COMMISSION

BUREAU OF INVESTIGATION & ENFORCEMENTPO BOX 3265HARRISBURG PA 17105-3265***Accepts E-service***

WHITNEY E SNYDER ESQUIRE

TODD S STEWART ESQUIREKEVIN J MCKEON ESQUIREJOSEPH R HICKS ESQUIRE

RICHARD E POWER JR ESQUIRE

CHRISTOPHER A RUGGIERO ESQUIRE

HAWKE MCKEON AND SNISCAK LLP100 NORTH TENTH STREETHARRISBURG PA 17101***Accepts E-service***

ADEOLU A BAKARE ESQUIRE

SUSAN E BRUCE ESQUIRE

KENNETH STARK ESQUIRE

ROBERTA A WEISHAR JR ESQUIRE

MCNEES WALLACE & NURICK LLC

100 PINE STREET

PO BOX 1166

HARRISBURG PA 17108-1166

Gulf Operating LLC

***Accepts E-Service***

ALAN MICHAEL SELTZER ESQUIREJOHN F POVILAITIS ESQUIREBUCHANAN INGERSOLL & ROONEY409 NORTH SECOND STREET SUITE 500HARRISBURG PA 17101-1357***Accepts E-service***

CARL SHULTZ ESQUIREKAREN O MOURY ESQUIRE

ECKERT SEAMANS CHERIN & MELLOTT

213 MARKET STREET 8TH FLOORHARRISBURG PA 17101***Accepts E-service***

ANDREW LEVINE ESQUIRESTRADLEY RONON2600 ONE COMMERCE SQUAREPHILADELPHIA PA 19103***Accepts E-service***

JOSEPH OTIS MINOTT ESQUIRECLEAN AIR COUNCIL135 S 19TH STREET SUITE 300PHILADELPHIA PA 19103

***Accepts E-service***

JONATHAN MARCUS ESQUIRE

DANIEL J STUART ESQUIRE

ONE OXFORD CENTRE 35TH FLOOR

301 GRANT STREET

PITTSBURGH PA 15219

***Accepts e-Service***

1. *See* 52 Pa. Code § 5.349(d). [↑](#footnote-ref-1)