

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Giant Eagle, Inc.; Guttman Energy, Inc.;	:	
Lucknow-Highspire Terminals, LLC;	:	
Monroe Energy, LLC; Philadelphia Energy	:	
Solutions Refining and Marketing, LLC;	:	C-2018-3003365
and Sheetz, Inc.	:	
	:	
	:	
v.	:	
	:	
Laurel Pipe Line Company, L.P.	:	

ORDER ON MOTION TO RECLASSIFY DISCOVERY RESPONSE

NON-PROPRIETARY VERSION

On March 19, 2019, Giant Eagle, Inc., Guttman Energy, Inc., Lucknow-Highspire Terminals, LLC, Monroe Energy, LLC, Philadelphia Energy Solutions Refining and Marketing, LLC, and Sheetz, Inc. (collectively, the "Complainants") filed a Motion to Reclassify Discovery Response (Motion). In particular, the Motion seeks an order determining that the Transportation Services Agreements ("TSAs") provided by Laurel Pipe Line Company, L.P. ("Laurel" or "Respondent") as HIGHLY CONFIDENTIAL Attachment Compl-LAU-II-39 should also be produced in a redacted form, and that redacted document should be classified as a CONFIDENTIAL document.

In their Motion, the Complainants argue that the reclassification of the TSAs from HIGHLY CONFIDENTIAL to CONFIDENTIAL will to allow for review of the TSAs by limited company representatives that have been designated as Reviewing Representatives under the Protective Order and executed the Non-Disclosure Certificate attached to the Protective Order. According to the Complainants, the review of the "general terms and conditions" in the reclassified TSAs by limited company representatives is essential the Complainants if they are to

assess the full impact of Laurel's proposed bi-directional service on east-to-west service since much of the west-to-east service will be governed by the TSAs.

In addition, the Complainants support their request for reclassification of the TSAs by arguing that they are merely requesting disclosure, on a CONFIDENTIAL basis, of the same pro forma terms and conditions that Laurel, and Buckeye shared with interested shippers during the Open Season process.

On March 25, 2019, Laurel filed its Answer to the Motion arguing that the Complainants' comparison of TSAs' review during Open Season with the TSAs' review during a litigated proceeding was flawed. Laurel pointed out that the former was conducted two and half years ago by potential shippers, whereas the latter would be conducted on the year service is proposed to commence and by "competitors of the Committed Shippers and ... of other market participants that are not present in this case." Answer ¶ 20. According to Laurel, the reclassification of the TSAs and the review of commercially sensitive information contained therein by Complainants' personnel would give the Complainants unfair advantage over the competition.

Laurel objected to the Motion arguing that the Complainants have failed to demonstrate that there is an operational need for their request for reclassification of "all of the terms and condition set forth in the TSAs." Answer ¶ 17. Laurel argues that many of the terms and conditions of the TSAs have no bearing on the operations of the subject pipelines, but instead concern the calculation of Committed Shippers' payments under the TSAs or competitively sensitive conditions that must be satisfied to trigger the parties' respective obligations under the TSA. In its Answer, Laurel provides a list of these TSA provisions as Appendix B and attaches a redacted version of the TSAs as Appendix A to the Answer.

By letter dated March 27, 2019 and in accordance with the provisions of 52 Pa. Code § 5.43, Complainants requested leave to file a reply to Laurel's Answer. In their letter, the Complainants explain that they no longer contest the HIGHLY CONFIDENTIAL designation for Sections 1.01, 3.02, 3.03(e)(ii), 3.05, 3.07, 4.04, 6.02(b), and Exhibit B of TSAs. However, they reiterate their request for reclassification of Sections 6.03(b)-(c) and 6.04 of the TSAs.

In its Answer, Laurel defended the HIGHLY CONFIDENTIAL status of Sections 6.03(b)-(c) of the TSAs arguing that [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] [END HIGHLY CONFIDENTIAL].

After carefully reviewing the content of Sections 6.03(b)-(c), I shall deny Complainants' Motion for reclassification of these sections. I find that the classification of these sections as HIGHLY CONFIDENTIAL does not prejudice Complainants' ability to assess the possible operational impacts of Laurel's proposed service.

Regarding Section 6.04 of the TSAs, Laurel defended its HIGHLY CONFIDENTIAL status on the same basis as Sections 6.03(b)-(c). The Respondent added that [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] [END HIGHLY CONFIDENTIAL].

After carefully reviewing the content of Section 6.04, I shall deny Complainants' Motion for reclassification of this section. I find that the provisions of Section 6.04 control a very short period before the proposed line enters operation but have the potential of giving Complainants unfair advantage over the competition. On balance, a reclassification of this section as CONFIDENTIAL would be more prejudicial to Laurel and other market participants than the current classification affects Complainants' ability to assess the operational impacts of Laurel's proposed service

C-2018-3003365 GAIN T EAGLE INC.;
LAUCKNOW-HIGHSPIRE TERMINALS, LLC;
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