



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

April 30, 2019

Via Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Giant Eagle, Inc.; Guttman Energy, Inc.; Lucknow-Highspire
Terminals, LLC; Monroe Energy, LLC; Philadelphia Energy
Solutions Refining and Marketing, LLC; and Sheetz, Inc.
Docket No. C-2018-3003365
I&E Prehearing Memorandum

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Prehearing Memorandum of the Bureau of Investigation and Enforcement in the above referenced proceeding. Copies have been served on the parties of record in accordance with the Certificate of Service.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Stephanie M. Wimer
Senior Prosecutor
PA Attorney ID No. 207522

Enclosures

cc: Honorable Eranda Vero
Michael L. Swindler, Deputy Chief Prosecutor
As per Certificate of Service

**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; and Sheetz, Inc.	:	
Complainants	:	
	:	
v.	:	Docket No. C-2018-3003365
	:	
Laurel Pipe Line Company, L.P.,	:	
Respondent	:	

**PREHEARING CONFERENCE MEMORANDUM OF THE
BUREAU OF INVESTIGATION AND ENFORCEMENT**

TO ADMINISTRATIVE LAW JUDGE ERANDA VERO:

Pursuant to the March 13, 2019, Prehearing Order issued by presiding Administrative Law Judge (“ALJ”) Eranda Vero and the Pennsylvania Public Utility Commission’s (“PUC” or “Commission”) regulations at 52 Pa. Code § 5.222(d)(1), the Bureau of Investigation and Enforcement (“I&E”) hereby submits this Prehearing Memorandum in the above-captioned proceeding.

I. BACKGROUND¹

On July 12, 2018, Giant Eagle, Inc., Guttman Energy, Inc., Lucknow-Highspire Terminals, LLC, Monroe Energy, LLC, Philadelphia Energy Solutions Refining and Marketing, LLC and Sheetz, Inc. (collectively, “Complainants”) concurrently filed a

¹ The procedural background set forth in this Prehearing Memorandum is limited in scope and designed to provide a brief overview while describing in greater detail the current procedural posture of the proceeding.

Complaint and Petition for Interim Emergency Relief before the Commission at Docket Nos. C-2018-3003365 and P-2018-3003368. I&E entered a Notice of Appearance in the proceedings on July 18, 2018.

The Complaint and Petition for Interim Emergency relief were filed by Complainants in response to Laurel Pipeline Company, LP's ("Laurel" or "Company") Petition to the Federal Energy Regulatory Commission ("FERC") to operate a portion of the Laurel pipeline bi-directionally with petroleum products flowing from both east-to-west and west-to-east.

Following an evidentiary hearing that was held on July 23, 2018, regarding the Petition for Interim Emergency Relief at Docket No. P-2018-3003368, Complainants and Laurel entered into a Settlement, which was approved by ALJ Vero by Initial Decision issued July 27, 2018.

On August 8, 2018, the Complainants filed an Amended Complaint to which Laurel filed an Answer and New Matter as well as Preliminary Objections on August 28, 2018. Complainants and I&E timely replied to Laurel's Preliminary Objections on September 7, 2018.

On September 20, 2018, Complainants filed a second Petition for Interim Emergency Relief at Docket No. P-2018-3004857. An emergency hearing was held on September 25, 2018, where the parties reached a settlement-in-principle and Complainants agreed to withdraw their second Petition. On October 3, 2018, Complainants and Laurel submitted a written Joint Stipulation and Settlement summarizing their settlement-in-principle.

On October 9, 2018, ALJ Vero issued an Order overruling Laurel's Preliminary Objections and set the Amended Complaint for hearing.

On October 16, 2018, ALJ Vero held a telephonic prehearing conference and granted the parties' request to further pursue discovery, conduct a technical conference on or before January 14, 2019, and provide a status update by February 4, 2019.

By Initial Decision issued October 19, 2018, ALJ Vero granted Complainants' withdrawal of the second Petition for Interim Emergency Relief at Docket No. P-2018-3004857.

On January 29, 2019, the parties convened to participate in discussions regarding the timing of a hydrostatic test to be performed by Laurel. On February 12, 2019, the parties participated in a technical conference.

On February 28, 2019, ALJ Vero issued an Order directing the parties to submit a status update and file Prehearing Conference Memorandum proposing a litigation schedule by March 5, 2019. Prehearing Conference Memorandum were filed by the Complainants and Laurel wherein they represented that settlement discussions continue to occur.

On March 13, 2019, ALJ Vero issued a Prehearing Order directing the parties to conduct a Settlement Conference on or before April 19, 2019, provide a status report no later than April 30, 2019, and file Prehearing Memorandum with a proposed litigation schedule no later than April 30, 2019.

On April 12, 2019, the parties participated in a settlement conference. During that time, I&E and Laurel discussed in earnest the potential to resolve the concerns of the I&E

Safety Division with regard to the Company's proposed bidirectional flow. On April 29, 2019, I&E and Laurel reached a settlement-in-principle that fully addresses I&E's issues. I&E and Laurel expect to prepare and file a Settlement Agreement or Stipulation in Settlement in the near future.

II. I&E PREHEARING CONFERENCE MEMORANDUM

A. Service List and Distribution List

The following prosecutor should be entered on the service list for I&E:

Stephanie M. Wimer
Senior Prosecutor
Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
P.O. Box 3265
Harrisburg, PA 17105-3265
(717) 772-8839
(717) 783-3458 (fax)
stwimer@pa.gov

B. Statement Regarding Possible Settlement of Case

As mentioned herein, I&E and Laurel have achieved a settlement-in-principle that fully addresses the concerns of the I&E Safety Division. I&E and Laurel intend to file a Settlement Agreement or Stipulation in Settlement that will be presented to ALJ Vero for a ruling.

C. Proposed Modifications to the Commission's Discovery Regulations

I&E does not propose any modifications to the Commission's regulations pertaining to discovery at 52 Pa. Code §§ 5.321 *et seq.*

D. Proposed Schedule for Litigation

I&E will defer to Complainants and Laurel regarding a proposed litigation schedule.

E. I&E Witnesses

At this time, I&E does not anticipate calling witnesses at any evidentiary hearing that may be held in this matter. I&E nevertheless reserves the right to call witnesses and will advise accordingly.

F. Issues

At this time, given that I&E and Laurel have reached a settlement-in-principle that resolves I&E's issues, I&E does not to present issues at any evidentiary hearing that may be held in this matter. I&E nevertheless reserves the right to address issues, as it deems appropriate, if any such relevant issues arise.

Respectfully submitted,



Stephanie M. Wimer
Senior Prosecutor
PA Attorney ID No. 207522

Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
(717) 772-8839
stwimer@pa.gov

Date: April 30, 2019

Giant Eagle, Inc.; Guttman Energy, Inc.; :
Lucknow-Highspire Terminals, LLC; :
Monroe Energy, LLC; Philadelphia :
Energy Solutions Refining and :
Marketing, LLC; and Sheetz, Inc. :
Complainants :

v. :

Laurel Pipe Line Company, L.P., :
Respondent :

Docket No. C-2018-3003365

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

Service by First Class Mail and Electronic Mail where indicated:

Alan M. Seltzer, Esquire
John F. Povilaitis, Esquire
Buchanan Ingersoll & Rooney PC
409 North Second Street, Suite 500
Harrisburg, PA 17101-1357
john.povilaitis@bipc.com
alan.seltzer@bipc.com
Counsel to Philadelphia Energy Solutions Refining and Marketing

Kevin J. McKeon, Esquire
Whitney E. Snyder, Esquire
Todd S. Stewart, Esquire
Hawke McKeon & Sniscak LLP
100 North Tenth Street
Harrisburg, PA 17101
kjmckeon@hmslegal.com
tsstewart@hmslegal.com
wesnyder@hmslegal.com
Counsel to Monroe Energy, LLC

Robert A. Weishaar, Jr., Esquire
McNees Wallace & Nurick LLC
1200 G Street NW, Suite 800
Washington, DC 20005
rweishaar@mcneeslaw.com

Adeolu A. Bakare, Esquire
McNees Wallace & Nurick LLC
100 Pine Street
PO Box 1166
Harrisburg, PA 17108-1166
abakare@mcneeslaw.com
Counsel to Lucknow-Highspire Terminals, LLC; Sheetz, Inc.; and Guttman Energy, Inc.

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

David B. MacGregor, Esquire
Anthony D. Kanagy, Esquire
Garrett P. Lent, Esquire
Post & Schell PC
17 North 2nd Street, 12th Floor
Harrisburg, PA 17101-1601
dmacgregor@postschell.com
akanagy@postschell.com
glent@postschell.com

Christopher J. Barr, Esquire
Jessica R. Rogers, Esquire
Post & Schell PC
607 14th Street NW, Suite 600
Washington, DC 20005-2006
cbarr@postschell.com
jrogers@postschell.com
Counsel for Laurel Pipe Line Company LP

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

Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
717.772.8839
stwimer@pa.gov

Dated: April 30, 2019

Jonathan D. Marcus, Esquire
Daniel J. Stuart Esquire
Scott D. Livingston, Esquire
Marcus & Shapira LLP
100 Oxford Centre, 35th Floor
301 Grant Street
Pittsburgh, PA 15219
jmarcus@marcus-shapira.com
stuart@marcus-shapira.com
Counsel for Giant Eagle, Inc.

Richard E. Powers, Jr., Esquire
Joseph R. Hicks, Esquire
Venable LLP
575 7th Street, NW
Washington, DC 20004
repowers@venable.com
jrhicks@venable.com



Stephanie M. Wimer
Senior Prosecutor
PA Attorney ID No. 207522