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July 31, 2019

RECEIVED

JUL 31 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

VIA UPS OVERNIGHT DELIVERY

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Giant Eagle, Inc.; Guttman Energy, Inc.; Lucknow-Highspire Terminals, LLC;
Monroe Energy, LLC; Philadelphia Energy Solutions Refining and Marketing, LLC;
and Sheetz, Inc. v. Laurel Pipe Line Company, L.P., Docket No. C-2018-3003365

Dear Secretary Chiavetta:

Attached please find for filing the Joint Petition for Approval of Settlement in the above-captioned proceeding.

Copies of this filing have been served on and all parties as indicated in the attached Certificate of Service.

Very truly yours,



Alan M. Seltzer

AMS/tlg
Enclosure

cc: Administrative Law Judge Eranda Vero (via Email and First-Class Mail)
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. :

Laurel Pipeline Company, L.P. :
Respondent, :

Docket No. C-2018-3003365

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JUL 31 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

JOINT PETITION FOR APPROVAL OF SETTLEMENT

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION (“COMMISSION” or “PUC”):

I. INTRODUCTION

Complainants Giant Eagle, Inc. (“Giant Eagle”), Guttman Energy, Inc. (“Guttman”), Lucknow-Highspire Terminals LLC (“LHT”), Monroe Energy, LLC (“Monroe”), Philadelphia Energy Solutions Refining & Marketing LLC (“PESRM”), and Sheetz, Inc. (“Sheetz”) (collectively, “Complainants”),¹ Laurel Pipeline Company, L.P. (“Laurel” or “Respondent”) and the Bureau of Investigation and Enforcement (“I&E”), the Parties to the above-captioned proceeding (collectively, the “Settlement Parties”), hereby join in this “Joint Petition for

¹ The Complainants (including LHT’s affiliate Gulf Operating LLC) are largely the same companies that challenged Laurel’s application at the Commission seeking authority pursuant to Laurel’s intrastate Certificate of Public Convenience (“CPC”) to reverse east-to-west pipeline service for delivery points west of the Eldorado, Pennsylvania delivery point. See, *Application of Laurel Pipe Line Co., L.P. for approval to change direction of petroleum products transportation service to delivery points west of Eldorado, Pennsylvania*, PUC Docket No. A-2016-2575829 (Application Filed Nov. 14, 2016) (“Application”). PUC Administrative Law Judge (“ALJ”) Eranda Vero issued a Recommended Decision denying Laurel’s Application. *Application of Laurel Pipe Line Co., L.P. for approval to change direction of petroleum products transportation service to delivery points west of Eldorado, Pennsylvania*, PUC Docket No. A-2016-2575829, *et al.* (Recommended Decision dated March. 21, 2018) (“Recommended Decision”). On July 12, 2018, the PUC entered an Order (“July 12 Order”) affirming in part and rejecting in part the Recommended Decision.

Approval of Settlement” (“Settlement” or “Joint Petition”) and respectfully request that the Commission approve the Settlement consistent with the terms and conditions set forth herein.²

The Settlement Parties respectfully request that the Presiding Officer, Administrative Law Judge Eranda Vero (“ALJ”), prepare a Recommended Decision (“RD”) on an expedited schedule, and that the Pennsylvania Public Utility Commission (“PUC” or Commission”) agrees the Settlement Parties may waive any right to file exceptions so long as the RD recommends approval of the Settlement in its entirety without modification. This process is reasonable because a full evidentiary record has not been completed in this proceeding and the Settlement is unanimous, making the filing of Exceptions and Replies to Exceptions to the RD unnecessary. In addition, the Settlement Parties request that the Commission schedule the Settlement for action at the PUC’s August 29, 2019 Public Meeting in view of an impending oral argument scheduled before the Commonwealth Court the week of September 9, 2019 and the proposed initiation of bi-directional service by Laurel on October 1, 2019 contemplated by the Settlement.

The Settlement represents a full settlement of all issues among the Settlement Parties in this proceeding and in related matters among the Settlement Parties and Buckeye Pipe Line Company, L.P. (“Buckeye”) (i.e., Laurel’s parent and affiliate)³ before the Federal Energy Regulatory Commission (“FERC”). In support of the Settlement, the Settlement Parties state the following:

² I&E and Laurel have reached a “Stipulation In Settlement” regarding safety issues, which is attached to this Joint Petition for Approval of Settlement as **Appendix D**. I&E does not object to the other terms of the Settlement, and the Complainants do not object to the terms of the Stipulation in Settlement between Laurel and I&E. The Settlement Parties request Commission approval of all the terms of the Settlement, including the Stipulation In Settlement.

³ While Buckeye is not a party to the above-captioned proceeding, Buckeye is a party to the pending proceedings before the FERC that are also resolved by the Settlement. As such, Buckeye is included as a signatory to this document and will be a signatory to the documents filed as a part of the Settlement before the FERC.

II. BACKGROUND

A. THE PARTIES

1. The Complainants are a group of interested parties, including major retailers and shippers that ship products on the “Laurel Pipeline” either as the shipper of record or as the entity that injects product into the pipeline. The Laurel Pipeline has provided transportation of petroleum products in and across Pennsylvania since the late 1950’s through a pipeline originating in the Philadelphia, Pennsylvania area and extending westward towards Pittsburgh to Midland, Pennsylvania, which is near the Ohio border.

2. Complainant Giant Eagle is a privately-held corporation with headquarters and principal offices in Pittsburgh, Pennsylvania. Giant Eagle owns and operates a chain of corporate-owned and independently-owned retail supermarkets, food distribution facilities, and fuel and convenience stores in the Western Pennsylvania, Ohio, north central West Virginia, Indiana, and Maryland region—although the majority of stores are located in Pennsylvania and Ohio. Giant Eagle’s fuel and convenience stores are operated under the trade name “GetGo.” Giant Eagle’s business objective, through its GetGo retail stations, is to provide its customers with an uninterrupted supply of fuel at a competitive price. Giant Eagle, through its GetGo stations, supplies gasoline to retail consumers in Pennsylvania. Giant Eagle purchases fuel that travels through the Laurel Pipeline in Pennsylvania, as well as fuel that originates from sources in the Midwest.

3. Complainant Guttman is a fuels marketer and fuel management solutions provider serving commercial, wholesale, and retail markets. Guttman is an active participant in the markets for refined petroleum products served by the Laurel Pipeline and purchases refined petroleum products for resale to its wholesale and retail customers. Guttman is a shipper on the

Laurel Pipeline, and uses these services to ship refined petroleum products from East Coast refineries to points westward, including the Pittsburgh, Pennsylvania area.

4. Complainant LHT owns and operates terminals throughout Pennsylvania. It is an active participant in markets for refined petroleum products served by the Laurel Pipeline, among others. LHT utilizes the east-to-west service offered by the Laurel Pipeline with LHT's terminals in Central and Western Pennsylvania.

5. Complainant Monroe is a wholly-owned subsidiary of Delta Air Lines, Inc. Monroe is a present and/or potential future shipper of petroleum products on the Laurel Pipeline. Monroe's Trainer Refinery produces a variety of refined petroleum products including: gasoline, diesel fuel, jet fuel and other products such as liquefied petroleum gas and residual fuel. Monroe utilizes the Laurel Pipeline to reach western Pennsylvania markets, including Pittsburgh, Pennsylvania.

6. Complainant PESRM is a Delaware limited liability company that owns and operates a merchant refinery in Philadelphia, Pennsylvania. The Philadelphia refining complex is a large-scale facility with a combined distillation capacity of 335,000 bpd, making it the largest refining complex in Petroleum Administration Defense District I and the 10th largest refining complex in the United States. PESRM is capable of producing a range of products, including gasoline and ultra-low sulfur diesel fuel that are marketed primarily in Pennsylvania and in the northeastern United States. PESRM's Philadelphia refinery is connected to the eastern portion of the Laurel Pipeline and it utilizes the Laurel Pipeline deliver petroleum products west to the Pittsburgh area via a pipeline connection located at the Philadelphia refining complex. It is a shipper on Laurel under the shipper code "PES" and also supplies product shipped by other customers on the Laurel Pipeline system.

7. Complainant Sheetz, as an owner and operator of retail convenience stores, is a past, present, and potential future shipper of refined petroleum products on intrastate segments of the Laurel Pipeline, which allows Sheetz to purchase refined petroleum products from East Coast refineries and transport those products to the Pittsburgh, Pennsylvania area.

8. Intervenor I&E is the Commission's prosecutory bureau for purposes of representing the public interest in ratemaking and service matters before the Office of ALJ, and enforcing compliance with state and federal motor carrier safety and gas safety laws and regulations.

9. Respondent Laurel has been a public utility in Pennsylvania since it received a CPC from the PUC in 1957. Since that time, Laurel has owned and operated the Laurel Pipeline. Laurel currently is the only intrastate petroleum products pipeline that provides service from Philadelphia to Pittsburgh, Pennsylvania. Laurel's affiliate, Buckeye, provides east to west interstate service across Pennsylvania via a Capacity Use Agreement with Laurel, which has been filed as an Affiliated Interest Agreement with this Commission.

B. PROCEDURAL HISTORY

10. On November 14, 2016, Laurel filed an application with the PUC to change the direction of petroleum products transportation service over a portion of its pipeline system at PUC Docket No. A-2016-2575829. A related capacity use agreement was filed at PUC Docket No. G-2017-2587567 and consolidated with the application. Certain of the Complainants were parties to that proceeding. After several rounds of testimony, a week-long hearing, and two-rounds of briefing, the ALJ issued a Recommended Decision on March 29, 2018, denying the application. On July 12, 2018, the PUC issued an Opinion and Order that denied the application. Laurel filed a Petition for Review of the July 12, 2018 Order with the Commonwealth Court of Pennsylvania at Docket No. 1113 C.D. 2018 and certain of the Complainants filed a Cross-

Petition for Review at Docket No. 1168 C.D. 2018. The appeal and cross-appeal remain pending before the Commonwealth Court.

11. The Complainants filed a Formal Complaint (“Original Complaint”) and a Petition for Interim Emergency Relief (“Emergency Petition”) with the PUC on July 12, 2018, at Docket Nos. C-2018-3003365 and P-2018-3003368, respectively. The Original Complaint and Emergency Petition were intended to address the Complainants’ concerns about scheduled maintenance and hydrostatic testing on the Laurel Pipeline and Laurel’s announced intention to operate a portion of the Laurel Pipeline between Coraopolis and Eldorado, Pennsylvania from both east to west (as has been done since 1957) and from west to east, otherwise known as “bi-directional service.”

12. Laurel filed a timely Answer to the Emergency Petition on July 17, 2018. A hearing on the Emergency Petition was held on July 23, 2018 before Administrative Law Judge Eranda Vero (“ALJ”), at which time the Emergency Petition was settled via a Joint Stipulation and Settlement. As part of the settlement, the Complainants agreed to withdraw the Emergency Petition.

13. I&E filed a Notice of Appearance in this proceeding on July 18, 2018, attended the Emergency Petition hearing on July 17, 2018 and indicated no objection to the settlement leading to the withdrawal of the Emergency Petition.

14. The ALJ issued an order on July 25, 2018 granting, among other things, the Complainants’ request to withdraw the Emergency Petition and setting the Original Complaint for an evidentiary hearing.

15. On August 1, 2018, Laurel filed an Answer and New Matter to the Original Complaint as well as Preliminary Objections thereto. In accordance with the Commission’s

rules, in lieu of responding to Laurel's Preliminary Objections, the Complainants filed an Amended Complaint on August 8, 2018.

16. On August 28, 2018, Laurel filed a timely Answer to the Amended Complaint as well as Preliminary Objections thereto. On September 7, 2018, the Complainants filed a timely response to Laurel's Preliminary Objections and, on September 17, 2018, the Complainants filed a Reply to Laurel's New Matter in the Amended Complaint.

17. On September 20, 2018, the Complainants filed with the Commission a Petition for Interim Emergency Relief ("Second Emergency Petition") in response to Laurel's cancellation of a previously scheduled hydro test for the Laurel Pipeline.

18. Laurel filed a timely Answer to the Complainants' Second Emergency Petition on September 24, 2018 and an in-person hearing was scheduled by the ALJ for September 25, 2018. The Complainants and Laurel entered into a written Joint Stipulation and Settlement on October 3, 2018, the principal terms of which were read into the evidentiary record at the September 25, 2018 in-person evidentiary hearing before the ALJ.

19. In an Order issued October 9, 2018, the ALJ overruled Laurel's Preliminary Objections to the Amended Complaint and directed that the Amended Complaint be set for hearing.

20. Following a telephonic prehearing conference held on October 16, 2018, the Complainants engaged in extensive written and other discovery, resulting in several disputes that were timely adjudicated by the ALJ.

21. In accordance with the ALJ's order of February 28, 2019, the Complainants and Laurel submitted to the ALJ status reports/Prehearing Conference Memoranda by March 5, 2019, in which they jointly proposed to conduct a settlement conference on or before April 19, 2019.

22. In accordance with the ALJ's order of March 13, 2019, the Complainants and Laurel submitted to the ALJ their respective Prehearing Conference Memoranda on April 30, 2019, in which they jointly proposed a continuation of settlement discussions with a further update due to the ALJ before June 1, 2019.

23. On May 31, 2019, the Complainants filed a fourth Prehearing Conference Memorandum requesting another extension of time to continue settlement discussions and in an order dated June 5, 2019 the ALJ granted that request and directed the Complainants and Laurel to provide a further status report by no later than July 1, 2019.

24. On April 30, 2018, Laurel and Buckeye filed a Petition for Declaratory Order ("PDO") with the FERC at Docket No. OR18-22-000 seeking approval of the rate structure and certain aspects of contract provisions and terms of service for the transport of refined petroleum products from Midwest refinery sources to Western and Central Pennsylvania using the Laurel Pipeline. The Complainants opposed the granting of the PDO and that proceeding is still pending before the FERC. The Commission is a party to this FERC proceeding.

25. On April 8, 2019, Laurel filed FERC Tariff Nos. 1.0.0 and 2.0.0 in Docket No. IS19-277-000 and IS19-277-001 and Buckeye filed FERC Tariff Nos. 456.0.0, 457.0.0 and 458.0.0 at Docket No. IS19-278-000 and IS278-001 (collectively, "FERC Tariffs") to implement proposed new west-to-east interstate service on the portion of the Laurel Pipeline between Coraopolis and Eldorado that would co-exist with existing intrastate east to west service provided by Laurel under PUC Tariff as bi-directional service. In response, on April 23, 2019, the Complainants filed a joint motion to intervene, comment, protest and consolidate the FERC Tariffs with the PDO proceeding. The Complainants requested that the FERC reject the FERC Tariffs, or in the alternative, suspend the FERC Tariffs for the maximum suspension period, and

establish hearing procedures and/or a technical conference. Buckeye and Laurel filed a response to the Complainants on April 29, 2019 requesting that the FERC authorize implementation of the FERC Tariffs.

26. On May 1, 2019, the PUC filed a letter response to the FERC Tariffs. The Commission requested that the FERC not take any action that would allow the FERC Tariffs to go into effect until the Complaint proceeding before the PUC at Docket No. C-2018-3003365 was concluded. In an Order issued on June 6, 2019, the FERC rejected the FERC Tariffs without prejudice.⁴ On July 8, 2019, Buckeye and Laurel filed a Joint Request for Rehearing regarding the FERC Tariffs at Docket Nos. IS19-277-000, *et al.* This filing remains pending at the FERC.

III. SETTLEMENT TERMS- SUMMARY

27. The Settlement Parties and Buckeye have entered into a definitive Settlement Agreement (“Settlement Agreement”) which comprehensively reflects all the terms and conditions under which they have agreed to resolve all issues among them. The fully executed Settlement Agreement is attached hereto as **Appendix E**.

28. The terms of the Settlement Agreement reflect a carefully balanced compromise of the interests of the Settlement Parties and Buckeye. While the Settlement Agreement is attached, the following summarizes in detail the key provisions of that agreement. In the event of any inconsistency between the Settlement Agreement and the following detailed summary, the Settlement Agreement will control.

29. Among other terms, the Settlement: 1) guarantees the Complainants substantial east to west capacity on the Laurel pipeline for a significant period of time; 2) limits, subject to contingencies, Laurel and Buckeye’s right to propose further extensions of bi-directional service

⁴ *Laurel Pipe Line Company, L.P., Buckeye Pipe Line Company, L.P.*, 167 FERC ¶ 61,210 (2019) (initial FERC order issued in Docket Nos. IS19-277-000, *et al.*).

or a full reversal of service for moratoria periods; 3) establishes a process for disseminating information, convening calls/meetings to resolve complaints regarding bi-directional service; and 4) permits the initiation of bi-directional service on October 1, 2019 pursuant to the Transportation Service Agreements (“TSAs”) between Buckeye and certain committed shippers, providing access to new Pennsylvania market for petroleum products originating in the Midwest. The Complainants, Buckeye, Laurel and I&E unanimously agree that the Settlement, which resolves all their issues, is in the public interest.

30. The Complainants, Laurel, Buckeye and I&E agree or do not object to the detailed Settlement terms specified in the balance of this Section.

A. PRESERVATION OF EXISTING EAST-TO-WEST CAPACITY

31. The Settlement Agreement, Appendix E, will also be filed with the FERC and will create specific and legally-enforceable commitments in each jurisdiction assuring that the available, physical capacity of east-to-west transportation on Line 718 (“L718”)⁵ will be no less than 1,200,000 barrels per cycle (which is 120,000 barrels times ten days) under bi-directional service, through the termination of the Full Reversal Moratorium (defined below), outside of force majeure circumstances impacting Laurel’s ability to provide such capacity on the Laurel Pipeline, subject to the provisions of this Joint Petition Paragraph 31 (“East to West Capacity Guarantee”). The Settlement resolves the pending Amended Complaint at the PUC against Laurel, the pending Petition for Declaratory Order (“PDO”) proceeding at the FERC and the issues raised in the FERC Tariff proceedings pending at FERC Docket Nos. IS19-277-000, *et al.* and IS19-278-000, *et al.* Buckeye, Laurel and the Complainants (collectively, “FERC Parties”)

⁵ L718 is the Laurel Pipeline segment that runs from Duncansville to Coraopolis.

have agreed to also file the Settlement on or before July 31, 2019 at the FERC.⁶ Both the PUC and the FERC Settlements are accompanied by pro forma tariffs (one by Laurel for the PUC and another three by Buckeye in its individual capacity for the FERC) that implement and is consistent with the Settlement terms. The PUC tariff necessary to implement this Settlement is attached hereto as **Appendix A**. Also attached hereto as **Appendix B** is a Capacity Use Agreement between Laurel and Buckeye pursuant to PUC affiliated interest requirements confirming the availability of capacity on the Laurel Pipeline to provide service under the TSAs Buckeye has executed with customers for west-to-east interstate service utilizing the L718. The three tariffs to be filed by Buckeye at FERC (collectively, "FERC Tariffs") will implement the bi-directional service (as defined further below), which include Rules and Regulations for west-to-east service on L718, rates for west-to-east service on L718, and modifications to the Rules and Regulations for east-to-west service on Buckeye's Eastern Products System. The pro forma FERC Tariffs are attached hereto as **Appendix C**.

32. The Parties request expedited review and approval of the Settlement, the pro forma PUC Tariff attached hereto as **Appendix A** and the Capacity Use Agreement attached hereto as **Appendix B** by ALJ and the PUC. The Settlement and associated **Appendices A, B** and **C** assure Laurel Pipeline shippers the availability of 1,200,000 barrels per each ten (10) day cycle of east to west capacity on the Laurel Pipeline, through the termination of the Full Reversal Moratorium (defined below). Laurel and Buckeye represent and confirm that, absent a bona fide force majeure condition, no provision of the TSAs with Shippers for the 2019 Expansion

⁶ The Settlement Parties anticipate that the PUC, which is a party to the PDO proceeding at FERC and a potentially interested party to the FERC Settlement filing contemplated by this Settlement, would submit its position on the FERC Settlement and the withdrawal of the PDO proceeding after the Commission has acted on this Settlement.

Capacity⁷ including, without limitation, Section 6.03(d) of or the definition of “Committed Customer Capacity” under the TSAs or any existing tariffs, including those filed to implement the TSAs, will alter, diminish, limit or otherwise adversely impact the 1,200,000 barrels per cycle of east to west capacity that will be available for Shippers along L718 for all destination points between Eldorado and Coraopolis under bi-directional operations, through the termination of the Full Reversal Moratorium (defined below). The PUC Tariff filed by Laurel and the FERC Tariffs filed by Buckeye, to be effective upon the commencement of bi-directional service, include provisions specifying that the available, physical east-to-west capacity of L718 for purposes of bi-directional service is 1,200,000 barrels per cycle, absent force majeure, through the termination of the Full Reversal Moratorium (defined below). Buckeye and Laurel agree that they will not file or seek to file tariff provisions, or apply any tariff provisions, in a manner that conflicts with the requirements and obligations of this Settlement.

B. SCHEDULING/OPERATIONAL/LOGISTICAL (“SOL”) COMMITMENTS

33. Laurel and Buckeye agrees to designate and provide in a timely manner to the Complainants, the name, title and complete contact information of a manager as the “escalation” contact when scheduling issues with respect to L718 arise that the schedulers are unable or unwilling to address. That manager shall have decision-making authority over such issues.

34. Laurel and Buckeye will implement a continuous review process with respect to L718 that includes the scheduling of conference calls in which the Complainants (*i.e.* schedulers, shippers, and suppliers) and other Shippers may participate. Such calls shall occur three to five (3-5) business days prior to the start of each cycle. Such calls shall be scheduled for each cycle for the first six months of bi-directional operation. After the end of the six-month period, such

⁷ The term “2019 Expansion Capacity” will be defined in the FERC Rules and Regulations Tariff For West-to-East Service included with the Settlement submitted to the FERC for approval.

calls shall occur monthly, 3-5 business days prior to the nomination deadline each month, for a period of six months. The purpose of the calls will be for Laurel and Buckeye to describe the intended operation (including a high-level review of scheduled receipts and deliveries, etc.) for the upcoming cycle or month, as appropriate; to receive input from Complainants and other Shippers; and to implement modifications to processes where appropriate. The issues discussed shall include, but not be limited to, items set forth in this Joint Petition Paragraphs 34 (a).i.-iii. below.

- (a) In each call or meeting specified in this Paragraph 33, Laurel and Buckeye will discuss with any participating Complainants, or other Shippers, the following information:
 - i. The status of current cycle and projected status of each upcoming cycle for which a schedule has been issued (“status” meaning (A) allocated, (B) full and thus not accepting additional batches, (C) not full with limited additional space available, or (D) not full with significant additional space available);
 - ii. Any unusual or non-routine conditions of which Buckeye is aware, and any current or anticipated (planned or potential) pipeline downtime, impacting current cycle or upcoming scheduled cycles; and
 - iii. Expected timing of gasoline and distillate fuel in each scheduled cycle (gasoline normally starts on the 2nd, 12th, and 22nd day of the month; distillate fuel normally starts on the 7th, 17th and 27th day of the month).

- (b) To the extent that the calls and meetings specified in this Joint Petition Paragraph 34 involve information regarding the intended operation of L718, Laurel and Buckeye will provide the Complainants and/or other Shippers participating in the calls with a level of detail that does not convey shipper information or non-public information that would grant market participants an advantage, consistent with applicable federal and state laws (e.g., operational information regarding the physical direction of L718 that would provide a market advantage to non-segment L718 shippers).
- (c) Notice of the calls and meetings, including postponed or rescheduled calls or meetings, specified in this Joint Petition Paragraph 34 shall be provided in advance to Complainants and other Shippers via Buckeye's T-4 system and via email to the Complainants.

35. All interested Complainants and/or other Shippers will meet with Laurel and Buckeye no later than 30 days after the first six months of commercial operation of bi-directional service, and again no later than 30 days after the first 12 months of commercial operation of bi-directional service, in a collaborative process to discuss and implement changes necessary to address issues that have arisen in the first two six-month periods. Complainants retain the right to file complaints, at the PUC or the FERC or both, if issues are not satisfactorily or timely addressed during these two review processes. Such complaints may challenge specific practices or policies as to bi-directional service that violate the Settlement or that any Complainant reasonably believes violates federal and/or state law. At least five (5) business days prior to filing any complaint regarding bi-directional service, except in an emergency, the Complainant

shall notify Laurel and Buckeye of its intention to file the complaint. Within 48 hours of receiving such notice, Laurel and Buckeye shall in writing notify the Complainant whether Laurel and Buckeye choose to address the complaint informally, and, if so, how. If Laurel and Buckeye chooses to pursue remediation in response to the notice of filing of a complaint, then Laurel, Buckeye and the potential complainant shall engage in good faith negotiations for a period not to exceed fifteen (15) days, unless that period is extended by mutual agreement of Laurel, Buckeye and the potential complainant. If the negotiation period is not extended, the Complainant may file an action in any appropriate forum to seek redress for the issue. In addition and without prejudice to any other remedies set forth in this Agreement, any Party to the Settlement may request that the PUC make an ALJ available to assist with resolving any Party's non-compliance with the terms of this Settlement.

36. In addition to the pro forma PUC Tariff supplement, attached hereto as **Appendix A**, that Laurel is filing to implement the Settlement, the Complainants, Laurel and Buckeye will work in good faith to develop a shipper notification process to provide shippers with written notification and explanation of material delays, meaning delays of 1 day or more, in the timing of deliveries that differ from the times specified in pumping schedules.

37. Laurel and Buckeye represent that bi-directional service will not materially increase losses, transmix, or interface percentages from the levels that existed during the 12 months prior to the initiation of bi-directional service, so long as bi-directional service is provided. Notwithstanding any other provision of this Settlement, the Complainants retain all rights to file a complaint with the PUC or the FERC if the losses, transmix, or interface percentages materially increase above levels that existed during the 12 months prior to the

initiation of bi-directional service, for shipments on L718 after the initiation of bi-directional service.

38. Prior to the initiation of bi-directional service, Buckeye will add at least one full-time employee to assist with bi-directional scheduling. Buckeye will retain full staffing to assist with bi-directional scheduling, so long as bi-directional service is provided.

39. Buckeye shall modify Item 90-A in FERC Tariff No. 456.0.0 to provide that Regular Shippers will have access to up to at least 5% of the 2019 Expansion Capacity, and that New Shippers will have access to up to at least 5% of the 2019 Expansion Capacity, after 2019 Expansion Capacity has been allocated to Committed Shippers. This modification preserves the definitions of “Regular Shipper” and “New Shipper” in Sections 90-A(A)(vii) and (x) of FERC Tariff No. 456.0.0. Such tariff changes will be included with the FERC Settlement filing, in substantially the form of the applicable pro forma tariffs attached to this document as **Appendix C**.

C. IMPLEMENTATION OF BI-DIRECTIONAL OPERATIONS AND MORATORIA

40. Buckeye may commence as of October 1, 2019, the provision of west to east interstate transportation service between Coraopolis and Eldorado, Pennsylvania on the Laurel Pipeline and Laurel may continue east to west intrastate transportation service between Coraopolis and Eldorado, Pennsylvania on the Laurel Pipeline (jointly referred to as “bi-directional service”), even if the FERC and/or PaPUC have not yet approved the Settlement. However, if, at any time, either the FERC or the PUC rejects the Settlement, Buckeye shall not begin or shall promptly cease the provision of all bi-directional service and file such documents at the PUC and the FERC necessary or required to evidence the cessation of such service.

41. For a moratorium period beginning on October 1, 2019 and ending December 31, 2024, neither Buckeye or any of its affiliates will provide: (a) any extension of bi-directional service to any points east of Duncansville on the Laurel Pipeline and (b) any increase in the capacity for West-to-East service on L718 (together, the “Bi-Directional Moratorium”). To the extent that Buckeye or Laurel provide the extension of bi-directional service to any points east of Duncansville along the Laurel Pipeline or increases the capacity for west-to-east service on L718 during the period after the Bi-Directional Moratorium has ended but prior to the expiration of the Full Reversal Moratorium (defined below) (the “Interim Period”), then Buckeye and Laurel will file such tariff supplements to be effective on at least thirty (30) days’ notice. For example, the tariff supplements for such service effective January 1, 2025, would be filed on or before December 1, 2024. As a part of any such filings during the Interim Period, Buckeye and Laurel may propose a revised volume for the East to West Capacity Guarantee provided for in Joint Petition Paragraph 30 of this Joint Petition (i.e. a volume lower than 120,000 barrels per day), provided that (i) any proposed revision must be proportionate to the reduced east-to-west throughput during the Bi-Directional Moratorium, if any; (ii) any reduced east-to-west throughput did not result from, and is not a consequence of, any pipeline operational actions taken by Buckeye or its affiliates with respect to east-to-west throughput on Laurel; and (iii) any reduced east-to-west throughput is not the result of a temporary market condition; subject to the Complainants’ right to challenge such revision. In addition, a moratorium period beginning on October 1, 2019 and ending on December 31, 2026 will apply to implementation of a full reversal and any filing or open season by Buckeye or any of its affiliates related to offering or implementing a full reversal of product flows on the Laurel Pipeline for any points east of Pittsburgh (“Full Reversal Moratorium”). At the end of the Full Reversal Moratorium, the East

to West Capacity Guarantee set forth in Joint Petition Paragraphs 31 and 32 of this Joint Petition will no longer apply, as specified in the PUC and FERC tariffs addressing the East to West Capacity Guarantee. Complainants further agree that it would not be a violation of this Settlement for Buckeye to offer extended bi-directional service after the end of the Bi-Directional Moratorium only as to products then currently in use at all destinations on the Laurel system.

42. For the period between July 1, 2022 and December 31, 2024, if, (i) the Philadelphia Energy Solutions Refining & Marketing, LLC (“PESRM”), or its successor company / entity, is no longer a refining entity with refining operations at Point Breeze or Girard Point in Philadelphia, Pennsylvania processing crude oil using atmospheric and vacuum distillation processes averaging 100,000 barrels per day, for a 6-month period ending on or after July 1, 2022 (provided, however, for the purposes of determining whether the 100,000 barrels per day average has been achieved for a 6-month period, the calculation will be adjusted to account for any scheduled turnarounds of the PESRM refinery for a period not to exceed sixty (60) days and bona fide force majeure conditions not related to the operational actions of the PESRM refinery that result in a limitation or cessation of production for a period not to exceed ninety (90) days), and (ii) the total east to west throughput on the Laurel Pipeline experiences a sustained and substantial decline not a consequence of pipeline operational actions taken by Buckeye or its affiliates as to East to West throughput on the Laurel system, then the Bi-Directional Moratorium will no longer apply and Buckeye shall file a tariff in accordance with the terms and procedures section in Paragraph 42(a) below to effect such termination of the Bi-Directional Moratorium. Consistent with (i) in the preceding sentence, PESRM or its successor will certify in writing to Buckeye and the Complainants each calendar quarter whether PESRM

is a refining entity with refining operations at Point Breeze or Girard Point in Philadelphia, Pennsylvania processing crude oil using atmospheric and vacuum distillation processes averaging 100,000 barrels per day. For purposes of this section, “sustained and substantial” shall mean the average total annual volumes shipped on the Laurel Pipeline to the destination points west of Eldorado over a rolling period consisting of the most recent twenty four consecutive months, are equal to or less than an average throughput level of 40,000 bpd. For the avoidance of doubt, commencing January 1, 2025, the Bi-Directional Moratorium will no longer apply, regardless of whether (i) and (ii) set forth above, have been satisfied. Laurel shall file the aggregate throughput data with the PUC and serve the data upon the Complainants on a no less than quarterly basis. To the extent that Buckeye and Laurel seek to terminate the Bi-Directional Moratorium based upon a decline in throughput, it shall not claim that any of the aggregate data regarding throughput is subject to any privilege or other claim of confidentiality that would prevent Complainants from reviewing such data or presenting it in any relevant proceeding.

- (a) At least sixty (60) days in advance of filing any tariff change, application or petition, or taking otherwise prohibited action, Buckeye and/or Laurel must provide Complainants with written notice of its intent to invoke this Joint Petition Paragraph 42(a), which notice will describe Buckeye’s and/or Laurel’s basis for invoking the clause and include such facts as are necessary to substantiate its claim. Complainants retain the right to challenge Buckeye’s and/or Laurel’s invocation of this Joint Petition Paragraph 42(a), as well as any subsequent action by Buckeye and/or Laurel, including by filing a Complaint with the PUC and/or the FERC, and/or formally opposing any action taken or proposed by Buckeye and/or

Laurel. If it is determined that this Joint Petition Paragraph 42(a) was properly invoked, Complainants nevertheless retain the right at all times to challenge the proposed action(s) by Buckeye and/or Laurel based on applicable law.

- (b) In the event that the Bi-Directional Moratorium is terminated early under this Joint Petition Paragraph 42(a), Buckeye and/or Laurel may propose, in a new PUC tariff and revised Capacity Use Agreement, a revised volume for the East to West Capacity Guarantee provided for in Joint Petition Paragraphs 31 and 32 of this Settlement (i.e. a volume lower than 120,000 barrels per day), subject to the Complainants' right to challenge such revision and provided that (i) any proposed revision must be proportionate to reduced east-to-west throughput during the Bi-Directional Moratorium, if any; (ii) any reduced east-to-west throughput did not result from, and is not the consequence of, any pipeline operational action(s) taken by Buckeye or its affiliates with respect to east-to-west throughput on Laurel; and (iii) any reduced east-to-west throughput is not the result of a temporary market condition.
- (c) The restrictions and requirements established by subsections (a) through (b) of this Joint Petition Paragraph 42, above, will not apply to any proposal for extended or enlarged bi-directional service after the end of the Bi-Directional Moratorium on December 31, 2024.

- (d) The proper invocation of this Joint Petition Paragraph 42(a) by Buckeye does not permit Buckeye to take any action, or apply to take any action, that is otherwise prohibited under the Full Reversal Moratorium.
- (e) The Parties agree that upon the termination of either moratorium period, whether by expiration or, with respect to the Bi-Directional Moratorium, the proper invocation of this Joint Petition Paragraph 42 by Buckeye, the Complainants do not consent to Buckeye taking any action that was subject to either moratorium and retain all rights to challenge any such action based upon applicable law. Nothing herein shall be construed to suggest or imply that Complainants consent to any action proposed to be taken by Buckeye. The Parties agree that upon the termination of either moratorium period, the Complainants do not consent to Buckeye taking any action that was subject to either moratorium and retain all rights to challenge any such action based upon applicable law.

43. Except to enforce the terms of this Settlement, during the moratoria Laurel, Buckeye and the Complainants will not attempt to alter, modify, revise or otherwise contest the terms and conditions of the Settlement, or the terms and conditions of any filings before the PUC or the FERC that are identified herein as necessary to implement the Settlement, in any proceeding before the PUC, the FERC or other judicial body.

44. Laurel, Buckeye and the Complainants agree that upon the termination of either moratorium period, the Complainants do not consent to Laurel or Buckeye taking any action that was subject to either moratorium and retain all rights to challenge any such action based upon applicable law.

45. The Settlement Parties agree that the term of the Settlement Agreement will expire upon the termination of both moratoria except the provisions of Joint Petition Paragraphs 33-38 and 53.

D. OTHER TERMS AND CONDITIONS

46. The Complainants, Laurel and Buckeye have agreed to privately and confidentially resolve among themselves via a binding agreement the issue of costs for the extended litigation before the PUC and the FERC relating to the Laurel Pipeline and the costs of implementing the Settlement. This binding agreement regarding cost allocation is *not* being filed with this Commission nor is any approval being sought from this Commission with respect thereto.

47. The Settlement Parties seek expedited review and approval of the Settlement by the PUC and the FERC and request approval of the Settlement Agreement without modification. The Settlement Parties also respectfully request that the PUC approve the Settlement Agreement, pro forma Laurel PUC Tariff attached hereto as **Appendix A** and Capacity Use Agreement attached hereto as **Appendix B** no later than the August 29, 2019 Public Meeting. The Settlement Parties note that Laurel's appeal and the Joint Complainants' cross appeal currently pending before the Commonwealth Court are scheduled for oral argument the week of September 9, 2019. The Settlement filing at the FERC will also state that the Settlement Parties waive the period for comment on the Settlement at the FERC, except in response to any adverse comments filed by any third party.

48. Promptly following the date upon which the approvals of the Settlement by the PUC and the FERC become final and are no longer subject to rehearing, reconsideration or judicial review, the Complainants will: (1) withdraw their PUC Amended Complaint; and (2) withdraw their protests of the PDO at the FERC.

49. Promptly following the date upon which the approvals of the Settlement by the PUC and the FERC become final and are no longer subject to rehearing, reconsideration or judicial review, Buckeye and Laurel will withdraw the currently pending PDO.

50. Promptly following the date upon which the approvals of the Settlement by the PUC and the FERC become final and are no longer subject to rehearing, reconsideration or judicial review, Laurel will withdraw its pending appeal to the Commonwealth Court of Pennsylvania and the Complainants will withdraw their pending cross-appeal to the Commonwealth Court of Pennsylvania, which is currently scheduled for oral argument the week of September 9, 2019. In the event the Commonwealth Court does not permit withdrawal and/or issues a decision on Laurel's appeal, the Settlement Parties agree that the Settlement, if approved by the FERC and the PUC, shall govern operation of the Laurel Pipeline prospectively. For purposes of clarity and avoidance of doubt, this means, without limitation, that if the Commonwealth Court remands, modifies, vacates, reverses, or otherwise alters the PUC's July 12, 2018 Order, Buckeye and Laurel agree to be bound by the moratoria set forth in Joint Petition Paragraph 41 and will not pursue the relief sought in the PUC Application at Docket No. A-2016-2575829. Laurel and Buckeye further agree that they will not use any decision from the Commonwealth Court favorable to them to argue in any forum that the Settlement should not be approved by any agency (if it has not been approved prior to the issuance of a decision on Laurel's appeal) or that the Settlement is not enforceable.

51. The filing of the Settlement with the FERC will include the pro forma FERC Tariffs noted above containing the necessary provisions to implement the terms of the Settlement, which is attached hereto as **Appendix C**. The FERC Tariffs will be proposed to have a proposed effective date of October 1, 2019. The filing of the Settlement with the PUC

includes a pro forma PUC Tariff supplement containing the necessary provisions to implement the terms of the Settlement and is attached hereto as **Appendix A**.

52. If the PUC or the FERC or both (i) reject the Settlement Agreement or (ii) conditionally approve as to a material term provided for by the Settlement Agreement, then the Parties will meet and engage in good faith negotiations to reform the Settlement Agreement to address any deficiencies identified as forming the basis for such rejection or conditional approval as to a material term, if such revisions can be made without infringing upon the substantive rights and obligations of the Parties existing under the Settlement Agreement. Whether a term provided for by the Settlement Agreement is "material" shall be determined by the Parties. Such good faith negotiations shall not exceed 30 days, unless that time period is extended by mutual agreement of all parties. Buckeye shall not accept any new nominations for west-to-east interstate service on L718 following the date on which the Settlement Agreement was rejected or conditionally approved as to a material term, unless and until any modifications to the Settlement Agreement are approved by the PUC and the FERC. If no agreement to modify the Settlement Agreement can be reached after exhausting the good faith efforts called for by the preceding sentence, or if the PUC or the FERC reject any such modifications to the Settlement, then: (a) all provisions of the Settlement Agreement will be null and void, except for any agreements or terms entered into in accordance with Joint Petition Paragraphs 45, 53, 55 and 56; (b) Buckeye shall immediately cease providing bi-directional service (after completing deliveries of any nominations received prior to the issuance of the PUC or the FERC order rejecting or conditionally approving as to a material term of the Settlement); and (c) the Parties may resume their litigation positions in all proceedings. To the extent that the procedures set forth in this Joint Petition Paragraph 52 are inconsistent with any procedures set forth in the Joint Petition

regarding the actions the parties must take in the event the PUC or the FERC or both (i) reject the Settlement or (ii) conditionally approve as to a material term provided for by the Settlement, the procedures set forth in this Joint Petition Paragraph 52 shall govern.

53. In the future, Buckeye and Laurel will serve the Complainants with copies of all FERC and PUC filings or submissions impacting rates or services on the Laurel Pipeline including, but not limited to, segments L718, L720, or L722.

54. This Settlement Proposal is presented as a package, with inextricably interrelated terms.

55. The Complainants agree that in the event the Settlement Agreement is rejected by the PUC or FERC, that they will not seek refunds, damages or reparations for the bi-directional service provided between the date of the commencement of bi-directional service and the date on which the PUC or FERC rejects the Settlement.

56. The Complainants agree they will not protest, oppose or otherwise contest the pending PUC application seeking approval of the filed acquisition of Buckeye Partners, L.P. (the ultimate parent of Buckeye and Laurel) by Hercules Intermediate Holdings LLC at PUC Docket No. A-2019-3011685 (the "Buckeye Acquisition"). However, the Complainants reserve their rights to file a non-adverse intervention in the Buckeye Acquisition to monitor the proceeding or protect their rights under the Settlement Agreement. If no pleading is filed in the Buckeye Acquisition proceeding that is adverse to the Complainants' interests, the Complainants will either not seek to intervene in the proceeding or will withdraw any previously filed intervention. With respect to any intervention that is filed pursuant to this provision, the Complainants agree that such intervention that is filed will clearly state that they do not object to the expedited approval of the announced acquisition.

57. In the Buckeye Acquisition, neither Laurel nor Buckeye will propose alterations to its service or rates or otherwise propose or agree to any changes to its service or rates that would alter the terms and conditions of the Settlement.

58. Buckeye, Laurel and the Complainants agree that the Settlement will be binding upon them regardless of any change in ownership of any of the parties.

IV. THE SETTLEMENT IS IN THE PUBLIC INTEREST

59. Commission policy promotes settlements. *See* 52 Pa. Code § 5.231. Settlements lessen the time and expense the parties must expend litigating a case and, at the same time, conserve precious administrative resources. The Commission has indicated that settlement results are often preferable to those achieved at the conclusion of a fully litigated proceeding. *See id.* § 69.401. In order to accept a settlement, the Commission must first determine that the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm'n v. York Water Co.*, Docket No. R-00049165 (Order entered Oct. 4, 2004); *Pa. Pub. Util. Comm'n v. C.S. Water and Sewer Assocs.*, 74 Pa. P.U.C. 767 (1991).

60. The Settlement resolves all issues in the instant proceeding as well as at FERC and, if approved, will lessen the time and expense the parties and the Commission must expend on this complex proceeding.

61. The Settlement is consistent with the Commission's policies promoting negotiated settlements. The Complainants, Buckeye, I&E and Laurel arrived at the Settlement after a number of meetings, discussions, both formal and informal discovery and extensive negotiations. The Settlement terms and conditions constitute a carefully developed package representing reasonable negotiated compromises on the issues addressed herein. Thus, the Settlement is consistent with the Commission's rules and practices encouraging negotiated settlements (*see* 52 Pa. Code §§ 5.231, 69.391, 69.401).

62. In the attached Statements in Support, **Appendix F** (Complainants) and **Appendix G** (Laurel), the Settlement Parties address further why the Settlement is a reasonable and lawful resolution of the Amended Complaint and is in the public interest. And, in attached **Appendix H**, Statement in Support, I&E addresses why the Stipulation in Settlement between Laurel and I&E is just, reasonable and in the public interest.

V. CONDITIONS OF THE SETTLEMENT

63. The Settlement is conditioned upon Commission and FERC approval of the terms and conditions of the Settlement without modification. If the Commission or FERC modifies the Settlement, and the parties are unable to reach an agreement regarding such modification pursuant to Joint Petition Paragraph 52 of the Settlement, the Complainants and/or Laurel may elect to withdraw from the Settlement and may proceed with litigation and, in such event, the Settlement Agreement shall be void and of no effect, except for any agreements entered into in accordance with Joint Petition Paragraph 45. Such election to withdraw must be made in writing, filed with the Secretary of the Commission/FERC and served upon all parties within five (5) business days after the entry of any order modifying the Settlement.

64. The Settlement resolves all issues between and among the Settlement Parties and Buckeye. If either the FERC or the Commission do not approve the Settlement and litigation continues, (i) the Settlement Parties and Buckeye reserve their respective procedural rights to continue discovery, conduct evidentiary hearings, submit testimony and exhibits, cross-examine witnesses, submit briefs, and argue their respective positions before the PUC and the FERC, as applicable, (ii) the Settlement Parties and Buckeye claim the privilege reserved in 52 Pa. Code § 5.231 and Section 385.602 of the FERC's regulations, 18 C.F.R. § 385.602, that no part of the unaccepted settlement shall be admissible in evidence at any time against any of them, and (iii) no adverse inference shall be drawn against any of the Settlement Parties or Buckeye as a result

of any matter set forth herein. Except as otherwise provided for herein, the Settlement is made without any admission against, or prejudice to, any position the Settlement Parties or Buckeye may adopt in the event of any subsequent litigation before the FERC, the PUC or in any other proceeding.

65. The Settlement Parties and Buckeye may enforce this Settlement through any appropriate action before the Commission, the FERC or through any other applicable and available remedy in law, equity or otherwise.

66. The Settlement Parties and Buckeye acknowledge that the Settlement reflects a compromise of competing positions and does not necessarily reflect either party's litigation position with respect to any issues raised in this proceeding or at the FERC. The Settlement may not be cited as precedent in any future proceeding, except to the extent required to enforce or to implement the Settlement.

67. This Settlement reflects significant compromises among and between the Settlement Parties and Buckeye and (a) is proposed solely for the purpose of settling the present proceedings referenced herein at the PUC and the FERC, (b) is made without any admission by any party hereto as to any matter of fact or law, and (c) is without prejudice to any position advanced by any of the Settlement Parties or Buckeye on the record in any FERC or PUC proceeding or that might be adopted by any them during subsequent litigation. Notwithstanding the foregoing, however, if this Settlement is approved and implemented, the Settlement Parties and Buckeye shall not in any subsequent proceeding take any action or advocate any position that would disrupt the spirit or the letter of the Settlement.

68. If the Commission and the FERC, as applicable, approve the Settlement without modification, the Settlement Parties and Buckeye waive their respective rights to file or seek

rehearing, reconsideration, etc. or file an appeal or otherwise object to or challenge the approved Settlement in any manner or before any court or administrative agency.

69. The Settlement Parties and Buckeye shall utilize their best efforts to support this Settlement and to secure its approval by the Commission and the FERC, as applicable.

70. This Petition may be executed in one or more counterparts all of which will be considered one and the same document and each of which will be deemed an original. Delivery of an executed counterpart of this Petition by facsimile or by electric transmission will be equally effective as delivery of an original executed counterpart of this Petition.

VI. CONCLUSION

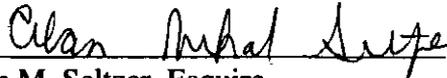
WHEREFORE, the Settlement Parties by their respective counsel, respectfully request that the Honorable Administrative Law Judge Eranda Vero and the Pennsylvania Public Utility Commission approve (1) this Joint Petition for Approval of Settlement, including all terms and conditions thereof including, without limitation, the Settlement Agreement attached hereto as **Appendix E**, (2) the associated pro forma PUC Tariff supplement attached hereto as **Appendix A** to become effective for service on or after October 1, 2019, (3) the associated Capacity Use Agreement attached hereto as **Appendix B**, and (4) the Stipulation and Settlement entered into by Laurel Pipe Line Company, L.P. and the Bureau of Investigation and Enforcement attached hereto as **Appendix D** without modification, and terminate this proceeding and mark the record closed.

Respectfully submitted,

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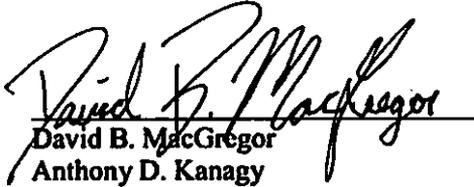
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**BUREAU OF INVESTIGATION AND
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**LUCKNOW-HIGHSPIRE TERMINALS
LLC; SHEETZ, INC.; AND GUTTMAN
ENERGY, INC.**

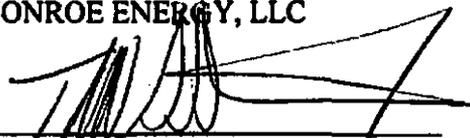


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Dated: July 31, 2019

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JUL 31 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Appendix A

PIPELINE CAPACITY AGREEMENT

This PIPELINE CAPACITY AGREEMENT (“Agreement”) is made effective as of this 31st day of, July 2019, by and between LAUREL PIPE LINE COMPANY, L.P., a Delaware limited partnership (“Laurel”), and BUCKEYE PIPE LINE COMPANY, L.P., a Delaware limited partnership (“Buckeye”). Laurel and Buckeye are referred to herein individually as a “Party” and together as the “Parties”.

WHEREAS, Buckeye and Laurel entered into that certain Pipeline Capacity Agreement, made as of October 11, 1994 (the “1994 Agreement”), pursuant to which Laurel agreed to provide certain pipeline capacity to Buckeye; and

WHEREAS, Laurel and Buckeye modified the 1994 Agreement by an amendment made as of January 1, 2015 (“2015 Amendment”); and

WHEREAS, each desire to enter into this further revised Agreement that will entirely supersede and replace the terms of the 1994 Agreement, as amended by the 2015 Amendment, on the terms and conditions as set forth below; and

WHEREAS, Laurel owns and operates (a) a petroleum products pipeline between Eagle Point, New Jersey and Midland, Pennsylvania, as such pipeline is more particularly described on Exhibit “A” attached hereto and made a part hereof (the “Pipeline”), and (b) a station at Boothwyn, Pennsylvania at which Laurel owns and operates, among other things, certain storage tanks, as such station is more particularly described on Exhibit “A” hereto (the “Booth Station”) (the Pipeline and the Booth Station are hereinafter referred to collectively as the “Pipeline Assets”); and

WHEREAS, Buckeye desires to obtain from Laurel: (a) throughput capacity¹ sufficient to transport as a common interstate carrier up to 60,000 barrels per day (“BPD”) of refined petroleum products through the pipeline segment located between Eagle Point, New Jersey and Sinking Spring, Pennsylvania; and (b) throughput capacity sufficient to transport up to 45,000 BPD of refined petroleum products between Buckeye’s point of connection with the Pipeline at Sinking Spring, Pennsylvania and Eldorado, Pennsylvania; (c) throughput capacity sufficient to transport up to 40,000 BPD of refined petroleum products between Eldorado, Pennsylvania and Buckeye’s terminal facilities at Midland, Pennsylvania; and (d) use of the tankage at the Booth Station to facilitate Buckeye’s use of such throughput capacity, subject to Laurel’s operating procedures and scheduling requirements.

WHEREAS, Laurel desires to ensure that the available, physical capacity of east-to-west transportation of interstate and intrastate movements of refined petroleum products on its system between Coraopolis and Duncansville, Pennsylvania (“Line 718”) will be no less than 1,200,000 barrels per cycle (which is 120,000 barrels per day times

¹ “Throughput capacity,” as the term is used in this , is understood to have the same meaning as “available, physical capacity, and vice versa.

ten days in a cycle), outside of force majeure circumstances that impact Laurel's ability to provide such capacity, subject to subsection 6(b) below.

WHEREAS, Laurel and Buckeye desire to enter into this Agreement to provide for that use of pipeline capacity and tankage, as well as to express certain other agreements between them.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto agree as follows:

1. **Pipeline Capacity.** Subject to the terms, conditions and provisions hereinafter set forth, Laurel hereby provides to Buckeye, and Buckeye agrees to accept from Laurel, the right to use capacity and facilities as follows: (a) up to 60,000 BPD in throughput capacity of the Pipeline between Eagle Point, New Jersey and Sinking Spring, Pennsylvania, up to 45,000 BPD in throughput capacity between Sinking Spring, Pennsylvania and Eldorado, Pennsylvania, and up to 40,000 BPD in throughput capacity between Eldorado, Pennsylvania and Midland, Pennsylvania (collectively referred to hereinafter as the "Capacity") to be used by Buckeye solely for the interstate transportation of refined petroleum products; and (b) use of such capacity of the tankage at the Booth Station as is necessary to facilitate Buckeye's use of the Capacity to transport gasolines, distillates and any other combination of grades of petroleum and petroleum products that Laurel and Buckeye mutually agree upon, from various points of origin on both Laurel and Buckeye's pipelines to various points of destination on both Laurel and Buckeye's pipelines, subject to Laurel's operating procedures and scheduling requirements.

2. **Term.**

(a). **Initial Term.** The Initial Term of this Agreement shall be for a period of ten years, beginning on the first day on which Laurel begins to provide service under the terms of this Agreement in accordance with all required state and federal authorizations for the provision of the Capacity in accordance with the terms of this Agreement, and all authorizations for the construction or operation of all facilities and rights needed to provide the service to Buckeye as described in this Agreement. (the "Commencement Date").

(b). **Renewal Term(s).** Following the end of the Initial Term, this Agreement, shall continue in effect on a year-to-year evergreen basis (each such year term, a "Renewal Term") until cancelled by either Party by giving written notice to the other Party of such cancellation at least thirty (30) days prior to the effective date of such cancellation.

3. **Capacity Use Charge for the Initial Term.**

(a). The annual capacity use charge payable by Buckeye to Laurel during the first twelve month period of the Initial Term of this Agreement shall be

the sum then applicable to the annual capacity use charge to Buckeye under the 2015 Amendment, on the Commencement Date.

(b). The annual capacity use charge payable by Buckeye to Laurel during each succeeding twelve (12) month period of the Initial Term shall be the annual capacity charge for the preceding twelve (12) month period multiplied by 1 plus the percentage change since the commencement of the prior twelve (12) month period in the "Revised Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities.

(c). The annual capacity use charge shall be payable in equal monthly installments on or before the last business day of each calendar month, without notice or demand, and without any setoff, counterclaim or deduction, except as expressly authorized herein; however, in the event that the Commencement Date is not on the first day of a calendar month, the capacity use charge for the first and last month of the Initial Term will be prorated according to the number of days during which the Agreement is in effect during each such month.

4. Capacity Use Charge For Renewal Terms.

(a). The annual capacity use charge payable by Buckeye during the first Renewal Term shall be equal to the product of the annual capacity use charge payable by Buckeye during the immediately preceding twelve (12) month period of the Initial Term and 1 plus the percentage change since the commencement of the prior twelve (12) month period in the "Revised Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities.

(b). The annual capacity use charge shall be payable in equal monthly installments on or before the last business day of each calendar month, without notice or demand, and without any setoff, counterclaim or deduction, except as expressly authorized herein; however, in the event that the Commencement Date is not on the first day of a calendar month, the capacity use charge for the first and last month of the Renewal Term will be prorated according to the number of days during which the Agreement is in effect during each such month.

5. Adjustments For Operating Expenses. The amounts of annual capacity use charges payable by Buckeye to Laurel pursuant to the provisions of paragraphs 3 and 4 hereof were determined based upon full use of the Capacity by Buckeye during the Initial Term and each Renewal Term of this Agreement. If Buckeye ships less than the full Capacity amount during the first twelve (12) months of the Initial Term or during any subsequent twelve (12) month period occurring within the Initial Term, or during any Renewal Term, Laurel and Buckeye agree to make the adjustments described below to reflect variable power and operating expenses.

If during the first twelve (12) months of the Initial Term, Buckeye ships less than 21,900,000 barrels (determined by multiplying 60,000 BPD x 365 days) in the segment between Eagle Point, Chelsea Junction, or Booth and Sinking Spring, Buckeye shall be entitled to a credit equal to the credit per barrel in effect during the prior twelve months pursuant to Section 5 of the 2015 Amendment multiplied by the number of barrels less than 21,900,000 shipped by Buckeye, such credit to be applied against next due installments of annual rent payable by Buckeye pursuant to paragraphs 3 or 4 above. If during any succeeding twelve (12) month period during the Initial Term, Buckeye ships less than 21,900,000 barrels in the segment between Eagle Point, Chelsea Junction, or Booth and Sinking Spring, Buckeye shall be entitled to a credit equal to the credit per barrel calculated for the prior twelve (12) month period, multiplied by 1 plus the percentage change since the commencement of the prior twelve (12) month period in the "Revised Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities, further multiplied by the number of barrels less than 21,900,000 shipped by Buckeye, such credit to be applied against next due installments of the annual capacity use charge payable by Buckeye pursuant to paragraphs 3 or 4 above.

If during any Renewal Term Buckeye ships less than 21,900,000 barrels (determined by multiplying 60,000 BPD x 365 days) in the segment between Eagle Point, Chelsea Junction, or Booth and Sinking Spring, Buckeye shall be entitled to a credit equal to the credit per barrel calculated for the prior twelve (12) month period multiplied by the number of barrels less than 21,900,000 shipped by Buckeye multiplied by 1 plus the percentage change since the Initial Term, or, as applicable, the preceding Renewal Term, in the "Revised Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities, such credit to be applied against next due installments of the annual capacity use charge payable by Buckeye pursuant to paragraphs 3 or 4 above.

If during the first twelve (12) months of the Initial Term Buckeye ships less than 16,425,000 barrels (determined by multiplying 45,000 BPD x 365 days) in the segment between Sinking Spring and Eldorado, Pennsylvania or points intermediate thereto, Buckeye shall be entitled to a credit equal to the credit per barrel in effect during the prior twelve (12) months pursuant to Section 5 of the 2015 Amendment multiplied by the number of barrels less than 16,425,000 shipped by Buckeye, such credit to be applied against next due installments of the annual capacity use charge payable by Buckeye pursuant to paragraphs 3 or 4 above. If during any succeeding twelve (12) month period during the Initial Term, Buckeye ships less than 16,425,000 barrels in the segment between Sinking Spring and Eldorado, Pennsylvania, Buckeye shall be entitled to a credit equal to the credit per barrel calculated for the prior twelve (12) month period, multiplied by 1 plus the percentage change since the commencement of the prior twelve (12) month period in the "Revised Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities, further multiplied by the number of barrels less than 16,425,000 shipped by Buckeye, such credit to be applied against next due installments of the annual capacity charge payable by Buckeye pursuant to paragraphs 3 or 4 above.

If during any Renewal Term Buckeye ships less than 16,425,000 barrels (determined by multiplying 45,000 BPD x 365 days) in the segment between Sinking Spring and Eldorado, Pennsylvania or points intermediate thereto, Buckeye shall be entitled to a credit equal to the credit per barrel calculated for the prior twelve (12) month period, multiplied by the number of barrels less than 16,425,000 shipped by Buckeye multiplied by 1 plus the percentage change since the beginning of the prior twelve (12) month period in the "Revised Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities, such credit to be applied against next due installments of the annual capacity use charge payable by Buckeye pursuant to paragraphs 3 or 4 above.

If during the first twelve (12) months of the Initial Term Buckeye ships less than 14,600,000 barrels (determined by multiplying 40,000 x 365 days) in the segment between Eldorado and Midland, Pennsylvania or points intermediate thereto, Buckeye shall be entitled to a credit equal to the credit per barrel in effect during the prior twelve (12) months pursuant to Section 5 of the 2015 Amendment multiplied by the number of barrels less than 14,600,000 shipped by Buckeye, such credit to be applied against next due installments of the annual capacity use charge payable by Buckeye pursuant to paragraphs 3 or 4 above. If during any succeeding twelve (12) month period during the Initial Term, Buckeye ships less than 14,600,000 barrels in the segment between Sinking Spring and Eldorado, Pennsylvania, Buckeye shall be entitled to a credit equal to the credit per barrel calculated for the prior twelve month period, multiplied by 1 plus the percentage change since the commencement of the prior 12 month period in the "Revised Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities, further multiplied by the number of barrels less than 14,600,000 shipped by Buckeye, such credit to be applied against next due installments of annual rent payable by Buckeye pursuant to paragraphs 3 or 4 above.

If during any Renewal Term Buckeye ships less than 14,600,000 barrels (determined by multiplying 40,000 BPD x 365 days) between Eldorado and Midland, Pennsylvania or points intermediate thereto, Buckeye shall be entitled to a credit per barrel equal to the credit per barrel calculated for the prior twelve (12) month period multiplied by the number of barrels less than 14,600,000 shipped by Buckeye multiplied by 1 plus the percentage change since the beginning of the prior twelve (12) month period in the "Revised Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities, such credit to be applied against next due installments of the annual capacity use charge payable by Buckeye pursuant to paragraphs 3 or 4 above.

Laurel shall, promptly after the end of each twelve (12) month period of the Initial Term, or as applicable following each Renewal Term, determine the amount, if any, of credit due Buckeye pursuant to the provisions of this paragraph 5, and then submit a statement to Buckeye containing the applicable calculation. If such calculation reveals that Buckeye is due a credit from Laurel, such credit may be offset by Buckeye against

next due installments of the annual capacity use charge payable by Buckeye hereunder. If this Agreement has been terminated or has expired before any such credit has been fully utilized, Laurel shall, within thirty (30) days after the termination or expiration, pay Buckeye an amount equal to the unutilized credit. The provisions of this paragraph 5 shall survive the expiration or sooner termination of the term of this Agreement.

6. Provision of Additional Capacity.

(a) Subject to the provisions of subsection 6(b), Laurel may, within its discretion and if capacity is available, provide Buckeye the right to ship more than the full Capacity amount during the first twelve (12) months of the Initial Term, or during any subsequent twelve (12) month period occurring within the Initial Term, or during any Renewal Term, and in such event Laurel and Buckeye agree that Buckeye shall pay additional capacity use charges as described below (“supplemental charge”).

If during the first twelve (12) months of the Initial Term Buckeye ships more than 21,900,000 barrels (determined by multiplying 60,000 BPD x 365 days) in the segment between Eagle Point, Chelsea Junction, or Booth and Sinking Spring, Laurel shall be entitled to a payment of a supplemental charge equal to the supplemental charge per barrel in effect during the prior twelve (12) months pursuant to Section 6 of the 2015 Amendment multiplied by the number of barrels more than 21,900,000 shipped by Buckeye. If during any succeeding twelve (12) month period during the Initial Term, Buckeye ships more than 21,900,000 barrels in the segment between Eagle Point, Chelsea Junction, or Booth and Sinking Spring, Laurel shall be entitled to payment of a supplemental charge equal to the supplemental charge per barrel calculated for the prior twelve (12) month period, multiplied by 1 plus the percentage change since the commencement of the prior twelve (12) month period in the “Revised Consumer Price Index for Urban Wage Earners and Clerical Workers” published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities, further multiplied by the number of barrels more than 21,900,000 shipped by Buckeye, such credit to be added to the next due installments of the annual capacity use charge payable by Buckeye pursuant to paragraphs 3 or 4 above.

If during any Renewal Term Buckeye ships more than 21,900,000 barrels (determined by multiplying 60,000 BPD x 365 days) in the segment between Eagle Point, Chelsea Junction, or Booth and Sinking Spring, Laurel shall be entitled to the payment of a supplemental charge equal to the supplemental charge per barrel calculated for the prior twelve (12) month period multiplied by the number of barrels more than 21,900,000 shipped by Buckeye multiplied by 1 plus the percentage change since the Initial Term in the “Revised Consumer Price Index for Urban Wage Earners and Clerical Workers” published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities.

If during the Initial Term Buckeye ships more than 16,425,000 barrels (determined by multiplying 45,000 BPD x 365 days) in the segment between Sinking Spring and Eldorado, Pennsylvania, Laurel shall be entitled to a payment of a supplemental charge equal to the supplemental charge per barrel in effect during the prior

twelve (12) months pursuant to Section 6 of the 2015 Amendment multiplied by the number of barrels more than 16,425,000 shipped by Buckeye. If during any succeeding twelve (12) month period during the Initial Term, Buckeye ships more than 16,425,000 barrels in the segment between Sinking Spring and Eldorado, Pennsylvania, Laurel shall be entitled to payment of a supplemental charge equal to the supplemental charge per barrel calculated for the prior twelve (12) month period, multiplied by 1 plus the percentage change since the commencement of the prior twelve (12) month period in the "Revised Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities, further multiplied by the number of barrels more than 16,425,000 shipped by Buckeye, such credit to be added to the next due installments of the annual capacity use charge payable by Buckeye pursuant to paragraphs 3 or 4 above.

If during any Renewal Term Buckeye ships more than 16,425,000 barrels (determined by multiplying 45,000 BPD x 365 days) in the segment between Sinking Spring and Eldorado, Pennsylvania, Laurel shall be entitled to a payment of a supplemental charge equal to the supplemental charge per barrel calculated for the prior twelve (12) month period multiplied by the number of barrels less than 16,425,000 shipped by Buckeye multiplied by 1 plus the percentage change since the Initial Term in the "Revised Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities.

If during the first twelve (12) months of the Initial Term Buckeye ships more than 14,600,000 barrels (determined by multiplying 40,000 BPD x 365 days) in the segment between Midland and Eldorado, Pennsylvania, Laurel shall be entitled to a payment of a supplemental charge equal to the supplemental charge per barrel in effect during the prior twelve months pursuant to Section 6 of the 2015 Amendment multiplied by the number of barrels more than 14,600,000 shipped by Buckeye. If during any succeeding twelve (12) month period during the Initial Term, Buckeye ships more than 14,600,000 barrels in the segment between Eldorado and Midland, Pennsylvania, Laurel shall be entitled to payment of a supplemental charge equal to the supplemental charge per barrel calculated for the prior twelve (12) month period, multiplied by 1 plus the percentage change since the commencement of the prior twelve (12) month period in the "Revised Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics for the United States Department of Labor for All United States Cities, further multiplied by the number of barrels more than 14,600,000 shipped by Buckeye, such credit to be added to the next due installments of the annual capacity use charge payable by Buckeye pursuant to paragraphs 3 or 4 above.

If during any Renewal Term Buckeye ships more than 14,600,000 barrels (determined by multiplying 40,000 BPD x 365 days) in the segment between Midland and Eldorado, Pennsylvania, Laurel shall be entitled to a payment of a supplemental charge equal to the supplemental charge per barrel in effect during the prior twelve (12) months multiplied by the number of barrels less than 14,600,000 shipped by Buckeye multiplied by 1 plus the percentage change since the Initial Term in the "Revised Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the

Bureau of Labor Statistics for the United States Department of Labor for All United States Cities

Laurel shall, promptly after the end of twelve (12) month period of the Initial Term, or each Renewal Term, as applicable, determine the amount, if any, of payment owed by Buckeye pursuant to the provisions of this paragraph 6, and then submit a statement to Buckeye containing the applicable calculation. If such calculation reveals that Laurel is due a payment from Buckeye, such payment will be made within thirty (30) days after receipt of aforementioned calculation. The provisions of this paragraph 6 shall survive the expiration or sooner termination of the term of this Agreement.

(b) Until December 31, 2026, and pursuant to the obligations of the [Settlement Agreement in PaPUC Dkt. No. C-2018-3003365, FERC Dkt. Nos. OR18-22-000, *et al.*, ("Settlement Agreement")] Laurel will ensure that the available, physical capacity of east-to-west transportation on Line 718 will be no less than 1,200,000 barrels per cycle (which is 120,000 barrels per day times ten days in a cycle), outside of force majeure circumstances that impact Laurel's ability to provide such capacity, unless that obligation is terminated or modified in accordance with the terms of the Settlement Agreement.

7. **Operation and Maintenance of the Pipeline Assets.** During the Initial Term and all Renewal Terms of this Agreement, Laurel shall be solely responsible for the operation and maintenance of the Pipeline Assets in accordance with its normal business practices, including the Capacity, subject to the right and obligation of Buckeye to utilize the Capacity as a private or common carrier. Laurel shall be solely responsible for obtaining and keeping in force any and all permits and easements necessary to physically operate the Pipeline Assets. Laurel shall operate the Pipeline Assets utilizing operating practices and procedures in compliance with all applicable laws and regulations.

If at any time during the Initial Term or any Renewal Term of this Agreement, Buckeye believes that Laurel has not maintained the Pipeline Assets in accordance with Laurel's normal business practices, Buckeye shall give Laurel telephonic notice thereof, with reasonable detail of the inadequate circumstance.

If Laurel agrees with Buckeye, Laurel shall at its cost and expense forthwith commence to make all necessary modifications and shall diligently prosecute such modifications to completion.

If Laurel disagrees with Buckeye, Laurel shall, within fifteen (15) days after the date of Buckeye's notice, give telephonic notice thereof to Buckeye, and the parties shall thereafter negotiate in good faith to resolve the issue.

Notwithstanding the foregoing, if Buckeye is in default of any of its obligations under this Agreement, it shall not be permitted to demand that Laurel perform any modification or maintenance work pursuant to the provisions of this paragraph 7.

8. **Compliance with Laws.** Buckeye shall at its expense comply with all applicable laws and regulations relating to its use and occupancy of the Capacity.

9. Indemnification Obligations.

(a). Laurel shall indemnify and hold harmless Buckeye from and against any and all losses, claims and demands for injuries to or death of persons or damages to property caused by, arising from or incidental to any negligent act or omission to act by Laurel, its agents, servants or employees, in the exercise of the rights granted or the obligations imposed hereunder.

(b). Buckeye shall indemnify and hold harmless Laurel from and against any and all losses, claims and demands for injuries to or death of persons or damages to property (including, without limitation, the Pipeline Assets) caused by, arising from or incidental to any negligent act or omission to act by Buckeye, its agents, servants or employees in the exercise of the rights granted or the obligations imposed hereunder.

(c). It is understood that for purposes of this paragraph 9, connecting carriers are not agents of either Buckeye or Laurel.

10. Shipment Activity Forecasts. Buckeye's use of the Capacity and the tankage at the Booth Station shall be subject to Laurel's operational procedures and scheduling requirements. Subject to such operational procedures and scheduling requirements, Buckeye shall have the right to use the Capacity on the following bases:

Buckeye shall advise Laurel in writing of Buckeye's proposed transportation activity on its Capacity for each calendar month during the Initial Term and any Renewal Term of this Agreement twenty (20) days prior to the first day of such month; provided, however, that no such notification may be made after the twenty-fifth (25th) day of the month preceding such month. Modifications to such activity may be accepted after such date to the extent Laurel can reasonably accommodate such changes. Based on Buckeye's notification(s) of proposed activity, Laurel shall issue operating schedules to Buckeye and connecting carriers. After Buckeye has received from Laurel the operating schedules, Buckeye shall use its best efforts to receive their deliveries accordingly, at the time and at the hourly flow rates specified by Laurel and under the supervision of Laurel.

Laurel and Buckeye shall at all times cooperate with each other and coordinate their respective activities in such manner as to effect the most efficient operation and utilization of the Pipeline Assets, and accommodation of Buckeye's needs and utilization of the Capacity, in accordance with Laurel's operational procedures and scheduling requirements. Buckeye shall have the right to review and approve any material change in operating procedures, practices or performance relating to the Pipeline Assets.

11. Taxes. All state and local taxes, right-of-way rentals, and assessments of charges levied on the Pipeline Assets or the Capacity shall be paid by Laurel. All taxes levied on the income arising from transportation of petroleum products through the Capacity shall be paid by Buckeye.

12. Notices. All notices and other communications which are required or permitted hereunder (except for notices and communications under paragraph 7 of this

Agreement which shall be given by telephone calls) shall be given in writing and shall be sent by certified mail, return receipt requested, postage prepaid, or by telefacsimile, addressed or sent as follows:

If to Buckeye: Buckeye Pipe Line Company, L.P.
Todd J. Russo
Senior Vice President, General Counsel and Secretary
Buckeye Partners, L.P.
Five TEK Park
9999 Hamilton Boulevard
Breinigsville, PA 18031
(610) 904-4505 (telephone)
(610) 904-4006 (fax)
TRusso@buckeye.com

If to Laurel: Laurel Pipe Line Company, L.P.
David W. Arnold
Vice President, Domestic Pipelines
Buckeye Partners, L.P.
Five TEK Park
9999 Hamilton Boulevard
Breinigsville, PA 18031
(610) 904-4505 (telephone)
(610) 904-4006 (fax)
DArnold@buckeye.com

or to such other address or telefacsimile number or e-mail address as a Party may from time to time designate to the other Party in writing in accordance with this paragraph 12. All notices and other communications given to any Party in accordance with the provision of this paragraph 12 shall be deemed to have been given on the date of receipt.

13. Force Majeure. Except for the payment of money due and payable hereunder, neither Party shall be liable to the other Party for failure to fulfill its obligations under this Agreement when such failure is caused by reasons beyond the reasonable control of such Party, such as a strike or labor dispute, damage by the elements, storm, flood or other act of God, fire, explosion, electrical blackout, war, rebellion, insurrection, riot, breakage or accident to machinery or equipment, act, regulation or edict of any governmental authority or any other similar or dissimilar cause reasonably beyond the control of the Party affected, which, as to Laurel's obligations under this Agreement, impacts Laurel's ability to provide the capacity contemplated by this Agreement. If the settlement of any strike or labor dispute can be made only upon such terms unacceptable to the affected Party, such strike or labor dispute shall be a cause beyond such Party's reasonable control within the meaning of this paragraph 13. If operation of the Pipeline should be suspended for ten consecutive days or longer due to any of the aforementioned force majeure causes, then the then current term of this Agreement shall be extended by the number of days that such force majeure condition

continues (from and after the tenth day). Notwithstanding the foregoing, neither any term of this Agreement, nor the time by which any of the obligations of the Parties hereunder are to be performed shall be extended pursuant to the provisions of this paragraph 13 if Laurel accepts and delivers all shipments nominated by Buckeye for delivery during any month in which operation of the Pipeline is suspended or disrupted.

14. **Receipts, Deliveries and Inventories.** Receipts, deliveries and inventories pertaining to Buckeye's use of the Capacity shall be maintained in accordance with Laurel's existing operating procedures.

15. **Minimum Inventories.** Buckeye shall maintain its proportionate share of minimum inventory in the Pipeline for each grade of petroleum products moving on the Capacity, based on the portion of the Pipeline used to facilitate such movement. Buckeye shall maintain minimum operating linefill inventory for each line segment of the Pipeline equal to its percentage of total scheduled movements for each line segment times the total linefill required for each such line segment of the Pipeline. Buckeye shall be required to maintain tank operating inventory equal to its percentage of total scheduled pipeline movements for each product grade of petroleum products times the total required operating inventory for each such product grade. Laurel shall determine and advise Buckeye of the type and amount of inventory Buckeye is required to furnish pursuant to this paragraph 15.

16. **Early Termination for Failure to Ship or Other Default.** If Buckeye (a) fails to ship any volume through the Pipeline for any period of twelve (12) consecutive months during the Initial Term or any Renewal Term of this Agreement, or (b) fails to pay Laurel the annual capacity use charges or other amounts in accordance with the provisions of this Agreement, or (c) otherwise fails to comply with any material provision of this Agreement, and such failure continues for a period of thirty (30) days after Laurel gives Buckeye notice of such failure, Laurel may terminate this Agreement prior to the scheduled expiration date of the then current term by giving Buckeye written notice thereof (in the case of a failure to ship by Buckeye as described in the preceding clause (a) only, such termination notice may only be given prior to a shipment by Buckeye through the Pipeline). In the case of a termination pursuant to the preceding clause (a), such termination shall be effective thirty (30) days after the date of Laurel's notice, and in the case of a termination pursuant to the preceding clause (b), such termination shall be effective on the date specified in Laurel's termination notice. If this Agreement is thus terminated, Buckeye shall pay to Laurel capacity use charges pro-rated or adjusted to the termination date.

17. **Additional Storage Tanks.** During the Initial Term and any Renewal Term of this Agreement, Buckeye shall have the right to construct such additional storage tanks at the Booth Station as Buckeye may desire, provided, however, that Buckeye's construction of any such tank is subject to the following terms and conditions:

- (a). prior to the commencement by Buckeye of any construction work, Buckeye shall obtain Laurel's written approval of the plans and specification for the proposed work; and Laurel shall approve or disapprove of such plans and

specifications within forty-five (45) days after its receipt thereof (and if Laurel fails to respond within such time period the plans and specifications submitted by Buckeye to Laurel shall be deemed to have been approved by Laurel);

(b). all such construction work shall be performed by contractors reasonably acceptable to Laurel and under the supervision of a registered professional engineer reasonably acceptable to Laurel;

(c). all such construction work shall be performed in a good and workmanlike manner and in compliance with all laws, statutes, ordinances, regulations, orders and requirements of all federal, state, county, township, local and other governmental authorities having jurisdiction over such work;

(d). prior to commencement of such work, Buckeye shall (i) procure all necessary permits and authorizations, (ii) file appropriate waivers against mechanics' liens in form satisfactory to Laurel, and (iii) obtain workmen's compensation insurance in amounts, form and content, and with companies reasonably acceptable to Laurel; and

(e). after the completion of such work, Buckeye shall execute and deliver such bills of sale and other transfer documents as Laurel may reasonably require in order for Buckeye to transfer, convey, and assign to Laurel all of Buckeye's right, title and interest, if any, in and to all such storage tanks (subject to Buckeye's interest in such tanks described below), all such documents to be in form and substance reasonably acceptable to Laurel.

If Buckeye constructed any such storage tanks in accordance with the provisions of this paragraph 17, each such tank shall be the property of Laurel but shall be deemed to be part of the property provided by Laurel to Buckeye pursuant to this Agreement; and Buckeye shall have the exclusive right to utilize the capacity of each such tank (provided that Laurel shall be solely responsible for operating and maintaining each such tank) at no additional rent through and including the date that this Agreement expires or terminates.

Neither this Agreement nor any of the obligations of the Parties under this Agreement shall be subject to Buckeye's ability to construct additional storage tanks at the Booth Station pursuant to the provisions of this paragraph 17.

18. **Entire Agreement.** This Agreement supersedes and cancels all other agreements, if any, whether written or oral between the Parties relating to the subject matter of this Agreement. No conditions, usage of trade, course of dealing or other performance, understanding or agreement, purporting to modify, vary, explain or supplement the terms, conditions and provisions of this Agreement shall be binding upon either of the Parties unless hereafter made in writing and signed by the Party to be bound.

19. **Severability.** If any of the provisions in this Agreement or the application thereof to any person or circumstances shall, to any extent, be invalid, illegal or otherwise unenforceable, the remainder of this Agreement, and the application of such provision to any person or circumstances other than those to whom or which it is held

invalid, illegal or unenforceable, shall not be affected thereby, and every provision in this Agreement shall be valid and enforceable to the fullest extent permitted by law.

20. **Assignment; Successor and Assigns.** No interest or obligation of Buckeye under this Agreement or in or to the Capacity or the use of the capacity of the tankage at the Booth Station may be assigned, sublet or otherwise transferred by Buckeye, whether voluntarily or by operation of law, without the prior written consent of Laurel, except that Buckeye's entire interest under this Agreement may be assigned to a corporation that is wholly owned by Buckeye or its parent corporation, if such assignee gives Laurel a written assumption of all of Buckeye's obligations hereunder. No such assignment shall release Buckeye of its obligations hereunder, and Buckeye shall remain jointly and severally liable with the assignee for the performance of such obligations. Buckeye shall not mortgage, pledge or otherwise encumber its interest in this Agreement or the capacity use charges payable hereunder. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

21. **Brokers.** Each party represents and warrants to the other that it has not dealt with any brokers or agents in connection with the negotiation of or the obtaining of this Agreement, and each Party agrees to indemnify and hold harmless the other Party from and against any and all cost, liability or claim for commission or other compensation by any broker or agent claiming to be employed by the indemnifying Party with respect to the Pipeline Assets or to have called the Pipeline Assets to Buckeye's attention.

22. **Captions.** The captions and headings of the paragraphs of this Agreement have been inserted for convenience of reference only and shall not in any way be utilized to construe or interpret the agreement of the Parties as otherwise set forth in this Agreement.

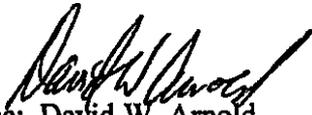
23. **Governing Law.** This Agreement and all issues arising hereunder shall be governed by the laws of the Commonwealth of Pennsylvania without giving effect to the conflict of law principles thereof.

24. **No Joint Venture.** This Agreement shall create only the relationship of lessor and lessee between Laurel and Buckeye, and nothing herein is intended to be construed as creating a joint venture or partnership relationship between the Parties.

25. **Counterparts.** This Agreement shall be binding when any one or more counterparts hereof individually or taken together, shall bear the signatures of Laurel and Buckeye. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the day and year first above written.

LAUREL PIPE LINE COMPANY, L.P.
By MainLine L.P., its sole general partner
By MainLine GP LLC, its sole general partner

BY: 
Name: David W. Arnold
Title: Vice President, Domestic Pipelines

BUCKEYE PIPE LINE COMPANY, L.P.
By MainLine L.P., its sole general partner
By MainLine GP LLC, its sole general

BY:
Name: Todd J. Russo
Title: Senior Vice President, General
Counsel
and Secretary

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the day and year first above written.

**LAUREL PIPE LINE COMPANY, L.P.
By MainLine L.P., its sole general partner
By MainLine GP LLC, its sole general partner**

**BY:
Name: David W. Arnold
Title: Vice President, Domestic Pipelines**

**BUCKEYE PIPE LINE COMPANY, L.P.
By MainLine L.P., its sole general partner
By MainLine GP LLC, its sole general**

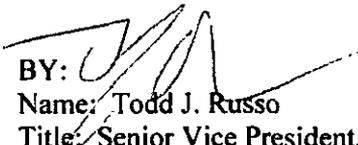
**BY: 
Name: Todd J. Russo
Title: Senior Vice President, General Counsel
and Secretary**

EXHIBIT A

RECEIVED

JUL 31 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

EXHIBIT A TO THE PIPELINE CAPACITY AGREEMENT

The capacity subject to this Agreement is in the Laurel Pipe Line System (Laurel), which is a common carrier pipeline which transports liquid petroleum and petroleum products and is located between points in southern New Jersey and western Pennsylvania, making deliveries to terminals across Pennsylvania. The system consists of mainline pipelines, pump stations, laterals and appurtenant facilities, and break out storage tankage, including tankage at Laurel's Booth station. The pipeline system west of Booth consists of a main pipeline consisting of 24-inch, 20-inch, 18-inch diameter sections, metering facilities and other terminal-related facilities, and multiple pump stations. Laurel delivers at terminals located west of Booth. In addition, the capacity subject to this Agreement in the Laurel system includes a segment between Midland and Coraopolis, Pennsylvania, consisting of main pipeline of 14- and 18-inch diameter section and pump stations, metering facilities and other terminal related facilities.

RECEIVED

JUL 31 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Appendix B

Pro Forma PaPUC Tariff

Pa. PUC No. ____
(Cancels Pa. PUC No. ____)

LAUREL PIPE LINE COMPANY, L.P.

RULES AND REGULATIONS TARIFF

Governing the

TRANSPORTATION

of

PETROLEUM PRODUCTS

by

PIPELINE

BETWEEN POINTS IN TARIFFS MAKING REFERENCE HERETO

The Rules and Regulations, published herein, apply only under tariffs making specific reference by Pa. PUC Number to this tariff; such reference will include supplements thereto and successive issues thereof.

ISSUED: _____, 2019

EFFECTIVE: _____, 2019

The provisions published herein, if effective, will not result in an effect on the quality of the human environment

Issued by:

[W] ROBERT A. MALECKY STEPHEN C. MUTHER

President,
Mainline L.P.

General Partner of

Laurel Pipe Line Company, L.P.

[W] Five TEK Park Union Meeting Corporate Center

[W] 9999 Hamilton Blvd.

920 Harvest Drive - Suite 230

[W] Breinigsville, PA 18031 Blue Bell, PA 19422

Compiled by:

[W] STEVEN R. TRAPANI STEPHEN R. MILBOURNE

Laurel Pipe Line Company, L.P.

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EXPLANATION OF ABBREVIATIONS

ABBREVIATIONS	EXPLANATION
%	Per Cent.
A.P.I.	American Petroleum Institute
A.S.T.M.	American Society for Testing Materials
F.E.R.C.	Federal Energy Regulatory Commission
No.	Number
PaPUC.....	Pennsylvania Public Utility Commission
P.S.I.G	Pounds per Square Inch Gauge

PARTICIPATING CARRIERS

NAME OF CARRIER

Buckeye Pipe Line Company, L.P.

GENERAL APPLICATION

Rules and regulations published herein apply only in connection with tariffs which make specific reference by number to this tariff; such reference will include supplements hereto and successive issues hereof.

Commodities as specified and defined herein will be transported through Carrier's facilities only as provided in this rules and regulations tariff, except that specific rules and regulations published in individual tariffs will take precedence over rules and regulations published herein.

ITEM NO. 5 - DEFINITIONS

- Barrel For all Commodities except liquefied petroleum gases, means 42 United States gallons at 60 degrees Fahrenheit and zero P.S.I.G. For liquefied petroleum gases, means 42 United States gallons at 60 degrees Fahrenheit and equilibrium vapor pressure.
- Batch Means a quantity of one Commodity moved in a pipeline as an identifiable unit. A Batch shall be designated by the Shipper as Segregated or Fungible, as follows:
- (1) A "Segregated Batch" is a quantity of one Commodity meeting the specifications set forth in Item 15, for which the Shipper desires separate identity and segregation so as to deliver, as nearly as reasonably practicable, the identical Commodity received. Transportation of a Batch as a Segregated Batch is subject to the availability of tankage.
 - (2) A "Fungible Batch" is a quantity of one Commodity which meets Carrier's established specifications and may be commingled with other Batches of Commodities meeting the same specifications for pipeline movement.
- Carrier Means and refers to Laurel Pipe Line Company, L.P. and other Carriers participating in joint tariffs as shown in tariffs making specific reference to this tariff publication.
- Commodity Means and refers to refined petroleum products, intermediate petroleum products, liquefied petroleum gas, and aviation turbine fuel as specified and defined in Item 15 "Specifications of Commodities."
- Consignee Means the party or Delivery Tanker to whom a Shipper has ordered the delivery of Commodities to a Destination.
- Destination Means the specific location on Carrier's system as designated in its tariff where Carrier delivers Commodities.
- Nomination Means a designation or electronic communication from a Shipper to Carrier of an approximate quantity of Commodities for transportation from a specified Origin(s) to a specified Destination(s) over a period of one calendar month.
- Origin Means the specific location on Carrier's system as designated in its tariff where Carrier accepts Commodities for shipment.

- Shipper Means the party who contracts with the Carrier for transportation under the terms of this tariff.
- Supply Source..... Means the connecting facility or Receipt Tanker from whom a Shipper has ordered delivery of Commodities to Carrier's receipt manifold at a specified Origin.
- Tanker Means the connecting facility where the Shippers Commodities are being originated from (Receipt Tanker) or delivered to (Delivery Tanker).
- Tender An offer by a Shipper to the Carrier of a stated quantity of Commodities for transportation from a specified Origin to a specified Destination or Destinations.

ITEM NO. 10 - COMMODITY

- (A) Carrier will transport Commodities as specified and defined in Item 15 exclusively; no other materials qualify for transportation hereunder.
- (B) Subject to the Rules and Regulations contained herein, Commodities will be accepted for transportation at points of Origin at such times as Commodities of the same quality and specifications are currently being transported or Carrier is scheduling such Commodities for shipment from such Origins in accordance with Carrier's sequence of pumping. Carrier reserves the right to establish and alter pumping sequences and schedules to facilitate the efficient use and operation of its facilities. Carrier may decline to accept certain Commodities with specific product grade specifications based on the operating availability of pipeline facilities or when tankage constraints or other operating conditions do not permit the acceptance of said specific Commodity product grade.

ITEM NO. 15 - SPECIFICATION OF COMMODITIES

- (A) General Specifications:

SPECIFICATION A - Refined Petroleum Products and Aviation Turbine Fuel

- (1) Refined Petroleum Products and Aviation Turbine Fuel shall have an A.P.I. gravity at 60 Degrees Fahrenheit of not less than 25 Degrees and not more than 80 Degrees; have a viscosity not more than 4.3 centistokes at 100 Degrees Fahrenheit; have a vapor pressure not more than 15 P.S. I. Reid; and have a color not darker than No. 3 A.S.T.M., except that distillates to which artificial coloring has been added will be accepted for transportation regardless of color after addition of dye. In addition, gasolines shall not have a Reid vapor pressure in excess of the "applicable standard" as determined by the United States Environmental Protection Agency or any more stringent state requirement from time to time in effect.

This specification includes the products of petroleum commonly known as gasoline, kerosene, aviation turbine fuel, fuel oil distillate and diesel fuel.

- (2) For gasoline tendered for transportation, Shipper must inform Carrier of the percentage by volume and kind of any blending components used which are not pure hydrocarbons. The use of methanol and ethanol as blending components is prohibited.

- (3) For Commodities tendered for transportation as a Fungible Batch, Carrier may require the Shipper to furnish certified laboratory reports showing the results of tests of the Commodities offered for transportation. Carrier may also make such tests of the Commodities as it deems desirable, but Carrier shall be under no obligation to make such test. In the event of variance between Carrier's test and Shipper's certificate, Carrier's test shall prevail.

SPECIFICATION B - Intermediate Petroleum Products

Intermediate Petroleum Products shall have an A.P.I. gravity at 60 Degrees Fahrenheit of not less than 10 Degrees and not more than 95 Degrees; have a vapor pressure not more than 15 P.S.I. Reid; have a viscosity not greater than 100 centistokes at the anticipated pipeline temperature; and have a pour point at least 5 Degrees Fahrenheit below the anticipated minimum products temperature at any point in Carrier's pipeline system.

This specification includes the products of petroleum commonly known as gas oil, cat feedstock, alkylate, iso-pentane, naphthas and mixtures of aromatic products.

- (B) Carrier shall have no obligation to accept Commodities for transportation if such Commodities contain water or other impurities.
- (C) Commodities shall be accepted for transportation only when such Commodities meet all the required Federal, state and local regulations and the Carrier's published Commodity Specifications as published in the Carrier's Shipping Information Notebook. A copy of the Commodity Specifications may be obtained from the Carrier by writing to: Buckeye Partners, Attn: Measurement and Quality Control, 9999 Hamilton Blvd. 5 TEK Park, Breinigsville, PA 18049-0368, or by calling 610-904-4000.
- (D) Carrier will require the Shipper to demonstrate that Commodities tendered for transportation meet required specifications as prescribed herein. Such demonstrations will include a data sheet showing key products specifications prior to Carrier's acceptance of Commodities, and a certification of analysis of product quality for each Commodity Batch tendered.

ITEM NO. 20 - ORIGIN AND DESTINATION FACILITIES

- (A) Shipper shall furnish necessary facilities at the Supply Source to deliver Commodities to Carrier's pump suction manifold at a pumping rate equal to Carrier's pipeline pumping rate at such Supply Source (or injection point if applicable) at a minimum pressure of 50 P.S.I.G., unless a lower pumping rate or pressure is designated.

Carrier may agree to accept Commodities at less than the full pipeline pumping rate provided space is available after all other Nominations have been scheduled and under such other terms as the Carrier may specify.

- (B) Shipper or Consignee shall furnish the necessary facilities at Destination capable of receiving Commodities promptly as they arrive at the full pipeline pumping rate and pressure, unless a lower pumping rate or pressure is designated.

ITEM NO. 25 - QUANTITIES TENDERED AT ORIGINS

The minimum quantity of Commodities which will be accepted for transportation from a single Shipper from a single Supply Source for movement as a Segregated or Fungible Batch shall be 10,000 Barrels.

ITEM NO. 30 - MINIMUM DELIVERIES

The minimum quantity of Commodities which shall be delivered to any Destination shall be 2,500 Barrels.

ITEM NO. 35 - BUFFER MATERIAL

In order to protect the quality of Commodities in transit, the Carrier, as a condition of shipment, may require the Shipper to furnish buffer material in kind and quantity satisfactory to the Carrier. Carrier will deliver such buffer material, which may include other Commodities commingled with it, into the facilities which shall be supplied by the Shipper or Consignee at Destination.

Carrier reserves the right to determine the quality and quantities of Commodities commingled and included in deliveries of buffer material to the Shipper or Consignee at Destination, and the Shipper shall pay charges on such buffer material in accordance with this tariff and/or of tariffs making reference hereto at the same rate as the Commodities transported.

ITEM NO. 40 - IDENTITY OF AND MIXING OF COMMODITIES

It is inherent in the operations of a petroleum pipeline that interface mixtures will occur between Batches of different Commodities. Carrier shall not be liable for variations in gravity or quality of Commodities occurring while in its custody resulting from any cause other than the negligence of the Carrier, and Carrier is under no obligation to deliver the identical Commodities received, but may deliver Commodities of substantially the same specifications. Normal commingling which occurs between Batches shall be divided as equitably as possible among the Shippers by the Carrier.

With respect to Segregated Batches, Carrier will, subject to the foregoing and to the extent permitted by Carrier's facilities, make delivery at Destination of substantially the identical Commodities received at Origin; provided, however, that because it is impractical to maintain absolute identity of each Batch of Commodities, Carrier is permitted to make reasonable substitution of Commodities having substantially the same specifications.

ITEM NO. 45 - GAUGING, METERING, TESTING AND DEDUCTIONS

(A) When received, Commodities will be gauged or metered and may be tested by a representative of the Carrier, and the Shipper or Consignee shall have the privilege of being present or represented at the gauging, metering and/or testing. Should Shipper or Consignee not avail themselves of the right to be present at the time or times of measuring and testing pursuant to the terms of this Item, then, and in that event, it shall be presumed that Carrier's records of quantities of Commodities received or delivered by Carrier are correct. If tank gauges are used, quantities will be computed from regularly compiled tank tables showing 100% of the full capacity of the tanks.

- (1) Commodities shall be received and delivered on the basis of volume corrected for temperature from observed degrees Fahrenheit to the basis of 60 Degrees Fahrenheit and pressure from observed values to zero P.S.I.G.
- (2) The net balance at 60 Degrees Fahrenheit will be the quantity deliverable by the Carrier, except as otherwise provided in Item 80.

- (B) Full volume deductions will be made for all water in Commodities received or delivered as determined by recognized means.
- (C) Products losses due to evaporation, interface mixtures and other routine shrinkage factors are inherent in products pipeline operations. The total overage or shortage resulting from Carrier's operation will be allocated to each Shipper's account on an accrual basis calculated by the proportion of the Shipper's total delivered volumes to the total volumes delivered by the Carrier during the same period. Carrier will account to each Shipper for all Petroleum Products received and will settle for net products gains and losses from normal operations based on prevailing prices in the Carrier's areas of operations.

ITEM NO. 50 - TRANSPORTATION CHARGES

- (A) Transportation charges will be assessed and collected on the basis of the number of Barrels actually delivered at Destination, subject to temperature and/or compressibility corrections and deductions as provided for in Item 45.
- (B) Transportation charges and other lawful charges accruing on Commodities accepted for transportation, based on the rates applicable from Origin to Destination to which Commodities are delivered, shall be paid by the Shipper on demand and prior to the release of Commodities from custody of the Carrier unless arrangements satisfactory to Carrier are made prior to acceptance of Commodities. If required by the Carrier, charges shall be prepaid by the Shipper prior to acceptance of Commodities by the Carrier. No prior course of dealing between the parties shall constitute a waiver of Carrier's right to require payment on demand or prepayment of charges. Carrier shall have a lien and security interest to the fullest extent permitted by law on all Commodities in its possession to secure all unpaid transportation and other lawful charges due from the Shipper and Carrier may withhold all or a portion of Commodities from delivery until all charges have been paid. Carrier's rights under this Item are not exclusive but shall be in addition to any other rights or remedies available hereunder or under applicable law.
- (C) In the event that an invoice for transportation or other lawful charges is not paid to Carrier in full when due, the Shipper will pay to Carrier interest on the outstanding amount from original invoice date until paid at an annual rate equal to the lower of four percent (4%) over the prime interest rate published by *The Wall Street Journal* as of the invoice date or the highest lawful rate permitted.

ITEM NO. 55 - APPLICATION OF RATES

Commodities transported shall be subject to rates, rules and regulations governing the transportation of such Commodities which are in effect on the date such Commodities are received by the Carrier at their Origin regardless of the date of Tender.

ITEM NO. 60 - APPLICATION OF RATES FROM AND TO INTERMEDIATE POINTS

- (A) Carrier will receive Commodities for transportation only from and to established Origins and Destinations.
- (B) Commodities received from an established Origin on Carrier's lines which is not named in tariff making reference hereto, but which is intermediate to an Origin from which rates are published in said tariffs, through such unnamed Origin, will be assessed the rate in effect from the next more distant Origin, published in the tariff.

- (C) Commodities delivered to an established Destination on the Carrier's lines which is not named in tariff making reference hereto, but which is intermediate to a Destination to which rates are published in said tariffs, through such unnamed Destination, will be assessed the rate in effect to the next more distant Destination published in the tariff.

ITEM NO. 65 - DIVERSION OR RECONSIGNMENT

Diversion or reconsignment of Destination may be made if requested by the Shipper prior to delivery at original Destination, subject to the rate, rules and regulations applicable from point of Origin to point of final Destination, except that no backhaul movement will be made.

ITEM NO. 70 - SEPARATE PIPELINE AGREEMENTS

Separate agreements in association with pipeline connections or other facilities ancillary to the Carrier's pipeline system and in accordance with this tariff may be required of any Shipper or Consignee before any obligation to provide transportation shall arise.

ITEM NO. 75 - TITLE

Unless arrangements satisfactory to Carrier are made prior to acceptance of Commodities, Carrier shall have no obligation to accept any Commodity which is in litigation, or as to which a dispute of title may exist or which may be subject to any lien or other encumbrance. Tenders submitted by Shipper shall be considered as a warranty of title and absence of encumbrance, and Carrier shall have no obligation to make inquiry with respect thereto. No acceptance of such Commodities by Carrier shall constitute a waiver or subordination of Carrier's lien under Item 50 or any other rights hereunder.

ITEM NO. 80 - LIABILITY OF CARRIER

While in the possession of any Commodity herein described, Carrier shall not be liable for any loss, damage or delay caused by an act of God, public enemy, accident, government regulation, strikes or other labor dispute, riots, fire, floods, or act or default of Shipper or Consignee, or from any other cause outside of the reasonable control of the Carrier whether similar or dissimilar to the causes herein enumerated. In such cases, the Shipper shall bear the loss in the same proportion as the amount accepted for transportation and actually in the Carrier's custody bears to the whole of the property of all Shippers in the Carrier's custody at the time of such loss and shall be entitled to receive only such portion of its shipment as is left after deducting its due proportion of the loss. Statements of quantities ascertained and computed from the records in the usual manner by the Carrier shall be accepted as prima facie correct in the distribution of such losses under this Item.

Carrier shall not be liable for discoloration, commingling, contamination, or deterioration of Commodities transported unless same is caused by the negligence of Carrier. Carrier's liability to Shipper or Consignee for any claim of negligence or other loss shall be limited to the value of the Commodities transported and related transportation charges. In no event shall Carrier be liable for any indirect, special, incidental or consequential damages, lost profit or other economic loss.

ITEM NO. 85 - CLAIMS, SUITS, TIME FOR FILING

As a condition precedent to recovery, claims must be filed in writing with Carrier within nine months after delivery of the Commodities or in case of failure to make delivery, then within nine months after a

reasonable time for delivery has elapsed, and suit shall be instituted against Carrier only within two years and one day from the day that notice in writing is given by Carrier to the claimant that Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims for loss or damage are not filed with Carrier or suits are not instituted thereon in accordance with the foregoing provisions, Carrier will not be liable thereon.

ITEM NO. 90 - PRORATION OF PIPE LINE CAPACITY

(A) Application

This proration rule will be applied separately to each line segment or facility when, during any period, the total volume of Commodities nominated for shipment through any segment or facility of the Carrier's pipelines is in excess of the capacity of said segment or facility. **[N] Until December 31, 2026, outside of force majeure circumstances that impact Laurel's ability to provide such capacity, the available, physical capacity of east-to-west transportation on Carrier's system between Coraopolis and Duncansville, Pennsylvania (this segment also being known as "Line 718" or "L718") will be no less than 1,200,000 barrels per cycle (which is 120,000 barrels per day times ten days in a cycle), unless that obligation is terminated or modified earlier in accordance with the terms of the Settlement Agreement in PUC Docket No. C-2018-3003365 and FERC Nos. IS19-277-000, IS19-277-001, IS19-278-000 and IS19-278-001.**

(B) Definitions

For the purposes of this Item, the following terms are defined as:

Allocation means the pipeline capacity, expressed either in average barrels per day or total barrels, which Buckeye apportions to a given Shipper during the period of proration.

Base Period means that period within which actual deliveries made for the account of a Shipper to terminals, connecting carriers and refineries at particular locations moved through the line segment or facility being prorated are taken into account for purposes of prorating pipeline capacity. It will consist of a continuous moving base of 12 consecutive calendar months beginning 14 months prior to the period of proration and ending 2 months preceding the period of proration. Such base period may include intervals when no proration is in effect.

Binding Nomination means the final Nomination tendered by a Shipper for a prorated line segment or facility after being advised that said line segment or facility is over nominated and subject to proration.

New Shipper means (1) a Shipper which does not qualify as a Regular Shipper but does satisfy the shipping requirements of Buckeye's Rules and Regulations Tariff. At the end of 14 consecutive calendar months from the beginning of the first month in which a New Shipper begins using any segment or facility of the Carrier's pipeline system (whether prorated or not), it will become a Regular Shipper and the actual volumes delivered for its account over the pipeline segment or facility being prorated will become the basis for pipeline capacity allocation in the same manner as for other Regular Shippers.

Or (2) a Shipper who has not shipped any volumes in the prorated segment or facility during any non-prorated month during the base period

Regular Shipper means a Shipper which: (1) has used the pipeline segment subject to allocation during at least one month of the base period, and (2) does not meet the definition of "New Shipper", and (3) has volumes nominated for its account on the prorated segment or facility during the period of proration. If a Shipper, that would otherwise be classified as a New Shipper, has a volume history in the prorated segment or facility such that calculating Shippers Allocation classifying the Shipper as a Regular Shipper results in a larger allocation than if that Shipper were classified as a New Shipper, said Shipper will be classified as a Regular Shipper.

(C) Use of Standard Base

Where appropriate, Carrier will, at its option, convert Commodities of differing flow rate characteristics to a standard base.

(D) Allocations for Regular Shippers

Carrier may, without liability, allocate available pipeline capacity for any period in which Nominations exceed available capacity in accordance with the following procedures, proceeding to each succeeding step only if the Nominations continue to exceed available pipeline capacity.

- (1) Nominations not submitted using the Carrier's electronic commerce and communications system or submitted after the deadline established in Item 100 will be rejected, unless the Carrier has specifically instructed the Shipper to submit Nominations by another means or by a later date.
- (2) When, it is determined that insufficient capacity is available to accommodate all valid timely, and properly submitted Nominations, Carrier will notify via electronic mail, telephone, facsimile, electronic bulletin posting or other appropriate method as selected by the Carrier, each Shipper that has tendered a Nomination for the affected line segment or facility. Each affected Shipper will then have a period of two business days to reduce its Nomination. In the event that the Carrier has determined that more than one line segment or facility of the same pipeline system will be prorated, affected shippers may resubmit or adjust nominations on all of the prorated segments on the same pipeline system so long as the shippers total adjusted nominated volumes on all of the affected segments do not exceed the original total nominated volumes on all of the affected segments. Each affected Shipper may adjust its Nomination using the Carrier's electronic commerce and communications system (unless otherwise instructed by the Carrier) to edit or change its Nominations during this period. At 12:01am on the third business day following the day notification was made to Shippers, this adjusted Nomination shall be considered a Binding Nomination, or if a Shipper does not change or submit a reduced Nomination, then its initial Nomination shall be considered its Binding Nomination.
- (3) If Nominations continue to exceed available capacity, Carrier will review all receiving and delivery facilities to determine if any are incapable of injecting or receiving at Carrier's existing flow rates or throughput rates, and if there are such restricted facilities, Shippers using them will be subject to reduction of up to 100 percent of the quantity nominated from or to the restricted facility, as necessary to equate total

Nominations to available pipeline capacity. If more than one receipt or delivery facility is restricted from injecting into or receiving from Carrier at less than Carrier's existing flow rates or throughput rates, Nominations from or to such facilities will be allocated in order of their actual capability, with the facility able to inject or receive at higher rates taking priority over those capable of lesser rates. Nominations from or to facilities that can inject or receive at carrier's existing flow rates or throughput rates, or greater will all be given equal priority. Carrier reserves right to adjust allocations at restricted facilities in order to maximize total available pipeline capacity and throughput. Shippers will be notified of the proration of Nominations made from or to the restricted facility and will be permitted to re-nominate those volumes to another unrestricted facility prior to further allocation.

- (4) If Nominations continue to exceed available pipeline capacity, the percentage of pipeline capacity to be allocated to each Regular Shipper will be calculated by using data from the applicable base period and dividing the shipments made for the account of each Regular Shipper by the total shipments made for all Shippers during the base period. The resulting percentages will then be applied to the line segment or facility capacity to determine capacity allocation for each Regular Shipper. Each Regular Shipper will receive the lesser of its actual Nominations and its allocation resulting from the above calculation. In the event any Shipper(s) is (are) allocated more capacity than its (their) nominated requirements, the excess of its (their) allocation(s) over its (their) Nominations will be reallocated among all other Shippers in proportion to their unsatisfied requirements (i.e., each Shipper's Nominations minus initial allocation). Allocations for Regular Shippers will be subject to reduction if required to accommodate New Shippers.

(E) Allocations for New Shippers

Unless more capacity is required for Regular Shippers in Section (F), up to two and one-half percent (2.5%) of available capacity will be made to each new shipper subject to a total of ten percent (10%) of available capacity for all new Shippers. Commodities nominated by a New Shipper during periods of proration not caused by unusual market conditions will be allocated pipeline capacity as follows:

If less than four (4) new shippers have submitted nominations for the affected facility or segment, each shipper will be allocated the lesser of either two and one-half percent (2.5%) of available capacity or their nominated volume. In the event that more the four (4) new shippers have submitted nominations for the affected facility or segment, the nominated volumes for each New Shipper shall be totaled and divided into ten percent (10%) of the available pipeline capacity. The resulting percentage shall be the initial New Shipper Proration factor. Each New Shipper will be allocated pipeline segment or facility capacity equal to the lesser of:

- (a) (2.5%) of available capacity
- (b) its nominated volumes,
- (c) its nominated volumes multiplied by the initial New Shipper proration factor.

Any remaining pipeline segment or facility capacity will be allocated to Regular Shippers as set forth in Section (D). If there remains available pipeline capacity after New Shippers have been allocated capacity in accordance with the preceding paragraphs of this Section, and after Regular Shippers have received allocations equal to one-hundred per cent (100%) of their nominated volumes, the remaining available pipeline capacity shall be allocated to New Shippers using the same process as used for Regular Shippers in Section (D).

(F) Unusual Market Conditions

If the Carrier, in its sole discretion, should determine that Nominations exceed capacity as the results of unusual petroleum product market conditions that are expected to be of a temporary nature, capacity will be allocated as follows: Each Regular Shipper who has utilized the pipeline segment subject to allocation during each of the 12 months during the Base Period will be allocated capacity equal to their average actual deliveries during the Base Period. Any unsatisfied Nominations of the Shippers who have utilized the pipeline segment or facility subject to allocation during each of the 12 months during the Base Period, and the nominated volumes for other Regular Shipper(s) and any New Shipper(s) shall be allocated according to the procedures outlined in Sections (D) and (E).

(G) Penalties for Failure to Utilize Allocated Space

If a Shipper tenders a volume greater or equal to eighty-five percent (85%) of its Prorated Binding Nomination, then such a Shipper shall be invoiced based on its delivered volumes. If a Shipper tenders less than eighty-five percent (85%) of its Binding Nomination, then Shipper shall be invoiced for its delivered volumes for that period, plus a charge equal to:

[Eighty-five percent (85%) of Prorated Binding Nomination	less
The actual volumes delivered]	times
The applicable current tariff rate.	

Charge will be waived when deliveries were reduced at the request of the Carrier, or where Carrier operational problems prevented full receipt or delivery of barrels tendered by shipper.

(H) Allocation of Additional Capacity After Calculation and Notification of Prorated Binding Nominations

In the event that additional space or capacity become available on the prorated segment or facility due to the cancellation of nominations by another shipper, earlier than scheduled completion of maintenance, restoration, or repair work, or other such event, the Carrier may elect to offer that newly available or additional space to shippers. Carrier will notify each Shipper that has tendered a Nomination for the affected line segment or facility. Notification will be made via electronic mail, telephone, facsimile, electronic bulletin posting or other appropriate method as selected by the Carrier. This notification will advise shippers of the availability of the additional space and all pertinent details and conditions for tendering additional volumes to be shipped in the additional space. As part of the notification, Carrier will advise shippers of the means by which shippers should submit requests for use the additional space, and the deadline by which all such requests must be submitted to the Carrier. The deadline for submitting requests to the Carrier will not be less than twenty-four (24) hours after the notice or announcement concerning the availability of space is made.

Carrier will allocate additional space on a lottery basis, using an unbiased, random, and non-discriminatory method to select (an) individual shipper request(s) from the pool of all requests submitted by the announced deadline. Carrier will continue to randomly select shipper requests from the pool of remaining requests until all of the additional space is allocated. In the event that a selected request is for a volume amount greater than the (remaining) available space, Carrier will allocate only the available space.

Upon notification to a Shipper by the Carrier that additional space has been allocated, the Shipper will have twenty-four hours to accept the additional space allocation by notifying the Carrier of the Shippers intent to accept that space and submitting an Allocated Binding Nomination for the additional space. In the event that a Shipper that is allocated additional space under the provisions of this section and fails to accept or declines to use the additional space, Carrier will continue to use a random selection lottery basis to pick from the pool of remaining requests, until all of the additional space is allocated.

(l) General

In the event that calculation of a Shipper's allocated nomination results in a volume less than the required minimum batch size, Carrier will at its option either round up the Shipper's nomination to the required minimum batch size or waive the minimum batch size requirement.

As delineated above, pipeline or facility capacity is allocated among Regular Shippers based upon historical usage. Inflated Nominations do not result in increased capacity allocation. In no event will any portion of an allocation granted either to a Regular Shipper or New Shipper be used in such a manner that it will increase the allocation for any other Shipper beyond what it is entitled to under the proration policy.

Nominations must be made in accordance with published tariff provisions, rules and regulations.

ITEM NO. 95 - CHARGE FOR SPILL COMPENSATION ACTS AND REGULATIONS

In addition to the transportation charges and all other charges accruing on Commodities accepted for transportation, a per Barrel charge will be assessed and collected in the amount of any tax, fee, levy or other charge against the Carrier in connection with such Commodity, pursuant to any federal, state, or local law or regulation which imposes a tax, fee, levy or other charge, on the receipt, delivery, transfer or transportation of such Commodities for the purpose of creating a fund for the prevention, containment, clean up and/or removal of spills, the reimbursement of persons sustaining loss therefrom or any other lawful purpose. Carrier shall be under no obligation to contest or protest on behalf of the Shipper or Consignee the legality of such tax, fee, levy or other charges.

ITEM NO. 100 - TIME AND METHOD FOR SUBMITTING NOMINATIONS

Carrier is under no obligation to accept a tender of Commodities for transportation for any month unless the Shipper submits a Nomination on or before the fifteenth calendar day of the preceding calendar month. Any new Nomination, or request to increase a Nomination for a given facility or line segment made after this deadline will be rejected by the Carrier in the event that nominations received prior to this deadline exceed facility or segment capacity.

In the event that a pipeline segment or facility is operating under allocations as established in Item 90, Carrier may at its option require Nominations for the prorated segment or facility to be submitted on or before the tenth calendar day of the preceding calendar month. Carrier will announce any such earlier deadline for Nomination submission by publishing notice of the change on the Carrier's electronic commerce and communications system at least 5 calendar days prior to the revised deadline.

A Nomination must indicate, for each Batch, The Shipper, Product, System, Receipt Location, Receipt Volume, receipt requested date, Delivery Location(s), Delivery Volume(s), and Delivery Tanker. Nominations must be submitted using the Carrier's electronic commerce and communications system unless otherwise instructed by the Carrier.

ITEM NO. 105 - CONFIRMATION OF SUPPLY SOURCE

For all Commodities it is the responsibility of the Shipper to confirm the Supply Source (Receipt Tanker) a minimum of three working days prior to delivering the Commodity to Carrier's receipt manifold. Any Commodity that does not have a confirmed Supply Source will be removed from Nomination. It will be the Shipper's responsibility to renominate for a later date.

ITEM NO. 110 - WARRANTIES

Shipper warrants that all Commodities tendered to Carrier will conform with Carrier's specifications set forth in Item 15 for Segregated Batches or Carrier's established specifications for Fungible Batches, including applicable standards for gasoline Reid vapor pressure; are owned by the Shipper and are free from disputes as to title, liens, or other encumbrances as set forth in Item 75; will be merchantable; and will not be contaminated with water or other impurities. Shipper will be liable to and will indemnify Carrier, other Shippers and Consignees for damage, loss, liability, claim, cost or expense arising from a breach of this warranty. The transportation of the Commodity may be refused or cancelled if Carrier determines or is advised that the Commodity does not meet the requirements of Carrier's rules and regulations, but Carrier has no obligation to make such determination or to make inquiry with respect thereto.

Carrier does not make any warranties expressed or implied, including, but not limited to, fitness for a particular purpose and merchantability, concerning the quality of the Commodities delivered.

ITEM NO. 115 - DISPOSITION OF COMMODITIES ON FAILURE TO ACCEPT DELIVERY

In the event Carrier has accepted Commodities for transportation in reliance upon Shipper's representations as to acceptance at Destination, and there is failure to promptly accept such Commodities at Destination, then and in such event Carrier shall have the right to divert, reassign, or make whatever arrangements for disposition of the Commodities it deems appropriate to clear its pipeline facilities, including the right to sell the Commodities at private or public sale. Carrier may be a purchaser at such public sale. From the proceeds of any such sale, Carrier may pay itself all transportation and other charges and expenses in caring for and maintaining the Commodities and the costs of sale, and the balance shall be held for whomsoever may be lawfully entitled thereto.

EXPLANATION OF REFERENCE MARKS

- [N]** New
- [W]** Change in Wording Only

Appendix C

***Pro Forma* 2019 Expansion Capacity – FERC
RULES AND REGULATIONS**

RECEIVED

JUL 31 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

BUCKEYE PIPE LINE COMPANY, L.P.

RULES AND REGULATIONS TARIFF

Governing Handling and Transportation by Pipeline on the 2019 Expansion Capacity
From and To Points Named in Tariffs Making Reference Hereto
of
REFINED PETROLEUM PRODUCTS

The provisions published herein, if effective, will not result in an effect on the quality of the human environment.

ISSUED: _____

EFFECTIVE: _____

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GENERAL APPLICATION

Rules and regulations published herein apply only in connection with tariffs which make specific reference by F.E.R.C. number to this tariff; such reference will include supplements hereto and successive issues hereof.

Commodities as specified and defined herein will be transported through Carrier's facilities only as provided in this rules and regulations tariff, except that specific rules and regulations published in individual tariffs will take precedence over rules and regulations published herein.

ITEM NO. 5 – DEFINITIONS

2019 Expansion

Capacity..... Has the meaning provided in Item No. 90-A.

Annual Volume

Commitment Means a Committed Shipper's applicable Volume Commitment multiplied times the number of days in the applicable Contract Year. For all Commodities except liquefied petroleum gases, Barrel means 42 United States gallons at 60 degrees Fahrenheit and zero P.S.I.G. For liquefied petroleum gases, means 42 United States gallons at 60 degrees Fahrenheit and equilibrium vapor pressure.

Batch Means a quantity of one Commodity moved in a pipeline as an identifiable unit. A Batch shall be designated by the Shipper as Segregated or Fungible, as follows:

- (1) A "Segregated Batch" is a quantity of one Commodity meeting the specifications set forth in Item 15, for which the Shipper desires separate identity and segregation so as to deliver, as nearly as reasonably practicable, the identical Commodity received. Transportation of a Batch as a Segregated Batch is subject to the availability of tankage.
- (2) A "Fungible Batch" is a quantity of one Commodity which meets Carrier's established specifications and may be commingled with other Batches of Commodities meeting the same specifications for pipeline movement.

Carrier Means and refers to Buckeye Pipe Line Company, L.P. and other Carriers participating in joint tariffs as shown in tariffs making specific reference to this tariff publication.

Committed Rate(s) Means the rate or rates to be paid by a Committed Shipper for the transportation of the Committed Shipper's Volume Commitment and any Incremental Barrels, as that rate or those rates may be changed from time to time by Carrier in this tariff pursuant to the terms of the Committed Shipper's TSA.

Committed Shipper..... Has the meaning provided in Item No. 90-A.

Commodity Means and refers to refined petroleum products, intermediate petroleum products, liquefied petroleum gas, and aviation turbine fuel as specified and defined in Item 15 "Specifications of Commodities."

- Consignee Means the party or Delivery Tanker to whom a Shipper has ordered the delivery of Commodities to a Destination.
- Contract Year Means for a Committed Shipper, the period beginning on the Commencement Date or any anniversary thereof and ending three hundred sixty-five (365) days (three hundred sixty-six (366) days in the case of leap years) later.
- Destination Means the specific location on Carrier's system as designated in its tariff where Carrier delivers Commodities.
- Nomination Means a designation or electronic communication from a Shipper to Carrier of an approximate quantity of Commodities for transportation from a specified Origin(s) to a specified Destination(s) over a period of one calendar month.
- Origin Means the specific location on Carrier's system as designated in its tariff where Carrier accepts Commodities for shipment.
- Shipper Means the party who contracts with the Carrier for transportation under the terms of this tariff.
- Supply Source Means the connecting facility or Receipt Tanker from whom a Shipper has ordered delivery of Commodities to Carrier's receipt manifold at a specified Origin.
- Tanker..... Means the connecting facility where the Shippers Commodities are being originated from (Receipt Tanker) or delivered to (Delivery Tanker).
- Tender An offer by a Shipper to the Carrier of a stated quantity of Commodities for transportation from a specified Origin to a specified Destination or Destinations.
- TSA Means a transportation services agreement entered into between a Committed Shipper and Carrier during the 2016 Open Season for the transportation of Commodities on Carrier's System.
- Volume Commitment Means the daily volume commitment stated in Exhibit A to Shipper's TSA, defined by volume and product type and origin point.

ITEM NO. 10 – COMMODITIES AND SCHEDULING

- (A) Carrier will transport Commodities as specified and defined in Item 15 exclusively; no other materials qualify for transportation hereunder.
- (B) Subject to the Rules and Regulations contained herein, Commodities will be accepted for transportation at points of Origin at such times as Commodities of the same quality and specifications are currently being transported or Carrier is scheduling such Commodities for shipment from such Origins in accordance with Carrier's sequence of pumping. Carrier reserves the right to establish and alter pumping sequences and schedules to facilitate the efficient use and operation of its facilities. Carrier may decline to accept certain Commodities with specific product grade specifications based on the operating availability of pipeline

facilities or when tankage constraints or other operating conditions do not permit the acceptance of said specific Commodity product grade.

ITEM NO. 15 - SPECIFICATION OF COMMODITIES

(A) General Specifications:

SPECIFICATION A - Refined Petroleum Products and Aviation Turbine Fuel

(1) Refined Petroleum Products and Aviation Turbine Fuel shall have an A.P.I. gravity at 60 Degrees Fahrenheit of not less than 25 Degrees and not more than 80 Degrees; have a viscosity not more than 4.3 centistokes at 100 Degrees Fahrenheit; have a vapor pressure not more than 15 P.S. I. Reid; and have a color not darker than No. 3 A.S.T.M., except that distillates to which artificial coloring has been added will be accepted for transportation regardless of color after addition of dye. In addition, gasolines shall not have a Reid vapor pressure in excess of the "applicable standard" as determined by the United States Environmental Protection Agency or any more stringent state requirement from time to time in effect.

This specification includes the products of petroleum commonly known as gasoline, kerosene, aviation turbine fuel, fuel oil distillate and diesel fuel.

(2) For gasoline tendered for transportation, Shipper must inform Carrier of the percentage by volume and kind of any blending components used which are not pure hydrocarbons. The use of methanol and ethanol as blending components is prohibited.

(3) For Commodities tendered for transportation as a Fungible Batch, Carrier may require the Shipper to furnish certified laboratory reports showing the results of tests of the Commodities offered for transportation. Carrier may also make such tests of the Commodities as it deems desirable, but Carrier shall be under no obligation to make such test. In the event of variance between Carrier's test and Shipper's certificate, Carrier's test shall prevail.

(B) Carrier shall have no obligation to accept Commodities for transportation if such Commodities contain water or other impurities.

(C) Commodities shall be accepted for transportation only when such Commodities meet all the required Federal, state and local regulations and the Carrier's published Commodity Specifications as published in the Carrier's *Shipping Information Notebook*. A copy of the Commodity Specifications may be obtained from the Carrier by writing to: Buckeye Pipe Line Company, Supervisor of Measurement and Quality Control, Box 368, Emmaus, PA 18049-0368, or by calling 610-904-4000.

(D) Carrier will require the Shipper to demonstrate that Commodities tendered for transportation meet required specifications as prescribed herein. Such demonstrations will include a data sheet showing key products specifications prior to Carrier's acceptance of Commodities, and a certification of analysis of product quality for each Commodity Batch tendered.

ITEM NO. 20 - ORIGIN AND DESTINATION FACILITIES

(A) Shipper shall furnish necessary facilities at the Supply Source to deliver Commodities to Carrier's pump suction manifold at a pumping rate equal to Carrier's pipeline pumping rate at

such Supply Source (or injection point if applicable) at a minimum pressure of 50 P.S.I.G., unless a lower pumping rate or pressure is designated.

Carrier may agree to accept Commodities at less than the full pipeline pumping rate provided space is available after all other Nominations have been scheduled and under such other terms as the Carrier may specify.

- (B) Shipper or Consignee shall furnish the necessary facilities at Destination capable of receiving Commodities promptly as they arrive at the full pipeline pumping rate and pressure, unless a lower pumping rate or pressure is designated by Carrier.

ITEM NO. 25 - QUANTITIES TENDERED AT ORIGINS

SPECIFICATION A - Refined Petroleum Products and Aviation Turbine Fuel

The minimum quantity of Commodities which will be accepted for transportation from a single Shipper from a single Supply Source for movement as a Segregated or Fungible Batch shall be 10,000 Barrels.

ITEM NO. 30 - MINIMUM DELIVERIES

The minimum quantity of Commodities which shall be delivered to any Destination shall be as follows:

SPECIFICATION A - 2,500 Barrels

ITEM NO. 35 - BUFFER MATERIAL

In order to protect the quality of Commodities in transit, the Carrier, as a condition of shipment, may require the Shipper to furnish buffer material in kind and quantity satisfactory to the Carrier. Carrier will deliver such buffer material, which may include other Commodities commingled with it, into the facilities which shall be supplied by the Shipper or Consignee at Destination.

Carrier reserves the right to determine the quality and quantities of Commodities commingled and included in deliveries of buffer material to the Shipper or Consignee at Destination, and the Shipper shall pay charges on such buffer material in accordance with this tariff and/or of tariffs making reference hereto at the same rate as the Commodities transported.

ITEM NO. 40 - IDENTITY OF AND MIXING OF COMMODITIES

It is inherent in the operations of a petroleum pipeline that interface mixtures will occur between Batches of different Commodities. Carrier shall not be liable for variations in gravity or quality of Commodities occurring while in its custody resulting from any cause other than the negligence of the Carrier, and Carrier is under no obligation to deliver the identical Commodities received, but may deliver Commodities of substantially the same specifications. Normal commingling which occurs between Batches shall be divided as equitably as possible among the Shippers by the Carrier.

With respect to Segregated Batches, Carrier will, subject to the foregoing and to the extent permitted by Carrier's facilities, make delivery at Destination of substantially the identical Commodities received at Origin; provided, however, that because it is impractical to maintain absolute identity of each Batch

of Commodities, Carrier is permitted to make reasonable substitution of Commodities having substantially the same specifications.

ITEM NO. 45 - GAUGING, METERING, TESTING AND DEDUCTIONS

(A) Applicable only to Specification A and B Commodities as specified and defined in Item 15.

When received, Commodities will be gauged or metered and may be tested by a representative of the Carrier, and the Shipper or Consignee shall have the privilege of being present or represented at the gauging, metering and/or testing. Should Shipper or Consignee not avail themselves of the right to be present at the time or times of measuring and testing pursuant to the terms of this Item, then, and in that event, it shall be presumed that Carrier's records of quantities of Commodities received or delivered by Carrier are correct. If tank gauges are used, quantities will be computed from regularly compiled tank tables showing 100% of the full capacity of the tanks.

(1) Commodities shall be received and delivered on the basis of volume corrected for temperature from observed degrees Fahrenheit to the basis of 60 Degrees Fahrenheit and pressure from observed values to zero P.S.I.G.

(2) The net balance at 60 Degrees Fahrenheit will be the quantity deliverable by the Carrier, except as otherwise provided in Item 80.

(B) Products losses due to evaporation, interface mixtures and other routine shrinkage factors are inherent in products pipeline operations. Carrier shall account for such product losses pursuant to Section 5 (Accounting Procedures) of Carrier's *Shipper Information Notebook*. A copy of Carrier's *Shipper Information Notebook* is available on Carrier's public website at: <http://www.buckeye.com/BuckeyeShipperInformation/ShipperInformationNotebook/tabid/125/Default.aspx>. Carrier will account to each Shipper for all Petroleum Products received and will settle with each Shipper for net products gains and losses from normal operations based on prevailing prices in the Carrier's areas of operations.

(C) Full volume deductions will be made for all water in Commodities received or delivered as determined by recognized means.

ITEM NO. 50 - TRANSPORTATION CHARGES

(A) Transportation charges will be assessed and collected on the basis of the number of Barrels actually delivered at Destination, subject to temperature and/or compressibility corrections and deductions as provided for in Item 45.

(B) Transportation charges and other lawful charges accruing on Commodities accepted for transportation, based on the rates applicable from Origin to Destination to which Commodities are delivered, shall be paid by the Shipper on demand and prior to the release of Commodities from custody of the Carrier unless arrangements satisfactory to Carrier are made prior to acceptance of Commodities. If required by the Carrier, charges shall be prepaid by the Shipper prior to acceptance of Commodities by the Carrier. No prior course of dealing between the parties shall constitute a waiver of Carrier's right to require payment on demand or prepayment of charges. Carrier shall have a lien and security interest to the fullest extent permitted by law on all Commodities currently in its possession to secure all current and past unpaid transportation and other lawful charges due from the Shipper and Carrier may withhold all or a portion of all Commodities currently in its possession from delivery until all charges have been paid. Carrier's rights under this Item are not exclusive but shall be in addition to any other rights or remedies available hereunder or under applicable law.

- (C) In the event that an invoice for transportation or other lawful charges is not paid to Carrier in full when due, the Shipper will pay to Carrier interest on the outstanding amount from original invoice date until paid at an annual rate equal to the lower of four percent (4%) over the prime interest rate published by *The Wall Street Journal* as of the invoice date or the highest lawful rate permitted.

ITEM NO. 50-A – DEFICIENCY PAYMENTS

If a Committed Shipper fails to ship its Annual Volume Commitment in any Contract Year during the term of its TSA, the Committed Shipper will be responsible for paying all applicable deficiency payments calculated in accordance with the provisions of its TSA, subject to the potential for certain credits to be applied in the following Contract Year, as determined in accordance with the TSA.

ITEM NO. 55 - APPLICATION OF RATES

Commodities transported shall be subject to rates, rules and regulations governing the transportation of such Commodities which are in effect on the date such Commodities are received by the Carrier at their Origin regardless of the date of Tender.

ITEM NO. 60 - APPLICATION OF RATES FROM AND TO INTERMEDIATE POINTS

- (A) Carrier will receive Commodities for transportation only from and to established Origins and Destinations.
- (B) Commodities received from an established Origin on Carrier's lines which is not named in tariff making reference hereto, but which is intermediate to an Origin from which rates are published in said tariffs, through such unnamed Origin, will be assessed the rate in effect from the next more distant Origin, published in the tariff.
- (C) Commodities delivered to an established Destination on the Carrier's lines which is not named in tariff making reference hereto, but which is intermediate to a Destination to which rates are published in said tariffs, through such unnamed Destination, will be assessed the rate in effect to the next more distant Destination published in the tariff.

ITEM NO. 65 - DIVERSION OR RECONSIGNMENT

Diversion or reconsignment of Destination may be made if requested by the Shipper prior to delivery at original Destination, subject to the rate, rules and regulations applicable from point of Origin to point of final Destination, except that no backhaul movement will be made.

ITEM NO. 70 - SEPARATE PIPELINE AGREEMENTS

Separate agreements in association with pipeline connections or other facilities ancillary to the Carrier's pipeline system and in accordance with this tariff may be required of any Shipper or Consignee before any obligation to provide transportation shall arise.

ITEM NO. 75 - TITLE

Unless arrangements satisfactory to Carrier are made prior to acceptance of Commodities, Carrier shall have no obligation to accept any Commodity which is in litigation, or as to which a dispute of title may exist or which may be subject to any lien or other encumbrance. Tenders submitted by Shipper shall be considered as a warranty of title and absence of encumbrance, and Carrier shall have no obligation to make inquiry with respect thereto. No acceptance of such Commodities by Carrier shall constitute a waiver or subordination of Carrier's lien under Item 50 or any other rights hereunder.

ITEM NO. 80 - LIABILITY OF CARRIER

While in the possession of any Commodity herein described, Carrier shall not be liable for any loss, damage or delay caused by an act of God, public enemy, accident, government regulation, strikes or other labor dispute, riots, fire, floods, or act or default of Shipper or Consignee, or from any other cause outside of the reasonable control of the Carrier whether similar or dissimilar to the causes herein enumerated. In such cases, the Shipper shall bear the loss in the same proportion as the amount accepted for transportation and actually in the Carrier's custody bears to the whole of the property of all Shippers in the Carrier's custody at the time of such loss and shall be entitled to receive only such portion of its shipment as is left after deducting its due proportion of the loss. Statements of quantities ascertained and computed from the records in the usual manner by the Carrier shall be accepted as prima facie correct in the distribution of such losses under this Item.

Carrier shall not be liable for discoloration, commingling, contamination, or deterioration of Commodities transported unless same is caused by the negligence of Carrier. Carrier's liability to Shipper or Consignee for any claim of negligence or other loss shall be limited to the value of the Commodities transported and related transportation charges. In no event shall Carrier be liable for any indirect, special, incidental or consequential damages, lost profit or other economic loss.

ITEM NO. 85 - CLAIMS, SUITS, TIME FOR FILING

As a condition precedent to recovery, claims must be filed in writing with Carrier within nine months after delivery of the Commodities or in case of failure to make delivery, then within nine months after a reasonable time for delivery has elapsed, and suit shall be instituted against Carrier only within two years and one day from the day that notice in writing is given by Carrier to the claimant that Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims for loss or damage are not filed with Carrier or suits are not instituted thereon in accordance with the foregoing provisions, Carrier will not be liable thereon.

ITEM NO. 90 - PRORATION OF PIPE LINE CAPACITY

(A) Application

This proration rule will be applied separately to each line segment or facility when, during any period, the total volume of Commodities nominated for shipment through any segment or facility of the Carrier's pipelines is in excess of the capacity of said segment or facility; except that the proration rule set forth in Item No. 90-A will be applied to the capacity of Carrier's System created by the 2019 Expansion Capacity. Pursuant to a Capacity Use Agreement, Buckeye Pipe Line Company, L.P. utilizes capacity on the Laurel Pipe Line Company, L.P. pipeline system to provide refined petroleum product transportation services. Until December 31, 2026, outside of force majeure circumstances that impact Laurel Pipe Line Company, L.P.'s ability to provide such capacity, the available, physical capacity of east-to-west transportation on Laurel Pipe Line Company L.P.'s system between Coraopolis and

Duncansville, Pennsylvania (this segment also being known as "Line 718" or "L718") will be no less than 1,200,000 barrels per cycle (which is 120,000 barrels per day times ten days in a cycle), unless that obligation is terminated or modified earlier in accordance with the terms of the Settlement Agreement in PUC Docket No. C-2018-3003365 and FERC Nos. IS19-277-000, IS19-277-001, IS19-278-000 and IS19-278-001.

(B) Definitions

For the purposes of this Item, the following terms are defined as:

Allocation means the pipeline capacity, expressed either in average barrels per day or total barrels, which Buckeye apportions to a given Shipper during the period of proration.

Base Period means that period within which actual deliveries made for the account of a Shipper to terminals, connecting carriers and refineries at particular locations moved through the line segment or facility being prorated are taken into account for purposes of prorating pipeline capacity. It will consist of a continuous moving base of 12 consecutive calendar months beginning 14 months prior to the period of proration and ending 2 months preceding the period of proration. Such base period may include intervals when no proration is in effect.

Binding Nomination means the final Nomination tendered by a Shipper for a prorated line segment or facility after being advised that said line segment or facility is over nominated and subject to proration.

New Shipper means (1) a Shipper which does not qualify as a Regular Shipper but does satisfy the shipping requirements of Buckeye's Rules and Regulations Tariff. At the end of 14 consecutive calendar months from the beginning of the first month in which a New Shipper begins using any segment or facility of the Carrier's pipeline system (whether prorated or not), it will become a Regular Shipper and the actual volumes delivered for its account over the pipeline segment or facility being prorated will become the basis for pipeline capacity allocation in the same manner as for other Regular Shippers.

Or (2) a Shipper who has not shipped any volumes in the prorated segment or facility during any non-prorated month during the base period

Regular Shipper means a Shipper which: (1) has used the pipeline segment subject to allocation during at least one month of the base period, and (2) does not meet the definition of "New Shipper", and (3) has volumes nominated for its account on the prorated segment or facility during the period of proration. If a Shipper, that would otherwise be classified as a New Shipper, has a volume history in the prorated segment or facility such that calculating Shippers Allocation classifying the Shipper as a Regular Shipper results in a larger allocation than if that Shipper were classified as a New Shipper, said Shipper will be classified as a Regular Shipper.

(C) Use of Standard Base

Where appropriate, Carrier will, at its option, convert Commodities of differing flow rate characteristics to a standard base.

(D) Allocations for Regular Shippers

Carrier may, without liability, allocate available pipeline capacity for any period in which Nominations exceed available capacity in accordance with the following procedures, proceeding to each succeeding step only if the Nominations continue to exceed available pipeline capacity.

- (1) Nominations not submitted using the Carrier's electronic commerce and communications system or submitted after the deadline established in Item 100 will be rejected, unless the Carrier has specifically instructed the Shipper to submit Nominations by another means or by a later date.
- (2) When, it is determined that insufficient capacity is available to accommodate all valid timely, and properly submitted Nominations, Carrier will notify via electronic mail, telephone, facsimile, electronic bulletin posting or other appropriate method as selected by the Carrier, each Shipper that has tendered a Nomination for the affected line segment or facility. Each affected Shipper will then have a period of two business days to reduce its Nomination. In the event that the Carrier has determined that more than one line segment or facility of the same pipeline system will be prorated, affected shippers may resubmit or adjust nominations on all of the prorated segments on the same pipeline system so long as the shippers total adjusted nominated volumes on all of the affected segments do not exceed the original total nominated volumes on all of the affected segments. Each affected Shipper may adjust its Nomination using the Carrier's electronic commerce and communications system (unless otherwise instructed by the Carrier) to edit or change its Nominations during this period. At 12:01am on the third business day following the day notification was made to Shippers, this adjusted Nomination shall be considered a Binding Nomination, or if a Shipper does not change or submit a reduced Nomination, then its initial Nomination shall be considered its Binding Nomination.
- (3) If Nominations continue to exceed available capacity, Carrier will review all receiving and delivery facilities to determine if any are incapable of injecting or receiving at Carrier's existing flow rates or throughput rates, and if there are such restricted facilities, Shippers using them will be subject to reduction of up to 100 percent of the quantity nominated from or to the restricted facility, as necessary to equate total Nominations to available pipeline capacity. If more than one receipt or delivery facility is restricted from injecting into or receiving from Carrier at less than Carrier's existing flow rates or throughput rates, Nominations from or to such facilities will be allocated in order of their actual capability, with the facility able to inject or receive at higher rates taking priority over those capable of lesser rates. Nominations from or to facilities that can inject or receive at carrier's existing flow rates or throughput rates, or greater will all be given equal priority. Carrier reserves right to adjust allocations at restricted facilities in order to maximize total available pipeline capacity and throughput. Shippers will be notified of the proration of Nominations made from or to the restricted facility and will be permitted to re-nominate those volumes to another unrestricted facility prior to further allocation.
- (4) If Nominations continue to exceed available pipeline capacity, the percentage of pipeline capacity to be allocated to each Regular Shipper will be calculated by using data from the applicable base period and dividing the shipments made for the account

of each Regular Shipper by the total shipments made for all Shippers during the base period. The resulting percentages will then be applied to the line segment or facility capacity to determine capacity allocation for each Regular Shipper. Each Regular Shipper will receive the lesser of its actual Nominations and its allocation resulting from the above calculation. In the event any Shipper(s) is (are) allocated more capacity than its (their) nominated requirements, the excess of its (their) allocation(s) over its (their) Nominations will be reallocated among all other Shippers in proportion to their unsatisfied requirements (i.e., each Shipper's Nominations minus initial allocation). Allocations for Regular Shippers will be subject to reduction if required to accommodate New Shippers.

(E) Allocations for New Shippers

Unless more capacity is required for Regular Shippers in Section (F), up to two and one-half percent (2.5%) of available capacity will be made to each new shipper subject to a total of ten percent (10%) of available capacity for all new Shippers. Commodities nominated by a New Shipper during periods of proration not caused by unusual market conditions will be allocated pipeline capacity as follows:

If less than four (4) new shippers have submitted nominations for the affected facility or segment, each shipper will be allocated the lesser of either two and one-half percent (2.5%) of available capacity or their nominated volume. In the event that more than the four (4) new shippers have submitted nominations for the affected facility or segment, the nominated volumes for each New Shipper shall be totaled and divided into ten percent (10%) of the available pipeline capacity. The resulting percentage shall be the initial New Shipper Proration factor. Each New Shipper will be allocated pipeline segment or facility capacity equal to the lesser of:

- (a) (2.5%) of available capacity,
- (b) its nominated volumes,
- (c) its nominated volumes multiplied by the initial New Shipper proration factor.

Any remaining pipeline segment or facility capacity will be allocated to Regular Shippers as set forth in Section (D). If there remains available pipeline capacity after New Shippers have been allocated capacity in accordance with the preceding paragraphs of this Section, and after Regular Shippers have received allocations equal to one-hundred per cent (100%) of their nominated volumes, the remaining available pipeline capacity shall be allocated to New Shippers using the same process as used for Regular Shippers in Section (D).

(F) Unusual Market Conditions

If the Carrier, in its sole discretion, should determine that Nominations exceed capacity as the results of unusual petroleum product market conditions that are expected to be of a temporary nature, capacity will be allocated as follows: Each Regular Shipper who has utilized the pipeline segment subject to allocation during each of the 12 months during the Base Period will be allocated capacity equal to their average actual deliveries during the Base Period. Any unsatisfied Nominations of the Shippers who have utilized the pipeline segment or facility subject to allocation during each of the 12 months during the Base Period, and the nominated volumes for other Regular Shipper(s) and any New Shipper(s) shall be allocated according to the procedures outlined in Sections (D) and (E).

(G) Penalties for Failure to Utilize Allocated Space

If a Shipper tenders a volume greater or equal to eighty-five percent (85%) of its Prorated Binding Nomination, then such a Shipper shall be invoiced based on its delivered volumes. If

a Shipper tenders less than eighty-five percent (85%) of its Binding Nomination, then Shipper shall be invoiced for its delivered volumes for that period, plus a charge equal to:

[Eighty-five percent (85%) of Prorated Binding Nomination	less
The actual volumes delivered]	times
The applicable current tariff rate.	

Charge will be waived when deliveries were reduced at the request of the Carrier, or where Carrier operational problems prevented full receipt or delivery of barrels tendered by shipper.

(H) Allocation of Additional Capacity After Calculation and Notification of Prorated Binding Nominations

In the event that additional space or capacity become available on the prorated segment or facility due to the cancellation of nominations by another shipper, earlier than scheduled completion of maintenance, restoration, or repair work, or other such event, the Carrier may elect to offer that newly available or additional space to shippers. Carrier will notify each Shipper that has tendered a Nomination for the affected line segment or facility. Notification will be made via electronic mail, telephone, facsimile, electronic bulletin posting or other appropriate method as selected by the Carrier. This notification will advise shippers of the availability of the additional space and all pertinent details and conditions for tendering additional volumes to be shipped in the additional space. As part of the notification, Carrier will advise shippers of the means by which shippers should submit requests for use the additional space, and the deadline by which all such requests must be submitted to the Carrier. The deadline for submitting requests to the Carrier will not be less than twenty-four (24) hours after the notice or announcement concerning the availability of space is made.

Carrier will allocate additional space on a lottery basis, using an unbiased, random, and non-discriminatory method to select (an) individual shipper request(s) from the pool of all requests submitted by the announced deadline. Carrier will continue to randomly select shipper requests from the pool of remaining requests until all of the additional space is allocated. In the event that a selected request is for a volume amount greater than the (remaining) available space, Carrier will allocate only the available space.

Upon notification to a Shipper by the Carrier that additional space has been allocated, the Shipper will have twenty-four hours to accept the additional space allocation by notifying the Carrier of the Shippers intent to accept that space and submitting an Allocated Binding Nomination for the additional space. In the event that a Shipper that is allocated additional space under the provisions of this section and fails to accept or declines to use the additional space, Carrier will continue to use a random selection lottery basis to pick from the pool of remaining requests, until all of the additional space is allocated.

(I) General

In the event that calculation of a Shipper's allocated nomination results in a volume less than the required minimum batch size, Carrier will at its option either round up the Shipper's nomination to the required minimum batch size or waive the minimum batch size requirement.

As delineated above, pipeline or facility capacity is allocated among Regular Shippers based upon historical usage. Inflated Nominations do not result in increased capacity allocation. In no event will any portion of an allocation granted either to a Regular Shipper or New Shipper be used in such a manner that it will increase the allocation for any other Shipper beyond what it is entitled to under the proration policy.

Nominations must be made in accordance with published tariff provisions, rules and regulations.

ITEM NO. 90-A – PRORATION OF PIPE LINE CAPACITY—2019 EXPANSION CAPACITY

(A) When Carrier receives more Nominations in a month for transportation of Commodities on the capacity of Carrier's System created by the 2019 Expansion Capacity ("2019 Expansion Capacity") than Carrier is able to transport, Carrier shall allocate the capacity of such 2019 Expansion Capacity under the provisions of this Item No. 90. For the purposes of this Item 90-A, the following terms are defined as:

- i. 2016 Open Season means the open season held by Carrier commencing on August 31, 2016 and terminating on October 14, 2016.
- ii. "2019 Expansion Capacity" means the approximately 40,000 barrels/day of incremental capacity from the origins of Woodhaven, Michigan, Detroit, Michigan, Toledo, Ohio, Findlay, Ohio, Lima, Ohio and Midland, Pennsylvania, to the destination of Eldorado, Pennsylvania, as a result of facilities installed and other work performed following the receipt by Carrier of shipper volume commitments in the 2016 Open Season.
- iii. "Base Period" means the twelve (12) month period beginning fourteen (14) months prior to the Proration Month and excluding the two (2) months preceding the Proration Month. If the 2019 Expansion Capacity has been in operation less than twelve (14) months, then the Base Period shall be the number of months during which the 2019 Expansion Capacity has been in operation, excluding the two (2) months preceding the Proration Month.
- iv. "Committed Shipper" means any Shipper that has an effective TSA with Carrier that was executed as part of the 2016 Open Season.
- v. "Incremental Barrels" means any portion of a Committed Shipper's Nomination (or Tender) that either (i) exceeds the Committed Shipper's Monthly Volume Commitment, or (ii) for which the Committed Shipper is not allocated capacity under Item Nos. 90-A(C)(i) and 90-A(C)(ii).
- vi. "Monthly Volume Commitment" means a Committed Shipper's Volume Commitment multiplied by the number of days in the applicable month.
- vii. "New Shipper" means an Uncommitted Shipper that is not a Regular Shipper on the 2019 Expansion Capacity.
- viii. "Non-Priority Capacity" means the 2019 Expansion Capacity that is available for allocation to Uncommitted Shippers each Proration Month following the allocation of capacity to Committed Shippers under this Item No. 90-A, which shall always equal at least ten percent (10%) of the operating capacity of the line segment in a Proration Month.
- ix. "Proration Month" means the month for which capacity is to be allocated under Item No. 90-A.
- x. "Regular Shipper" means an Uncommitted Shipper that has shipped Commodities on the 2019 Expansion Capacity during six (6) months of the Base Period.
- xi. "Uncommitted Shipper" means any Shipper that is not a Committed Shipper.

(B) Capacity on the 2019 Expansion Capacity will initially be allocated among Committed Shippers as a class and Uncommitted Shippers as a class; any remaining capacity will be allocated in accordance with the provisions of Item No. 90-A (E).

(C) Allocation to Committed Shippers

- i. Except as provided in Paragraph 90-A (C)(iv), Carrier shall allocate each Committed Shipper on the 2019 Expansion Capacity an amount of capacity equal to the Committed Shipper's Monthly Volume Commitment, provided that the Committed Shipper's Nomination for the Proration Month corresponds to the Committed Shipper's Monthly Volume Commitment in all respects.
- ii. If a Committed Shipper's Nomination for the Proration Month differs from its Monthly Volume Commitment, Carrier shall allocate capacity on the 2019 Expansion Capacity to the Committed Shipper in the following manner:
 1. If the Committed Shipper's Nomination corresponds to its Monthly Volume Commitment in all respects except that the Nomination is for a volume level that is less than Shipper's Monthly Volume Commitment level, the Committed Shipper shall be allocated an amount of capacity equal to its Nomination.
 2. If the Committed Shipper's Nomination differs from its Monthly Volume Commitment in any respect other than that specified in Paragraph 90-A(C)(ii)(1) above:
 - a. Carrier shall first allocate the Committed Shipper capacity equal to the portion of its Nomination that corresponds to its Monthly Volume Commitment;
 - b. Carrier shall then allocate the Committed Shipper capacity equal to its Nomination for volumes (without regard to product type or origin) up to aggregate total in its Monthly Volume Commitment ("Flexible Service Barrels"), provided that the operating conditions of Carrier's System permit the shipment of all of the Flexible Service Barrels Nominated by all Committed Shippers in the Proration Month. If Carrier determines, in its sole discretion, that the operating conditions of Carrier's System do not permit the shipment of all of the Flexible Service Barrels Nominated by all Committed Shippers in the Proration Month, Carrier shall instead allocate the available Committed Shipper Capacity among all of the Committed Shippers that submitted a Nomination for Flexible Service Barrels in the Proration Month, which such allocation being done on a pro rata basis according to the level of each Committed Shipper's Volume Commitment. For the purpose of providing clarity, the sum of the barrels allocated under Item Nos. 90-A C.2.a. and b. cannot exceed the sum of the Monthly Volume Commitments of all of the Committed Shippers.
 - c. Carrier shall then treat the remainder of the Committed Shipper's Nomination that differs from its Monthly Volume Commitment as a Nomination for Incremental Barrels.
 3. Carrier shall next allocate the Committed Shipper capacity equal to its Nomination for Incremental Barrels, provided that the allocation of Incremental Barrels to all Committed Shippers does not cause the Non-Priority Capacity on the 2019 Expansion Capacity to be reduced below ten percent (10%) of the capacity of the 2019 Expansion Capacity for the Proration Month. If Carrier

determines, in its sole discretion, that would occur as a result of such an allocation, Carrier shall instead allocate the 2019 Expansion Capacity available on Carrier's System for the Proration Month among all Committed Shippers that submitted a Nomination for Incremental Barrels in the Proration Month, with such allocation being done on a pro rata basis according to the level of each Committed Shipper's Volume Commitment.

- iii. Any portion of a Committed Shipper's Nomination on the 2019 Expansion Capacity that the Committed Shipper is not allocated capacity for under this Item No. 90-A (C) shall be subject to allocation under the remaining provisions of this Item No. 90-A.
- iv. If an event of Force Majeure or other operational issue causes the capacity of the 2019 Expansion Capacity to be reduced for the Proration Month, the allocation of capacity to each Committed Shipper under this Item No. 90-A (C) shall be reduced by the same percentage as the reduction in capacity to the 2019 Expansion Capacity that is caused by the Force Majeure event or operational issue.

(D) Allocation of Capacity to Uncommitted Shippers.

- i. Following the allocation of capacity set forth in Item No. 90-A (C), Carrier shall next allocate the Non-Priority Capacity on the 2019 Expansion Capacity among all Uncommitted Shippers in the following manner.

- 1. Each New Shipper shall be allocated an amount of capacity in the Proration Month that is equal to:

- a. its Nomination, if the total volume Nominated by all New Shippers is less than or equal to five percent (5%) of the Non-Priority Capacity; or
- b. its pro rata share, in accordance with its Nomination, of five percent (5%) of the Non-Priority Capacity, if the total volume Nominated by all New Shippers is greater than five percent (5%) of the Non-Priority Capacity.

- 2. Following the allocation in Item No. 90-A (D)(i)(1), each Regular Shipper shall be allocated the lesser of (i) its Nomination, or (ii) a fraction of five percent (5%) of the Non-Priority Capacity, where the numerator of such fraction shall equal the number of Barrels shipped by the Regular Shipper on the System during the Base Period and the denominator of such fraction shall equal the total number of Barrels shipped by all Regular Shippers during the Base Period.

- (E) Any remaining capacity on the 2019 Expansion Capacity that is not allocated through the application of Item Nos. 90-A(C) or 90-A(D) shall be allocated pro rata among all Committed Shippers having unmet Nominations according to the level of each Committed Shipper's Volume Commitment

(F) During periods when Carrier applies this Item No. 90-A:

- i. The capacity allocated to a Shipper will be provided as a daily or monthly value, at Carrier's discretion, and will be calculated for the Proration Month; and
- ii. Carrier will use its reasonable efforts to notify each Shipper of its allocation not later than the first working day of the Proration Month.

- (G) If a Shipper does not use the capacity allocated to it under this Item No. 90-A at the times and in the amounts designated by Carrier, Carrier shall have the right to use Shipper's unused capacity to fulfill the unmet Nominations of other Shippers on Carrier's System.
- (H) In the event that calculation of a Shipper's allocated nomination results in a volume less than the required minimum batch size, Carrier will at its option either round up Shipper's Nomination to the required minimum batch size or waive the minimum batch size requirement.

ITEM NO. 95 - CHARGE FOR SPILL COMPENSATION ACTS AND REGULATIONS

In addition to the transportation charges and all other charges accruing on Commodities accepted for transportation, a per Barrel charge will be assessed and collected in the amount of any tax, fee, levy or other charge against the Carrier in connection with such Commodity, pursuant to any federal, state, or local law or regulation which imposes a tax, fee, levy or other charge, on the receipt, delivery, transfer or transportation of such Commodities for the purpose of creating a fund for the prevention, containment, clean up and/or removal of spills, the reimbursement of persons sustaining loss therefrom or any other lawful purpose. Carrier shall be under no obligation to contest or protest on behalf of the Shipper or Consignee the legality of such tax, fee, levy or other charges.

ITEM NO. 100 - TIME FOR SUBMITTING NOMINATIONS

Carrier is under no obligation to accept a tender of Commodities for transportation for any month unless the Shipper submits a Nomination on or before the fifteenth calendar day of the preceding calendar month. Any new Nomination, or request to increase a Nomination for a given facility or line segment made after this deadline will be rejected by the Carrier in the event that nominations received prior to this deadline exceed facility or segment capacity.

In the event that a pipeline segment or facility is operating under allocations as established in Item 90 and/or Item 90-A, Carrier may at its option require Nominations for the prorated segment or facility to be submitted on or before the tenth calendar day of the preceding calendar month. Carrier will announce any such earlier deadline for Nomination submission by publishing notice of the change on the Carrier's electronic commerce and communications system at least 5 calendar days prior to the revised deadline.

A Nomination must indicate, for each Batch, The Shipper, Product, System, Receipt Location, Receipt Volume, receipt requested date, Delivery Location(s), Delivery Volume(s), and Delivery Tanker. Nominations must be submitted using the Carrier's electronic commerce and communications system (<https://transport4.com>) unless otherwise instructed by the Carrier.

ITEM NO. 105 - CONFIRMATION OF SUPPLY SOURCE

For all Commodities it is the responsibility of the Shipper to confirm the Supply Source (Receipt Tanker) a minimum of three working days prior to delivering the Commodity to Carrier's receipt manifold. Any Commodity that does not have a confirmed Supply Source will be removed from Nomination. It will be the Shipper's responsibility to renominate for a later date.

ITEM NO. 110 - WARRANTIES

Shipper warrants that all Commodities tendered to Carrier will conform with Carrier's specifications set forth in Item 15 for Segregated Batches or Carrier's established specifications for Fungible Batches,

including applicable standards for gasoline Reid vapor pressure; are owned by the Shipper and are free from disputes as to title, liens, or other encumbrances as set forth in Item 75; will be merchantable; and will not be contaminated with water or other impurities. Shipper will be liable to and will indemnify Carrier, other Shippers and Consignees for damage, loss, liability, claim, cost or expense arising from a breach of this warranty. The transportation of the Commodity may be refused or cancelled if Carrier determines or is advised that the Commodity does not meet the requirements of Carrier's rules and regulations, but Carrier has no obligation to make such determination or to make inquiry with respect thereto.

Carrier does not make any warranties expressed or implied, including, but not limited to, fitness for a particular purpose and merchantability, concerning the quality of the Commodities delivered.

ITEM NO. 115 - DISPOSITION OF COMMODITIES ON FAILURE TO ACCEPT DELIVERY

(A) In the event Carrier has accepted Commodities for transportation in reliance upon Shipper's representations as to acceptance at Destination, and there is failure to promptly accept such Commodities as scheduled at Destination, then and in such event Carrier shall have the right to divert, reassign, or make whatever arrangements for disposition of the Commodities it deems appropriate to clear its pipeline facilities.

(B) If the Shipper cannot accept the scheduled delivery and Shipper makes timely arrangements for delivery at another local or more distant destination point, Carrier will permit such diversion or reassignment consistent with the provisions of Item No. 65 of this tariff. Carrier will consider all such diversion or reassignment arrangements to be timely if notice of these alternate arrangements is received by the Carrier in sufficient time to avoid shutting down operation of the affected pipeline segment or facilities. If suitable diversion or reassignment arrangements are made by the Shipper but the Carrier is not notified in time sufficient to avoid a shutdown of the affected pipeline segment or facilities, then an assessment of five thousand dollars (\$5,000.00) for each hour of lost operation or fraction thereof will be made on the Shipper.

(C) If the Shipper fails to make suitable arrangements for diversion or reassignment of the Commodities, and the Carrier has available intermediate or local storage facilities that will permit the Carrier to divert the Commodities, the Carrier will divert the Commodities to its own facilities and reschedule the delivery of the Commodities on the next cycle when like Commodities are being delivered by the Carrier. A Rescheduling and Diversion Charge of One Thousand Dollars (\$1,000) will be imposed for each instance the Carrier is required to divert Commodities and reschedule delivery. In addition, a Storage Charge of twenty-five cents (25.0¢) per barrel per week will apply to each diverted barrel held by the Carrier for each week or fraction thereof between the date the commodities were originally scheduled for delivery and the date the Commodities are finally delivered to the Shipper.

(D) If the Shipper fails to make suitable arrangements for diversion or reassignment of the Commodities, and the Carrier does not have available intermediate or local storage facilities that will permit the Carrier to promptly divert the Commodities, Carrier will seek the most expeditious means to divert or dispose of the Commodities. Such disposition includes the right to sell the Commodities at private or public sale. Carrier may be a purchaser at such public sale. From the proceeds of any such sale, Carrier may pay itself all transportation and other charges and expenses in caring for and maintaining the Commodities and the costs of sale, and the balance shall be held for whomsoever may be lawfully entitled thereto.

(E) In the event that physical limitations or any other factors prevent the Carrier from arranging for the prompt disposal of the Commodities and the Carrier is forced to shut down operation of the pipeline facilities, the Shipper will be assessed penalties and fees as follows:

(1) Shipper will be responsible for the prompt payment of any and all claims that may be brought against the Carrier from other Shippers or affected Parties as a result of the extended interruption of scheduled pipeline service.

(2) Shipper will also be responsible for the prompt payment of any and all costs incurred by the pipeline to provide alternative service to its other Shippers whose Commodities are blocked in the pipeline facilities by the shutdown. Such costs may include expenses for trucking said products and any related charges for loading and/or unloading the Commodities.

(3) Shipper will be assessed fees of five thousand dollars (\$5,000.00) for each hour of lost operation or fraction thereof to compensate Carrier for revenues lost during the time the pipeline facilities were forced to shut down.

EXPLANATION OF ABBREVIATIONS

ABBREVIATIONS	EXPLANATION
%	Per Cent
A.P.I.	American Petroleum Institute
A.S.T.M.	American Society for Testing Materials
F.E.R.C.	Federal Energy Regulatory Commission
No.	Number
P.S.I.G.	Pounds per Square Inch Gauge

EXPLANATION OF REFERENCE MARKS

***Pro Forma* 2019 Expansion Capacity – FERC
RATES**

BUCKEYE PIPE LINE COMPANY, L.P.

LOCAL TARIFF

CONTAINING BASE AND VOLUME INCENTIVE RATES

Applying On The Transportation Of

REFINED PETROLEUM PRODUCTS

On the 2019 Expansion Capacity

From Points In

MICHIGAN, OHIO AND PENNSYLVANIA

To Points in

PENNSYLVANIA

Governed by the Rules and Regulations published in
Buckeye Pipe Line Company's Tariff FERC No. _____, and reissues thereof.

Filed in compliance with 18 CFR §342.2(b).

The provisions published herein, if effective, will not result in an effect on the quality of the human environment.

ISSUED: _____

EFFECTIVE: _____

Issued by:
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TABLE 1: RATES FOR UNCOMMITTED VOLUME

Rates in Cents Per Barrel of 42 United States Gallons

FROM: (Origins)			TO: (Destinations)								
			PENNSYLVANIA								
			DELMONT			ELDORADO			GREENSBURG		
County	Code	<i>Westmoreland</i>	<i>Blair</i>	<i>Westmoreland</i>							
		DM	DG			GR					
			RATE TIER			RATE TIER			RATE TIER		
			BASE	1	2	BASE	1	2	BASE	1	2
MICHIGAN											
DETROIT	<i>Wayne</i>	WD	392.00	382.15	372.80	392.00	382.15	372.80	392.00	382.15	372.80
WOODHAVEN	<i>Wayne</i>	WS	392.00	382.17	372.82	392.00	382.17	372.82	392.00	382.17	372.82
OHIO											
FINDLAY	<i>Allen</i>	FN	380.00	377.85	368.61	380.00	377.85	368.61	380.00	377.85	368.61
LIMA	<i>Allen</i>	LA	387.00	377.86	368.62	387.00	377.86	368.62	387.00	377.86	368.62
TOLEDO	<i>Lucas</i>	DS/TO	387.00	377.84	368.60	387.00	377.84	368.60	387.00	377.84	368.60
PENNSYLVANIA											
MIDLAND	<i>Beaver</i>	ZD	311.00	304.66	297.20	311.00	304.66	297.20	311.00	304.66	297.20

Notes:

For Uncommitted Volumes, the following Rate Tiers apply:

Base: Monthly volume up to 4,999 barrels per day

Tier 1: Monthly volume between 5,000 and 10,000 barrels per day

Tier 2: Monthly volumes greater than 10,000 barrels per day

***Pro Forma* 2019 BPL Eastern Products
System – FERC RULES AND
REGULATIONS**

RECEIVED

JUL 31 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

FERC ICA Oil Tariff

FERC No. _____
(Cancels FERC No. _____)

BUCKEYE PIPE LINE COMPANY, L.P.

In Connection With Participating Carriers Named Herein

LOCAL & JOINT PIPE LINE TARIFF

Containing

RULES AND REGULATIONS

Governing the Handling and Transportation by Pipeline From and To

Points Named in Tariffs Making Reference Hereto

Of

REFINED PETROLEUM PRODUCTS

INTERMEDIATE PETROLEUM PRODUCTS

LIQUEFIED PETROLEUM PRODUCTS

AVIATION TURBINE FUEL

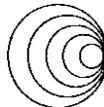
Tariff is being filed pursuant to 18 CFR §341.8

The provisions published herein, if effective, will not result in an effect on the quality of the human environment.

ISSUED: _____

EFFECTIVE: _____

Issued by:
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President, Domestic Pipelines and Terminals
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General Partner of
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PARTICIPATING CARRIERS

NAME OF CARRIER

Norco Pipe Line Company LLC

GENERAL APPLICATION

Rules and regulations published herein apply only in connection with tariffs which make specific reference by F.E.R.C. number to this tariff; such reference will include supplements hereto and successive issues hereof.

Commodities as specified and defined herein will be transported through Carrier's facilities only as provided in this rules and regulations tariff, except that specific rules and regulations published in individual tariffs will take precedence over rules and regulations published herein.

ITEM NO. 5 - DEFINITIONS

- Barrel For all Commodities except liquefied petroleum gases, means 42 United States gallons at 60 degrees Fahrenheit and zero P.S.I.G. For liquefied petroleum gases, means 42 United States gallons at 60 degrees Fahrenheit and equilibrium vapor pressure.
- Batch Means a quantity of one Commodity moved in a pipeline as an identifiable unit. A Batch shall be designated by the Shipper as Segregated or Fungible, as follows:
- (1) A "Segregated Batch" is a quantity of one Commodity meeting the specifications set forth in Item 15, for which the Shipper desires separate identity and segregation so as to deliver, as nearly as reasonably practicable, the identical Commodity received. Transportation of a Batch as a Segregated Batch is subject to the availability of tankage.
 - (2) A "Fungible Batch" is a quantity of one Commodity which meets Carrier's established specifications and may be commingled with other Batches of Commodities meeting the same specifications for pipeline movement. Fungible Batches can only be nominated at New Jersey, New York, or Pennsylvania Origins.
- Carrier Means and refers to Buckeye Pipe Line Company, L.P. and other Carriers participating in joint tariffs as shown in tariffs making specific reference to this tariff publication.
- Commodity Means and refers to refined petroleum products, intermediate petroleum products, liquefied petroleum gas, and aviation turbine fuel as specified and defined in Item 15 "Specifications of Commodities."
- Consignee Means the party or Delivery Tanker to whom a Shipper has ordered the delivery of Commodities to a Destination.
- Destination Means the specific location on Carrier's system as designated in its tariff where Carrier delivers Commodities.
- Nomination Means a designation or electronic communication from a Shipper to Carrier of an approximate quantity of Commodities for transportation from a specified Origin(s) to a specified Destination(s) over a period of one calendar month.
- Origin Means the specific location on Carrier's system as designated in its tariff where Carrier accepts Commodities for shipment.

- Shipper Means the party who contracts with the Carrier for transportation under the terms of this tariff.
- Supply Source..... Means the connecting facility or Receipt Tanker from whom a Shipper has ordered delivery of Commodities to Carrier's receipt manifold at a specified Origin.
- Tanker Means the connecting facility where the Shippers Commodities are being originated from (Receipt Tanker) or delivered to (Delivery Tanker).
- Tender An offer by a Shipper to the Carrier of a stated quantity of Commodities for transportation from a specified Origin to a specified Destination or Destinations.

ITEM NO. 10 – COMMODITIES AND SCHEDULING

- (A) Carrier will transport Commodities as specified and defined in Item 15 exclusively: no other materials qualify for transportation hereunder.
- (B) Subject to the Rules and Regulations contained herein, Commodities will be accepted for transportation at points of Origin at such times as Commodities of the same quality and specifications are currently being transported or Carrier is scheduling such Commodities for shipment from such Origins in accordance with Carrier's sequence of pumping. Carrier reserves the right to establish and alter pumping sequences and schedules to facilitate the efficient use and operation of its facilities. Carrier may decline to accept certain Commodities with specific product grade specifications based on the operating availability of pipeline facilities or when tankage constraints or other operating conditions do not permit the acceptance of said specific Commodity product grade.

ITEM NO. 15 - SPECIFICATION OF COMMODITIES

- (A) General Specifications:

SPECIFICATION A - Refined Petroleum; Products and Aviation Turbine Fuel

- (1) Refined Petroleum Products and Aviation Turbine Fuel shall have an A.P.I. gravity at 60 Degrees Fahrenheit of not less than 25 Degrees and not more than 80 Degrees; have a viscosity not more than 4.3 centistokes at 100 Degrees Fahrenheit; have a vapor pressure not more than 15 P.S. I. Reid; and have a color not darker than No. 3 A.S.T.M., except that distillates to which artificial coloring has been added will be accepted for transportation regardless of color after addition of dye. In addition, gasolines shall not have a Reid vapor pressure in excess of the "applicable standard" as determined by the United States Environmental Protection Agency or any more stringent state requirement from time to time in effect.

This specification includes the products of petroleum commonly known as gasoline, kerosene, aviation turbine fuel, fuel oil distillate and diesel fuel.

- (2) For gasoline tendered for transportation, Shipper must inform Carrier of the percentage by volume and kind of any blending components used which are not pure hydrocarbons. The use of methanol and ethanol as blending components is prohibited.

- (3) For Commodities tendered for transportation as a Fungible Batch, Carrier may require the Shipper to furnish certified laboratory reports showing the results of tests of the Commodities offered for transportation. Carrier may also make such tests of the Commodities as it deems desirable, but Carrier shall be under no obligation to make such test. In the event of variance between Carrier's test and Shipper's certificate, Carrier's test shall prevail.

SPECIFICATION B - Intermediate Petroleum Products

Intermediate Petroleum Products shall have an A.P.I. gravity at 60 Degrees Fahrenheit of not less than 10 Degrees and not more than 95 Degrees; have a vapor pressure not more than 15 P.S.I. Reid; have a viscosity not greater than 100 centistokes at the anticipated pipeline temperature; and have a pour point at least 5 Degrees Fahrenheit below the anticipated minimum products temperature at any point in Carrier's pipeline system.

This specification includes the products of petroleum commonly known as gas oil, cat feedstock, alkylate, iso-pentane, naphthas and mixtures of aromatic products.

SPECIFICATION C - Liquefied Petroleum Gases

Liquefied Petroleum Gases shall have a vapor pressure, as determined by A.S.T.M. Method D-1267-67 as revised or amended, exceeding 40 P.S.I.G. at 100 Degrees Fahrenheit, but not exceeding 210 P.S.I.G. at 100 Degrees Fahrenheit; and the unstenched products of which shall not contain total sulphur in excess of 140 parts per million by weight.

In addition, the liquefied petroleum gas designated "Propane" will only be accepted for transportation when it conforms to the definition of and specifications for special duty propane as contained in A.S.T.M. D1835, Standard Specification for Liquefied Petroleum (LP) Gases.

This specification includes liquefied petroleum gases commonly known as propane, isobutane, butane or mixture of such products.

- (B) Carrier shall have no obligation to accept Commodities for transportation if such Commodities contain water or other impurities.
- (C) Commodities shall be accepted for transportation only when such Commodities meet all the required Federal, state and local regulations and the Carrier's published Commodity Specifications as published in the Carrier's *Shipping Information Notebook*. A copy of the Commodity Specifications may be obtained from the Carrier by writing to: Buckeye Pipe Line Company, Supervisor of Measurement and Quality Control, Box 368, Emmaus, PA 18049-0368, or by calling 610-904-4000.
- (D) Carrier will require the Shipper to demonstrate that Commodities tendered for transportation meet required specifications as prescribed herein. Such demonstrations will include a data sheet showing key products specifications prior to Carrier's acceptance of Commodities, and a certification of analysis of product quality for each Commodity Batch tendered.

ITEM NO. 20 - ORIGIN AND DESTINATION FACILITIES

- (A) Shipper shall furnish necessary facilities at the Supply Source to deliver Commodities to Carrier's pump suction manifold at a pumping rate equal to Carrier's pipeline pumping rate at such Supply Source (or injection point if applicable) at a minimum pressure of 50 P.S.I.G., unless a lower pumping rate or pressure is designated.

Carrier may agree to accept Commodities at less than the full pipeline pumping rate provided space is available after all other Nominations have been scheduled and under such other terms as the Carrier may specify.

- (B) Shipper or Consignee shall furnish the necessary facilities at Destination capable of receiving Commodities promptly as they arrive at the full pipeline pumping rate and pressure, unless a lower pumping rate or pressure is designated.

ITEM NO. 25 - QUANTITIES TENDERED AT ORIGINS

SPECIFICATION A - Refined Petroleum Products and Aviation Turbine Fuel

The minimum quantity of Commodities which will be accepted for transportation from a single Shipper from a single Supply Source for movement as a Segregated or Fungible Batch shall be 10,000 Barrels; provided, however, that

- (1) Segregated Batches traversing Carrier's main pipeline from New Jersey Origins west shall be transported for a single Shipper in minimum quantities of not less than 25,000 Barrels;
- (2) Fungible Commodities traversing Carrier's main pipeline from New Jersey Origins west shall be joined with other Commodities meeting the same specification to form a Fungible Batch of not less than 25,000 Barrels; and
- (3) All aviation turbine fuel and kerosene received at New Jersey Origins will be transported only as a Fungible Batch.

SPECIFICATION B & C - Intermediate Petroleum Products and Liquefied Petroleum Gases

The minimum quantity of Commodities which will be accepted for transportation from a single Shipper from a single Supply Source shall be 20,000 Barrels.

ITEM NO. 30 - MINIMUM DELIVERIES

The minimum quantity of Commodities which shall be delivered to any Destination shall be as follows:

- SPECIFICATION A - 2,500 Barrels
- SPECIFICATION B - 5,000 Barrels
- SPECIFICATION C - 5,000 Barrels

ITEM NO. 35 - BUFFER MATERIAL

In order to protect the quality of Commodities in transit, the Carrier, as a condition of shipment, may require the Shipper to furnish buffer material in kind and quantity satisfactory to the Carrier. Carrier will deliver such buffer material, which may include other Commodities commingled with it, into the facilities which shall be supplied by the Shipper or Consignee at Destination.

Carrier reserves the right to determine the quality and quantities of Commodities commingled and included in deliveries of buffer material to the Shipper or Consignee at Destination, and the Shipper shall pay charges on such buffer material in accordance with this tariff and/or of tariffs making reference hereto at the same rate as the Commodities transported.

ITEM NO. 40 - IDENTITY OF AND MIXING OF COMMODITIES

It is inherent in the operations of a petroleum pipeline that interface mixtures will occur between Batches of different Commodities. Carrier shall not be liable for variations in gravity or quality of Commodities occurring while in its custody resulting from any cause other than the negligence of the Carrier, and Carrier is under no obligation to deliver the identical Commodities received, but may deliver Commodities of substantially the same specifications. Normal commingling which occurs between Batches shall be divided as equitably as possible among the Shippers by the Carrier.

With respect to Segregated Batches, Carrier will, subject to the foregoing and to the extent permitted by Carrier's facilities, make delivery at Destination of substantially the identical Commodities received at Origin; provided, however, that because it is impractical to maintain absolute identity of each Batch of Commodities, Carrier is permitted to make reasonable substitution of Commodities having substantially the same specifications.

ITEM NO. 45 - GAUGING, METERING, TESTING AND DEDUCTIONS

(A) Applicable only to Specification A and B Commodities as specified and defined in Item 15.

When received, Commodities will be gauged or metered and may be tested by a representative of the Carrier, and the Shipper or Consignee shall have the privilege of being present or represented at the gauging, metering and/or testing. Should Shipper or Consignee not avail themselves of the right to be present at the time or times of measuring and testing pursuant to the terms of this Item, then, and in that event, it shall be presumed that Carrier's records of quantities of Commodities received or delivered by Carrier are correct. If tank gauges are used, quantities will be computed from regularly compiled tank tables showing 100% of the full capacity of the tanks.

- (1) Commodities shall be received and delivered on the basis of volume corrected for temperature from observed degrees Fahrenheit to the basis of 60 Degrees Fahrenheit and pressure from observed values to zero P.S.I.G.
- (2) The net balance at 60 Degrees Fahrenheit will be the quantity deliverable by the Carrier, except as otherwise provided in Item 80.

(B) Applicable only to Specification C Commodities as specified and defined in Item 15.

When received, all liquefied petroleum gas and buffer stock will be measured through meters, and may be tested by a representative of the Carrier, and the Shipper or Consignee shall have the privilege of being present or represented at the metering and/or testing. Should Shipper or Consignee not avail themselves of the right to be present at the time or times of measuring and testing pursuant to the terms of this Item, then, and in that event, it shall be presumed that Carrier's records of quantities of Commodities received or delivered by Carrier are correct.

- (1) Liquefied petroleum gas and buffer stock shall be received and delivered on the basis of volume corrected for temperature from observed degrees Fahrenheit to the basis of 60 Degrees Fahrenheit and pressure from observed value to equilibrium vapor pressure.
- (2) The net balance at 60 Degrees Fahrenheit will be the quantity deliverable by the Carrier except as otherwise provided in Item 80.

(C) Products losses due to evaporation, interface mixtures and other routine shrinkage factors are inherent in products pipeline operations. Carrier shall account for such product losses pursuant to Carrier's "Product Loss Allocation Assessment" policy effective May 1, 2019, which

is located in Section 5 (Accounting Procedures) of Carrier's *Shipper Information Notebook*. A copy of Carrier's *Shipper Information Notebook* is available on Carrier's public website at: <http://www.buckeye.com/BuckeyeShipperInformation/ShipperInformationNotebook/tabid/125/Default.aspx>. Carrier will account to each Shipper for all Petroleum Products received and will settle with each Shipper for net products gains and losses from normal operations based on prevailing prices in the Carrier's areas of operations.

- (D) Full volume deductions will be made for all water in Commodities received or delivered as determined by recognized means.

ITEM NO. 50 - TRANSPORTATION CHARGES

- (A) Transportation charges will be assessed and collected on the basis of the number of Barrels actually delivered at Destination, subject to temperature and/or compressibility corrections and deductions as provided for in Item 45.
- (B) Transportation charges and other lawful charges accruing on Commodities accepted for transportation, based on the rates applicable from Origin to Destination to which Commodities are delivered, shall be paid by the Shipper on demand and prior to the release of Commodities from custody of the Carrier unless arrangements satisfactory to Carrier are made prior to acceptance of Commodities. If required by the Carrier, charges shall be prepaid by the Shipper prior to acceptance of Commodities by the Carrier. No prior course of dealing between the parties shall constitute a waiver of Carrier's right to require payment on demand or prepayment of charges. Carrier shall have a lien and security interest to the fullest extent permitted by law on all Commodities currently in its possession to secure all current and past unpaid transportation and other lawful charges due from the Shipper and Carrier may withhold all or a portion of all Commodities currently in its possession from delivery until all charges have been paid. Carrier's rights under this Item are not exclusive but shall be in addition to any other rights or remedies available hereunder or under applicable law.
- (C) In the event that an invoice for transportation or other lawful charges is not paid to Carrier in full when due, the Shipper will pay to Carrier interest on the outstanding amount from original invoice date until paid at an annual rate equal to the lower of four percent (4%) over the prime interest rate published by *The Wall Street Journal* as of the invoice date or the highest lawful rate permitted.

ITEM NO. 55 - APPLICATION OF RATES

Commodities transported shall be subject to rates, rules and regulations governing the transportation of such Commodities which are in effect on the date such Commodities are received by the Carrier at their Origin regardless of the date of Tender.

ITEM NO. 60 - APPLICATION OF RATES FROM AND TO INTERMEDIATE POINTS

- (A) Carrier will receive Commodities for transportation only from and to established Origins and Destinations.
- (B) Commodities received from an established Origin on Carrier's lines which is not named in tariff making reference hereto, but which is intermediate to an Origin from which rates are published in said tariffs, through such unnamed Origin, will be assessed the rate in effect from the next more distant Origin, published in the tariff.

- (C) Commodities delivered to an established Destination on the Carrier's lines which is not named in tariff making reference hereto, but which is intermediate to a Destination to which rates are published in said tariffs, through such unnamed Destination, will be assessed the rate in effect to the next more distant Destination published in the tariff.

ITEM NO. 65 - DIVERSION OR RECONSIGNMENT

Diversion or reconsignment of Destination may be made if requested by the Shipper prior to delivery at original Destination, subject to the rate, rules and regulations applicable from point of Origin to point of final Destination, except that no backhaul movement will be made.

ITEM NO. 70 - SEPARATE PIPELINE AGREEMENTS

Separate agreements in association with pipeline connections or other facilities ancillary to the Carrier's pipeline system and in accordance with this tariff may be required of any Shipper or Consignee before any obligation to provide transportation shall arise.

ITEM NO. 75 - TITLE

Unless arrangements satisfactory to Carrier are made prior to acceptance of Commodities, Carrier shall have no obligation to accept any Commodity which is in litigation, or as to which a dispute of title may exist or which may be subject to any lien or other encumbrance. Tenders submitted by Shipper shall be considered as a warranty of title and absence of encumbrance, and Carrier shall have no obligation to make inquiry with respect thereto. No acceptance of such Commodities by Carrier shall constitute a waiver or subordination of Carrier's lien under Item 50 or any other rights hereunder.

ITEM NO. 80 - LIABILITY OF CARRIER

While in the possession of any Commodity herein described, Carrier shall not be liable for any loss, damage or delay caused by an act of God, public enemy, accident, government regulation, strikes or other labor dispute, riots, fire, floods, or act or default of Shipper or Consignee, or from any other cause outside of the reasonable control of the Carrier whether similar or dissimilar to the causes herein enumerated. In such cases, the Shipper shall bear the loss in the same proportion as the amount accepted for transportation and actually in the Carrier's custody bears to the whole of the property of all Shippers in the Carrier's custody at the time of such loss and shall be entitled to receive only such portion of its shipment as is left after deducting its due proportion of the loss. Statements of quantities ascertained and computed from the records in the usual manner by the Carrier shall be accepted as prima facie correct in the distribution of such losses under this Item.

Carrier shall not be liable for discoloration, commingling, contamination, or deterioration of Commodities transported unless same is caused by the negligence of Carrier. Carrier's liability to Shipper or Consignee for any claim of negligence or other loss shall be limited to the value of the Commodities transported and related transportation charges. In no event shall Carrier be liable for any indirect, special, incidental or consequential damages, lost profit or other economic loss.

ITEM NO. 85 - CLAIMS, SUITS, TIME FOR FILING

As a condition precedent to recovery, claims must be filed in writing with Carrier within nine months after delivery of the Commodities or in case of failure to make delivery, then within nine months after a

reasonable time for delivery has elapsed, and suit shall be instituted against Carrier only within two years and one day from the day that notice in writing is given by Carrier to the claimant that Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims for loss or damage are not filed with Carrier or suits are not instituted thereon in accordance with the foregoing provisions, Carrier will not be liable thereon.

ITEM NO. 90 - PRORATION OF PIPE LINE CAPACITY

(A) Application

This proration rule will be applied separately to each line segment or facility when, during any period, the total volume of Commodities nominated for shipment through any segment or facility of the Carrier's pipelines is in excess of the capacity of said segment or facility. [N] Pursuant to a Capacity Use Agreement, Buckeye Pipe Line Company, L.P. utilizes capacity on the Laurel Pipe Line Company, L.P. pipeline system to provide refined petroleum product transportation services. Until December 31, 2026, outside of force majeure circumstances that impact Laurel Pipe Line Company L.P.'s ability to provide such capacity, the available, physical capacity of east-to-west transportation on Laurel Pipe Line Company L.P.'s system between Coraopolis and Duncansville, Pennsylvania (this segment also being known as "Line 718" or "L718") will be no less than 1,200,000 barrels per cycle (which is 120,000 barrels per day times ten days in a cycle), unless that obligation is terminated or modified earlier in accordance with the terms of the Settlement Agreement in PUC Docket No. C-2018-3003365 and FERC Nos. IS19-277-000, IS19-277-001, IS19-278-000 and IS19-278-001.

(B) Definitions

For the purposes of this Item, the following terms are defined as:

Allocation means the pipeline capacity, expressed either in average barrels per day or total barrels, which Buckeye apportions to a given Shipper during the period of proration.

Base Period means that period within which actual deliveries made for the account of a Shipper to terminals, connecting carriers and refineries at particular locations moved through the line segment or facility being prorated are taken into account for purposes of prorating pipeline capacity. It will consist of a continuous moving base of 12 consecutive calendar months beginning 14 months prior to the period of proration and ending 2 months preceding the period of proration. Such base period may include intervals when no proration is in effect.

Binding Nomination means the final Nomination tendered by a Shipper for a prorated line segment or facility after being advised that said line segment or facility is over nominated and subject to proration.

New Shipper means (1) a Shipper which does not qualify as a Regular Shipper but does satisfy the shipping requirements of Buckeye's Rules and Regulations Tariff. At the end of 14 consecutive calendar months from the beginning of the first month in which a New Shipper begins using any segment or facility of the Carrier's pipeline system (whether prorated or not), it will become a Regular Shipper and the actual volumes delivered for its account over the pipeline segment or facility

being prorated will become the basis for pipeline capacity allocation in the same manner as for other Regular Shippers.

Or (2) a Shipper who has not shipped any volumes in the prorated segment or facility during any non-prorated month during the base period

Regular Shipper means a Shipper which: (1) has used the pipeline segment subject to allocation during at least one month of the base period, and (2) does not meet the definition of "New Shipper", and (3) has volumes nominated for its account on the prorated segment or facility during the period of proration. If a Shipper, that would otherwise be classified as a New Shipper, has a volume history in the prorated segment or facility such that calculating Shippers Allocation classifying the Shipper as a Regular Shipper results in a larger allocation than if that Shipper were classified as a New Shipper, said Shipper will be classified as a Regular Shipper.

(C) Use of Standard Base

Where appropriate, Carrier will, at its option, convert Commodities of differing flow rate characteristics to a standard base.

(D) Allocations for Regular Shippers

Carrier may, without liability, allocate available pipeline capacity for any period in which Nominations exceed available capacity in accordance with the following procedures, proceeding to each succeeding step only if the Nominations continue to exceed available pipeline capacity.

- (1) Nominations not submitted using the Carrier's electronic commerce and communications system or submitted after the deadline established in Item 100 will be rejected, unless the Carrier has specifically instructed the Shipper to submit Nominations by another means or by a later date.
- (2) When, it is determined that insufficient capacity is available to accommodate all valid timely, and properly submitted Nominations, Carrier will notify via electronic mail, telephone, facsimile, electronic bulletin posting or other appropriate method as selected by the Carrier, each Shipper that has tendered a Nomination for the affected line segment or facility. Each affected Shipper will then have a period of two business days to reduce its Nomination. In the event that the Carrier has determined that more than one line segment or facility of the same pipeline system will be prorated, affected shippers may resubmit or adjust nominations on all of the prorated segments on the same pipeline system so long as the shippers total adjusted nominated volumes on all of the affected segments do not exceed the original total nominated volumes on all of the affected segments. Each affected Shipper may adjust its Nomination using the Carrier's electronic commerce and communications system (unless otherwise instructed by the Carrier) to edit or change its Nominations during this period. At 12:01am on the third business day following the day notification was made to Shippers, this adjusted Nomination shall be considered a Binding Nomination, or if a Shipper does not change or submit a reduced Nomination, then its initial Nomination shall be considered its Binding Nomination.
- (3) If Nominations continue to exceed available capacity, Carrier will review all receiving and delivery facilities to determine if any are incapable of injecting or receiving at

Carrier's existing flow rates or throughput rates, and if there are such restricted facilities, Shippers using them will be subject to reduction of up to 100 percent of the quantity nominated from or to the restricted facility, as necessary to equate total Nominations to available pipeline capacity. If more than one receipt or delivery facility is restricted from injecting into or receiving from Carrier at less than Carrier's existing flow rates or throughput rates, Nominations from or to such facilities will be allocated in order of their actual capability, with the facility able to inject or receive at higher rates taking priority over those capable of lesser rates. Nominations from or to facilities that can inject or receive at carrier's existing flow rates or throughput rates, or greater will all be given equal priority. Carrier reserves right to adjust allocations at restricted facilities in order to maximize total available pipeline capacity and throughput. Shippers will be notified of the proration of Nominations made from or to the restricted facility and will be permitted to re-nominate those volumes to another unrestricted facility prior to further allocation.

- (4) If Nominations continue to exceed available pipeline capacity, the percentage of pipeline capacity to be allocated to each Regular Shipper will be calculated by using data from the applicable base period and dividing the shipments made for the account of each Regular Shipper by the total shipments made for all Shippers during the base period. The resulting percentages will then be applied to the line segment or facility capacity to determine capacity allocation for each Regular Shipper. Each Regular Shipper will receive the lesser of its actual Nominations and its allocation resulting from the above calculation. In the event any Shipper(s) is (are) allocated more capacity than its (their) nominated requirements, the excess of its (their) allocation(s) over its (their) Nominations will be reallocated among all other Shippers in proportion to their unsatisfied requirements (i.e., each Shipper's Nominations minus initial allocation). Allocations for Regular Shippers will be subject to reduction if required to accommodate New Shippers.

(E) Allocations for New Shippers

Unless more capacity is required for Regular Shippers in Section (F), up to two and one-half percent (2.5%) of available capacity will be made to each new shipper subject to a total of ten percent (10%) of available capacity for all new Shippers. Commodities nominated by a New Shipper during periods of proration not caused by unusual market conditions will be allocated pipeline capacity as follows:

If less than four (4) new shippers have submitted nominations for the affected facility or segment, each shipper will be allocated the lesser of either two and one-half percent (2.5%) of available capacity or their nominated volume. In the event that more the four (4) new shippers have submitted nominations for the affected facility or segment, the nominated volumes for each New Shipper shall be totaled and divided into ten percent (10%) of the available pipeline capacity. The resulting percentage shall be the initial New Shipper Proration factor. Each New Shipper will be allocated pipeline segment or facility capacity equal to the lesser of:

- (a) (2.5%) of available capacity,
- (b) its nominated volumes,
- (c) its nominated volumes multiplied by the initial New Shipper proration factor.

Any remaining pipeline segment or facility capacity will be allocated to Regular Shippers as set forth in Section (D). If there remains available pipeline capacity after New Shippers have been allocated capacity in accordance with the preceding paragraphs of this Section, and after Regular Shippers have received allocations equal to one-hundred per cent (100%) of their nominated volumes, the remaining available pipeline capacity shall be allocated to New Shippers using the same process as used for Regular Shippers in Section (D).

(F) Unusual Market Conditions

If the Carrier, in its sole discretion, should determine that Nominations exceed capacity as the results of unusual petroleum product market conditions that are expected to be of a temporary nature, capacity will be allocated as follows: Each Regular Shipper who has utilized the pipeline segment subject to allocation during each of the 12 months during the Base Period will be allocated capacity equal to their average actual deliveries during the Base Period. Any unsatisfied Nominations of the Shippers who have utilized the pipeline segment or facility subject to allocation during each of the 12 months during the Base Period, and the nominated volumes for other Regular Shipper(s) and any New Shipper(s) shall be allocated according to the procedures outlined in Sections (D) and (E).

(G) Penalties for Failure to Utilize Allocated Space

If a Shipper tenders a volume greater or equal to eighty-five percent (85%) of its Prorated Binding Nomination, then such a Shipper shall be invoiced based on its delivered volumes. If a Shipper tenders less than eighty-five percent (85%) of its Binding Nomination, then Shipper shall be invoiced for its delivered volumes for that period, plus a charge equal to:

[Eighty-five percent (85%) of Prorated Binding Nomination	less
The actual volumes delivered]	times
The applicable current tariff rate.	

Charge will be waived when deliveries were reduced at the request of the Carrier, or where Carrier operational problems prevented full receipt or delivery of barrels tendered by shipper.

(H) Allocation of Additional Capacity After Calculation and Notification of Prorated Binding Nominations

In the event that additional space or capacity become available on the prorated segment or facility due to the cancellation of nominations by another shipper, earlier than scheduled completion of maintenance, restoration, or repair work, or other such event, the Carrier may elect to offer that newly available or additional space to shippers. Carrier will notify each Shipper that has tendered a Nomination for the affected line segment or facility. Notification will be made via electronic mail, telephone, facsimile, electronic bulletin posting or other appropriate method as selected by the Carrier. This notification will advise shippers of the availability of the additional space and all pertinent details and conditions for tendering additional volumes to be shipped in the additional space. As part of the notification, Carrier will advise shippers of the means by which shippers should submit requests for use the additional space, and the deadline by which all such requests must be submitted to the Carrier. The deadline for submitting requests to the Carrier will not be less than twenty-four (24) hours after the notice or announcement concerning the availability of space is made.

Carrier will allocate additional space on a lottery basis, using an unbiased, random, and non-discriminatory method to select (an) individual shipper request(s) from the pool of all requests submitted by the announced deadline. Carrier will continue to randomly select shipper requests from the pool of remaining requests until all of the additional space is allocated. In the event that a selected request is for a volume amount greater than the (remaining) available space, Carrier will allocate only the available space.

Upon notification to a Shipper by the Carrier that additional space has been allocated, the Shipper will have twenty-four hours to accept the additional space allocation by notifying the Carrier of the Shippers intent to accept that space and submitting an Allocated Binding Nomination for the additional space. In the event that a Shipper that is allocated additional space under the provisions of this section and fails to accept or declines to use the additional

space, Carrier will continue to use a random selection lottery basis to pick from the pool of remaining requests, until all of the additional space is allocated.

(I) General

In the event that calculation of a Shipper's allocated nomination results in a volume less than the required minimum batch size, Carrier will at its option either round up the Shipper's nomination to the required minimum batch size or waive the minimum batch size requirement.

As delineated above, pipeline or facility capacity is allocated among Regular Shippers based upon historical usage. Inflated Nominations do not result in increased capacity allocation. In no event will any portion of an allocation granted either to a Regular Shipper or New Shipper be used in such a manner that it will increase the allocation for any other Shipper beyond what it is entitled to under the proration policy.

Nominations must be made in accordance with published tariff provisions, rules and regulations.

ITEM NO. 95 - CHARGE FOR SPILL COMPENSATION ACTS AND REGULATIONS

In addition to the transportation charges and all other charges accruing on Commodities accepted for transportation, a per Barrel charge will be assessed and collected in the amount of any tax, fee, levy or other charge against the Carrier in connection with such Commodity, pursuant to any federal, state, or local law or regulation which imposes a tax, fee, levy or other charge, on the receipt, delivery, transfer or transportation of such Commodities for the purpose of creating a fund for the prevention, containment, clean up and/or removal of spills, the reimbursement of persons sustaining loss therefrom or any other lawful purpose. Carrier shall be under no obligation to contest or protest on behalf of the Shipper or Consignee the legality of such tax, fee, levy or other charges.

ITEM NO. 100 - TIME FOR SUBMITTING NOMINATIONS

Carrier is under no obligation to accept a tender of Commodities for transportation for any month unless the Shipper submits a Nomination on or before the fifteenth calendar day of the preceding calendar month. Any new Nomination, or request to increase a Nomination for a given facility or line segment made after this deadline will be rejected by the Carrier in the event that nominations received prior to this deadline exceed facility or segment capacity.

In the event that a pipeline segment or facility is operating under allocations as established in Item 90, Carrier may at its option require Nominations for the prorated segment or facility to be submitted on or before the tenth calendar day of the preceding calendar month. Carrier will announce any such earlier deadline for Nomination submission by publishing notice of the change on the Carrier's electronic commerce and communications system at least 5 calendar days prior to the revised deadline.

A Nomination must indicate, for each Batch, The Shipper, Product, System, Receipt Location, Receipt Volume, receipt requested date, Delivery Location(s), Delivery Volume(s), and Delivery Tanker. Nominations must be submitted using the Carrier's electronic commerce and communications system (<https://transport4.com>) unless otherwise instructed by the Carrier.

ITEM NO. 105 - CONFIRMATION OF SUPPLY SOURCE

For all Commodities it is the responsibility of the Shipper to confirm the Supply Source (Receipt Tanker) a minimum of three working days prior to delivering the Commodity to Carrier's receipt manifold. Any Commodity that does not have a confirmed Supply Source will be removed from Nomination. It will be the Shipper's responsibility to renominate for a later date.

ITEM NO. 110 - WARRANTIES

Shipper warrants that all Commodities tendered to Carrier will conform with Carrier's specifications set forth in Item 15 for Segregated Batches or Carrier's established specifications for Fungible Batches, including applicable standards for gasoline Reid vapor pressure; are owned by the Shipper and are free from disputes as to title, liens, or other encumbrances as set forth in Item 75; will be merchantable; and will not be contaminated with water or other impurities. Shipper will be liable to and will indemnify Carrier, other Shippers and Consignees for damage, loss, liability, claim, cost or expense arising from a breach of this warranty. The transportation of the Commodity may be refused or cancelled if Carrier determines or is advised that the Commodity does not meet the requirements of Carrier's rules and regulations, but Carrier has no obligation to make such determination or to make inquiry with respect thereto.

Carrier does not make any warranties expressed or implied, including, but not limited to, fitness for a particular purpose and merchantability, concerning the quality of the Commodities delivered.

ITEM NO. 115 - DISPOSITION OF COMMODITIES ON FAILURE TO ACCEPT DELIVERY

(A) In the event Carrier has accepted Commodities for transportation in reliance upon Shipper's representations as to acceptance at Destination, and there is failure to promptly accept such Commodities as scheduled at Destination, then and in such event Carrier shall have the right to divert, reconsign, or make whatever arrangements for disposition of the Commodities it deems appropriate to clear its pipeline facilities.

(B) If the Shipper cannot accept the scheduled delivery and Shipper makes timely arrangements for delivery at another local or more distant destination point, Carrier will permit such diversion or reconsignment consistent with the provisions of Item No. 65 of this tariff. Carrier will consider all such diversion or reconsignment arrangements to be timely if notice of these alternate arrangements is received by the Carrier in sufficient time to avoid shutting down operation of the affected pipeline segment or facilities. If suitable diversion or reconsignment arrangements are made by the Shipper but the Carrier is not notified in time sufficient to avoid a shutdown of the affected pipeline segment or facilities, then an assessment of **[U]** five thousand dollars (\$5,000.00) for each hour of lost operation or fraction thereof will be made on the Shipper.

(C) If the Shipper fails to make suitable arrangements for diversion or reconsignment of the Commodities, and the Carrier has available intermediate or local storage facilities that will permit the Carrier to divert the Commodities, the Carrier will divert the Commodities to its own facilities and reschedule the delivery of the Commodities on the next cycle when like Commodities are being delivered by the Carrier. A Rescheduling and Diversion Charge of **[U]** One Thousand Dollars (\$1,000) will be imposed for each instance the Carrier is required to divert Commodities and reschedule delivery. In addition, a Storage Charge of **[U]** twenty-five cents (25.0¢) per barrel per week will apply to each diverted barrel held by the Carrier for each week or fraction thereof between the date the commodities were originally scheduled for delivery and the date the Commodities are finally delivered to the Shipper.

(D) If the Shipper fails to make suitable arrangements for diversion or reconsignment of the Commodities, and the Carrier does not have available intermediate or local storage facilities that will permit the Carrier to promptly divert the Commodities, Carrier will seek the most expeditious means to divert or dispose of the Commodities. Such disposition includes the right to sell the Commodities at private or public sale. Carrier may be a purchaser at such public sale. From the proceeds of any such sale, Carrier may pay itself all transportation and other charges and expenses in caring for and maintaining the Commodities and the costs of sale, and the balance shall be held for whomsoever may be lawfully entitled thereto.

(E) In the event that physical limitations or any other factors prevent the Carrier from arranging for the prompt disposal of the Commodities and the Carrier is forced to shut down operation of the pipeline facilities, the Shipper will be assessed penalties and fees as follows:

(1) Shipper will be responsible for the prompt payment of any and all claims that may be brought against the Carrier from other Shippers or affected Parties as a result of the extended interruption of scheduled pipeline service.

(2) Shipper will also be responsible for the prompt payment of any and all costs incurred by the pipeline to provide alternative service to its other Shippers whose Commodities are blocked in the pipeline facilities by the shutdown. Such costs may include expenses for trucking said products and any related charges for loading and/or unloading the Commodities.

(3) Shipper will be assessed fees of [U] five thousand dollars (\$5,000.00) for each hour of lost operation or fraction thereof to compensate Carrier for revenues lost during the time the pipeline facilities were forced to shut down.

ITEM NO. 135 – FAILURE TO DELIVER OR RECEIVE AT SCHEDULED RATE

In the event Carrier has accepted a Batch of Commodity for transportation in reliance upon Shipper's representation as to delivery at Origin from Receipt Tanker and/or receipt at Destination by Delivery Tanker, and the Tanker fails to accomplish delivery and/or receipt of Commodity at the rate of delivery necessary to complete delivery of the Batch within the delivery period ("Required Scheduled Rate"), which shall not exceed the full pipeline pumping rate, Shipper will be assessed a penalty. The penalty shall be assessed only in an instance where the failure results in a reduction during the delivery month in nominations previously accepted under Item No. 100 or in an extension of the delivery month to accommodate the nominations at the reduced rate of delivery, and shall only be applied to the reduction in the rate of delivery. The penalty shall be calculated under the following formula:

Penalty = [U] \$5,000.00 X Penalty Percentage X Batch delivery period (in hours), where:

- a. Penalty Percentage = 100% minus Slow Down Percentage Rate;
- b. Slow Down Percentage Rate = Slow Down Rate divided by Required Scheduled Rate;
and
- c. Slow Down Rate = Average actual rate of delivery over Batch delivery period.

Shipper will be responsible for the prompt payment of any and all claims that may be brought against the Carrier from other Shippers or affected Parties as a result of a failure of delivery or receipt by the Tanker under this item.

EXPLANATION OF ABBREVIATIONS

ABBREVIATIONS

EXPLANATION

% Per Cent
A.P.I. American Petroleum Institute
A.S.T.M. American Society for Testing Materials
F.E.R.C. Federal Energy Regulatory Commission
No. Number
P.S.I.G. Pounds per Square Inch Gauge

EXPLANATION OF REFERENCE MARKS

[N] New
[U] Unchanged Rate

RECEIVED

JUL 31 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Appendix D

**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,	:	Docket No. C-2018-3003365
v.	:	
Laurel Pipe Line Company, L.P.	:	
Respondent.	:	

**STIPULATION IN SETTLEMENT
BETWEEN LAUREL PIPE LINE COMPANY, L.P. AND
THE BUREAU OF INVESTIGATION AND ENFORCEMENT**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE ERANDA VERO:

The Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission (“Commission”) and Laurel Pipe Line Company, L.P. (“Laurel”), parties to the above-captioned proceeding and signatories hereto (hereinafter collectively referred to as the “Stipulating Parties”), file this Stipulation pursuant to 52 Pa. Code § 5.232 resolving all issues between Laurel and I&E in the above-captioned proceeding (the “Stipulation”).¹ The Stipulation resolves the issues raised by I&E in this proceeding, and the Stipulating Parties hereby stipulate and agree to the terms and conditions set forth herein. In support, the Stipulating Parties represent as follows:

¹ The Complainants, collectively comprised of Giant Eagle, Inc. (“Giant Eagle”) Guttman Energy, Inc. (“Guttman”), Lucknow-Highspire Terminals, LLC (“LHT”), Monroe Energy, LLC (“Monroe”), Philadelphia Energy Solutions Refining and Marketing, LLC (“PESRM”), and Sheetz, Inc. (“Sheetz”), are not parties to this Stipulation.

I. BACKGROUND PERTINENT TO THIS STIPULATION

1. The above-captioned Complaint was initiated on July 12, 2018.
2. I&E filed an entry of Appearance on July 18, 2018.
3. No testimony has yet been served in this proceeding.
4. Extensive discovery has been conducted throughout this proceeding to investigate

Laurel's contemplated initiation of bi-directional service over the segment of the L718 pipeline located between Eldorado, PA and Coraopolis, PA.

5. Settlement discussions were held which resulted in the resolution of all issues raised by I&E prior to the service of testimony or the scheduling of evidentiary hearings in this matter. The agreement of the Stipulating Parties is embodied in this Stipulation.

6. The Stipulation among the Stipulating Parties is set forth in Section II, *infra*.

II. STIPULATION

7. In order to fully resolve the issues raised by I&E in this proceeding, the Stipulating Parties stipulate and agree to the following terms and conditions:

- a. Laurel agrees to take all safety actions identified in the Company's Integrity Impact Review Report ("IRR") to comply with the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration's ("PHMSA") Guidance for Pipeline Flow Reversals, Product Changes and Conversion to Service, US DOT PHMSA, September 2014, Docket PHMSA-2014-0040.
- b. Within thirty (30) days of the completion of the hydrostatic test necessary to initiate the contemplated bi-directional service on Line 718, Laurel will provide an updated version of Figure 1, below, to I&E's Safety Division. Figure 1 provides actual and estimated dates of completion for actions by Laurel, based on the fact that the contemplated hydrostatic test was successfully completed on June 21, 2019. The updated schedule will reflect the estimated completion dates for the identified safety actions that have not been completed based on the anticipated in-service date of the contemplated bi-directional service on Line 718.

FIGURE 1: LAUREL LINE - INTEGRITY IMPACT REVIEW ACTIONS SUMMARY AND SCHEDULE

Actions To Be Completed Prior to Initiation of Bi-directional Service	Estimated Date
Initiate Hydrostatic Pressure Test	5/8/2019
Complete Hydrostatic Pressure Test	Completed 6/21/2019
Updated Surge Analysis	Completed 11/15/2017
Updated Emergency Flow Restricting Device (EFRD) analysis	Completed 11/20/2017
Update to Computational Pipeline Monitoring System (Leak Warn)	Completed
Review and Update Procedure Manuals (Operations, Maintenance & Emergency Response)	Completed
Update to Work Management System for new Equipment	8/1/19
Revise Startup and Shutdown Procedures and Train Controllers	Completed
Review and Update Supervisory Control and Data Acquisition (SCADA) System	Completed
Update Oil Spill Response Plan	Completed 2/5/19
Preventative & Mitigative Actions Review	Completed 8/29/18
Post-Initiation of Bi-Directional Service Actions	Initiation Expected 10/1/19
As Built Drawings and Compile Project Records	120 days after initiation
Inspect Mainline Isolations Valves	On date of initiation, 7 days after initiation and 30 days after initiation
Perform Visual Surveys of Aboveground Equipment	30 days after initiation
Determine and Evaluate actual Pressure Cycling of Pipeline	30 days after initiation 180 days after initiation

- c. Laurel agrees that the I&E Safety Division inspectors may inspect the Laurel pipeline, including review of the Company's compliance with the actions identified in the IRR and PHMSA Pipeline Safety Regulations applicable to hazardous liquids pipelines, set forth in 49 C.F.R. Parts 195 and 199, as well as I&E's on-going review of the L718 pipeline and related hydrostatic pressure testing. The Stipulating Parties agree that Laurel and I&E reserve all arguments regarding any issues that may arise from the inspection process.

- d. Laurel and I&E acknowledge that the aforementioned provisions fully satisfy the concerns raised by I&E in this proceeding, and that I&E will not oppose Laurel's initiation of the contemplated bi-directional service.

8. The following terms of this Stipulation reflect a carefully balanced compromise of the interests of the Stipulating Parties in this proceeding. The Stipulating Parties believe that approval of the Stipulation is in the public interest. The Stipulation will be supported by the Stipulating Parties and shall be construed as their respective and collective litigation positions on the issues raised by I&E in this proceeding as of the date of its submission to the presiding Administrative Law Judge ("ALJ") and throughout the remainder of this proceeding unless and until the Commission decides not to approve the terms and conditions of the Stipulation without modification, at which time the Stipulating Parties may elect to withdraw from the Stipulation as discussed in Paragraph No. 11, *infra*.

III. CONDITIONS OF STIPULATION

9. The terms and conditions of this Stipulation reflect and constitute the joint litigation position of the Stipulating Parties in this proceeding. The Stipulation resolves all issues raised by I&E, and precludes the Stipulating Parties from asserting positions in any way contrary to this Stipulation with respect to the issues raised by I&E during this proceeding. In addition, the Stipulating Parties agree that Laurel and I&E may appropriately respond to any opposition to the granting of the Stipulation raised by the remaining non-signatory parties or to any other issue not addressed in the Stipulation that is raised by non-signatory parties.

10. If the ALJ, in the Initial Decision, recommends that the Commission adopt the Stipulation as herein proposed without modification, the Stipulating Parties agree to waive the filing of Exceptions on the issues raised by I&E. However, the Stipulating Parties do not waive

their rights to file Exceptions with respect to any modifications to the terms and conditions of this Stipulation. The Stipulating Parties also reserve the right to file Replies to any Exceptions that may be filed.

11. The Stipulating Parties agree that the Stipulation is conditioned upon the Commission's approval of the terms and conditions of the Stipulation without modification. If the Commission modifies this Stipulation, either I&E or Laurel may elect to withdraw from the Stipulation and may proceed with litigation and, in such event, this Stipulation shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission and served upon the other stipulating party within twenty (20) days after entry of an Order modifying the Stipulation.

12. The Stipulating Parties acknowledge that the Stipulation reflects a compromise of competing positions to resolve outstanding issues in a fair, just and reasonable manner, and does not necessarily reflect any party's position with respect to any issues raised in this proceeding.

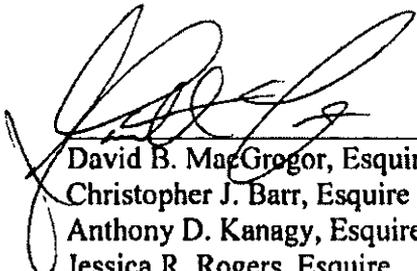
13. The Stipulating Parties agree that this Stipulation resolves all of the issues and concerns raised by I&E related to the provision of bi-directional service over L718. The Stipulating Parties respectfully request that both the ALJ and the Commission approve the Stipulation in its entirety.

14. The Stipulating Parties agree that the Stipulation shall not constitute or be cited as precedent, and shall be without prejudice to any of Stipulating Parties' positions, in any other proceeding, except to the extent required to implement the explicit terms of this Stipulation.

15. The Stipulating Parties may execute this Stipulation in separate counterparts, each of which, when so executed and delivered, shall constitute an original, but all of which together shall constitute one and the same instrument.

WHEREFORE, the Stipulating Parties, by their respective counsel, respectfully request that Administrative Law Judge Eranda Vero recommend this Stipulation in Settlement Between Laurel Pipe Line Company, L.P. and the Bureau of Investigation and Enforcement, including all the terms and conditions thereof, for approval without modification and that the Commission subsequently adopt said recommendation in any Final Order ending this proceeding.

Respectfully submitted,



David B. MacGregor, Esquire
Christopher J. Barr, Esquire
Anthony D. Kanagy, Esquire
Jessica R. Rogers, Esquire
Garrett P. Lent, Esquire
Post & Schell, P.C.
17 North Second Street, 12th Floor
Harrisburg, PA 17101-1601
For Laurel Pipe Line Company, L.P.

Date: 7/31/2019



Stephanie M. Wimer, Senior Prosecutor
Commonwealth Keystone Building
P.O. Box 3265
Harrisburg PA 17105
For Bureau of Investigation & Enforcement

Date: 7/31/2019

Appendix E

Settlement Agreement

The undersigned Parties¹ agree to be bound by the following terms and conditions, subject to the required federal and state approvals as described herein, to resolve all disputes and controversies between the Parties relating to establishment of the proposed bi-directional service by Buckeye and Laurel on Line 718 of the Laurel pipeline system.

A. Preservation of Existing East-to-West Capacity

1. These Settlement terms will be filed with the Pennsylvania Public Utility Commission (“PaPUC”) and the Federal Energy Regulatory Commission (“FERC”) to create specific and legally-enforceable commitments in each jurisdiction assuring that the available, physical capacity of east-to-west transportation on Line 718 (“L718”)² will be no less than 1,200,000 barrels per cycle (which is 120,000 barrels per day times the ten days in a cycle) under bi-directional service, through the termination of the Full Reversal Moratorium (defined below), outside of force majeure circumstances impacting Laurel’s ability to provide such capacity on the Laurel Pipeline, subject to the provisions of Paragraphs 11 and 12 (“East to West Capacity Guarantee”). The Settlement resolves the pending Amended Complaint at the PaPUC against Laurel, the pending Petition for Declaratory Order (“PDO”) proceeding at the FERC and the issues raised in the FERC Tariff proceedings pending at FERC Docket Nos. IS19-277-000 and IS19-278-000. Buckeye, Laurel and the Complainants (collectively, “FERC Parties”) have agreed to also file the Settlement on or before July 31, 2019 at the FERC. Both the PaPUC and

¹ Giant Eagle, Inc., Guttman Energy, Inc. (“Giant Eagle”), Guttman Energy, Inc. (“Guttman”), Lucknow-Highspire Terminals, LLC (“LHT”), Monroe Energy, LLC (“Monroe”), Philadelphia Energy Solutions Refining and Marketing, LLC (“PESRM”), and Sheetz, Inc. (“Sheetz”) (collectively, for purposes of this agreement, “Complainants”), Buckeye Pipe Line Company, L.P. (“Buckeye”) and Laurel Pipe Line Company (“Laurel”) (Buckeye and Laurel with the Complainants, each individually a “Party” and collectively the “Parties”).

² “L718” or “Line 718” is the Laurel pipeline segment that runs from Duncansville to Coraopolis, Pennsylvania.

the FERC Settlements are accompanied by pro forma tariffs (one by Laurel for the PaPUC and several by Buckeye in its individual capacity for the FERC) that implement and are consistent with the Settlement terms. The PaPUC tariff necessary to implement this Settlement is attached hereto as **Appendix A**. Also attached hereto as **Appendix B** is a Capacity Use Agreement between Laurel and Buckeye pursuant to PaPUC affiliated interest requirements confirming the availability of capacity on the Laurel Pipeline to provide service under the Transportation Service Agreements (“TSAs”) for firm committed service that Buckeye has executed with customers for west-to-east interstate service utilizing the Coraopolis to Duncansville segment of the Laurel Pipeline, *i.e.* L718. Further, attached as **Appendix C** are the Buckeye FERC pro forma tariffs to be filed to implement the bi-directional service, which include Rules and Regulations for west-to-east service on L718, and rates for west-to-east service on L718, and modifications to the Rules and Regulations for east-to-west service on Buckeye’s Eastern Products System.

2. The Parties will request expedited review and approval of the Settlement, the pro forma PaPUC Tariff attached hereto as **Appendix A** and the Capacity Use Agreement attached hereto as **Appendix B** by the PaPUC. The Settlement and associated **Appendices A, B, and C** assure Laurel Pipeline shippers the availability of 1,200,000 barrels per each ten (10) day cycle of east to west capacity on the Laurel Pipeline, through the termination of the Full Reversal Moratorium (defined below). Laurel and Buckeye represent and confirm that, absent a bona fide force majeure condition, no provision of the TSAs with Shippers for the 2019 Expansion Capacity³ including, without limitation, Section 6.03(d) of or the definition of “Committed Customer Capacity” under the TSAs or any existing tariffs, including those filed to implement

³ The term “2019 Expansion Capacity” will be defined in the FERC Tariffs included with the Settlement submitted to the FERC for approval. The pro forma FERC Tariffs that will be filed are attached hereto as **Appendix C**.

the TSAs, will alter, diminish, limit or otherwise adversely impact the 1,200,000 barrels per cycle of east to west capacity that will be available for Shippers along L718 for all destination points between Eldorado and Coraopolis under bi-directional operations, through the termination of the Full Reversal Moratorium (defined below). The PaPUC Tariff filed by Laurel and the FERC Tariff filed by Buckeye, to be effective upon the commencement of bi-directional service, include provisions specifying that the available, physical east-to-west capacity of L718 for purposes of bi-directional service is 1,200,000 barrels per cycle, absent force majeure, through the termination of the Full Reversal Moratorium (defined below). Buckeye and Laurel agree that they will not file or seek to file tariff provisions, or apply any tariff provisions, in a manner that conflicts with the requirements and obligations of this Settlement.

B. Scheduling/Operational/Logistical (“SOL”) Commitments

3. Laurel and Buckeye agree to designate and provide in a timely manner to the Complainants, the name, title and complete contact information of a manager as the “escalation” contact when scheduling issues with respect to L718 arise that the schedulers are unable or unwilling to address. That manager shall have decision-making authority over such issues.

4. Laurel and Buckeye will implement a continuous review process with respect to L718 that includes the scheduling of conference calls in which the Complainants (*i.e.* schedulers, shippers, and suppliers) and other Shippers may participate. Such calls shall occur three to five (3-5) business days prior to the start of each cycle. Such calls shall be scheduled for each cycle for the first six months of bi-directional operation. After the end of the six-month period, such calls shall occur monthly, 3-5 business days prior to the nomination deadline each month, for a period of six months. The purpose of the calls will be for Laurel and Buckeye to describe the intended operation (including a high-level review of scheduled receipts and deliveries, etc.) for the upcoming cycle or month, as appropriate; to receive input from Complainants and other

Shippers; and to implement modifications to processes where appropriate. The issues discussed shall include, but not be limited to, items set forth in Paragraphs 4(a).i.-iii. below.

- (a) In each call or meeting specified in this Paragraph 4, Laurel and Buckeye will discuss with any participating Complainants, or other Shippers, the following information:
 - i. The status of current cycle and projected status of each upcoming cycle for which a schedule has been issued (“status” meaning (A) allocated, (B) full and thus not accepting additional batches, (C) not full with limited additional space available, or (D) not full with significant additional space available);
 - ii. Any unusual or non-routine conditions of which Buckeye is aware, and any current or anticipated (planned or potential) pipeline downtime, impacting current cycle or upcoming scheduled cycles; and
 - iii. Expected timing of gasoline and distillate fuel in each scheduled cycle (gasoline normally starts on the 2nd, 12th, and 22nd day of the month; distillate fuel normally starts on the 7th, 17th and 27th day of the month).
- (b) To the extent that the calls and meetings specified in this Paragraph 4 involve information regarding the intended operation of L718, Laurel and Buckeye will provide the Complainants and/or other Shippers participating in the calls with a level of detail that does not convey shipper information or non-public information that would grant market

participants an advantage, consistent with applicable federal and state laws (e.g., operational information regarding the physical direction of L718 that would provide a market advantage to non-segment L718 shippers).

- (c) Notice of the calls and meetings, including postponed or rescheduled calls or meetings, specified in this Paragraph 4 shall be provided in advance to Complainants and other Shippers via Buckeye's T-4 system and to Complainants by email.

5. All interested Complainants and/or other Shippers will meet with Laurel and Buckeye no later than 30 days after the first six months of commercial operation of bi-directional service, and again no later than 30 days after the first 12 months of commercial operation of bi-directional service, in a collaborative process to discuss and implement changes necessary to address issues that have arisen in the first two six-month periods. Complainants retain the right to file complaints, at the PaPUC or the FERC or both, if issues are not satisfactorily or timely addressed during these two review processes. Such complaints may challenge specific practices or policies as to bi-directional service that violate the Settlement or that any Complainant reasonably believes violates federal and/or state law. At least five (5) business days prior to filing any complaint regarding bi-directional service, except in an emergency, the Complainant shall notify Laurel and Buckeye of its intention to file the complaint. Within 48 hours of receiving such notice, Laurel and Buckeye shall in writing notify the Complainant whether Laurel and Buckeye choose to address the complaint informally, and, if so, how. If Laurel and Buckeye chooses to pursue remediation in response to the notice of filing of a complaint, then Laurel, Buckeye and the potential complainant shall engage in good faith negotiations for a period not to exceed fifteen (15) days, unless that period is extended by mutual agreement of

Laurel, Buckeye and the potential complainant. If the negotiation period is not extended, the potential complainant may file an action in any appropriate forum to seek redress for the issue. In addition and without prejudice to any other remedies set forth in this Agreement, any Party to the Settlement may request that the PaPUC make an ALJ available to assist with resolving any Party's non-compliance with the terms of this Settlement.

6. In addition to the pro forma PaPUC Tariff supplement, attached hereto as **Appendix A**, that Laurel is filing to implement the Settlement, the Complainants, Laurel and Buckeye will work in good faith to develop a shipper notification process to provide shippers with written notification and explanation of material delays, meaning delays of 1 day or more, in the timing of deliveries that differ from the times specified in pumping schedules.

7. Laurel and Buckeye represent that bi-directional service will not materially increase losses, transmix, or interface percentages from the levels that existed during the 12 months prior to the initiation of bi-directional service, so long as bi-directional service is provided. Notwithstanding any other provision of this Settlement, the Complainants retain all rights to file a complaint with the PaPUC or the FERC if the losses, transmix, or interface percentages materially increase above levels that existed during the 12 months prior to the initiation of bi-directional service, for shipments on L718 after the initiation of bi-directional service.

8. Prior to the initiation of bi-directional service, Buckeye will add at least one full-time employee to assist with bi-directional scheduling. Buckeye will retain full staffing to assist with bi-directional scheduling, so long as bi-directional service is provided.

9. Buckeye shall modify Item 90-A in FERC Tariff No. 456.0.0 to provide that Regular Shippers will have access to up to at least 5% of the 2019 Expansion Capacity, and that

New Shippers will have access to up to at least 5% of the 2019 Expansion Capacity, after 2019 Expansion Capacity has been allocated to Committed Shippers. This modification preserves the definitions of “Regular Shipper” and “New Shipper” in Sections 90-A(A)(vii) and (x) of FERC Tariff No. 456.0.0. Such tariff changes will be included with the FERC Settlement filing, in substantially the form off the pro forma tariff attached to this document as **Appendix C**.

C. IMPLEMENTATION OF BI-DIRECTIONAL OPERATIONS AND MORATORIA

10. Buckeye may commence as of October 1, 2019, the provision of west to east interstate transportation service between Coraopolis and Eldorado, Pennsylvania on the Laurel Pipeline and Laurel shall continue east to west intrastate transportation service between Coraopolis and Eldorado, Pennsylvania on the Laurel Pipeline (jointly referred to as “bi-directional service”), even if the FERC and/or PaPUC have not yet approved the Settlement. However, if, at any time, either the FERC or the PaPUC rejects the Settlement, Buckeye shall not begin or shall promptly cease the provision of all bi-directional service and file such documents at the PaPUC and the FERC necessary or required to evidence the cessation of such service.

11. For a moratorium period beginning on October 1, 2019 and ending December 31, 2024, neither Buckeye or any of its affiliates will provide: (a) any extension of bi-directional service to any points east of Eldorado on the Laurel Pipeline and (b) any increase in the capacity for west-to-east service on the Laurel Pipeline between Coraopolis and Eldorado (together, the “Bi-Directional Moratorium”). To the extent that Buckeye or Laurel provide the extension of bi-directional service to any points east of Eldorado along the Laurel Pipeline or increase the capacity for west-to-east service on the Laurel Pipeline between Coraopolis and Eldorado during the period after the Bi-Directional Moratorium has ended but prior to the expiration of the Full Reversal Moratorium (defined below) (the “Interim Period”), then Buckeye and Laurel will file

such tariff supplements to be effective on at least thirty (30) days' notice. For example, the tariff supplements for such service effective January 1, 2025, would be filed on or before December 1, 2024. As a part of any such filings during the Interim Period, Buckeye and Laurel may propose a revised volume for the East to West Capacity Guarantee provided for Paragraphs 1 and 2 of this Settlement Agreement (i.e. a volume lower than 120,000 barrels per day), provided that (i) any proposed revision must be proportionate to the reduced east-to-west throughput during the Bi-Directional Moratorium, if any; (ii) any reduced east-to-west throughput did not result from, and is not a consequence of, any pipeline operational actions taken by Buckeye or its affiliates with respect to east-to-west throughput on Laurel; and (iii) any reduced east-to-west throughput is not the result of a temporary market condition; subject to the Complainants' right to challenge such revision. In addition, a moratorium period beginning on October 1, 2019 and ending on December 31, 2026 will apply to implementation of a full reversal and any filing or open season by Buckeye or any of its affiliates related to offering or implementing a full reversal of product flows on the Laurel Pipeline for any points east of Pittsburgh ("Full Reversal Moratorium"). At the end of the Full Reversal Moratorium, the East to West Capacity Guarantee set forth in Paragraph 1 and 2 of this Settlement Agreement will no longer apply, as specified in the PaPUC and FERC tariffs addressing the East to West Capacity Guarantee. Complainants further agree that it would not be a violation of this Settlement for Buckeye to offer extended bi-directional service after the end of the Bi-Directional Moratorium only as to products then currently in use at all destinations on the Laurel system.

12. For the period between July 1, 2022 and December 31, 2024, if, (i) the PESRM, or its successor company / entity, is no longer a refining entity with refining operations at Point Breeze or Girard Point in Philadelphia, Pennsylvania processing crude oil using atmospheric and

vacuum distillation processes averaging 100,000 barrels per day, for a 6-month period ending on or after July 1, 2022 (provided, however, for the purposes of determining whether the 100,000 barrels per day average has been achieved for a 6-month period, the calculation will be adjusted to account for any scheduled turnarounds of the PESRM refinery for a period not to exceed sixty (60) days and bona fide force majeure conditions not related to the operational actions of the PESRM refinery that result in a limitation or cessation of production for a period not to exceed ninety (90) days), and (ii) the total east to west throughput on the Laurel Pipeline experiences a sustained and substantial decline not a consequence of pipeline operational actions taken by Buckeye or its affiliates as to East to West throughput on the Laurel Pipeline, then the Bi-Directional Moratorium will no longer apply and Buckeye shall file a tariff in accordance with the terms and procedures section in Paragraph 12(a) below to effect such termination of the Bi-Directional Moratorium. Consistent with (i) in the preceding sentence, PESRM or its successor will certify in writing to Buckeye and the Complainants each calendar quarter whether PESRM is a refining entity with refining operations at Point Breeze or Girard Point in Philadelphia, Pennsylvania processing crude oil using atmospheric and vacuum distillation processes averaging 100,000 barrels per day. For purposes of this section, “sustained and substantial” shall mean the average total annual volumes shipped on the Laurel Pipeline to the destination points west of Eldorado over a rolling period consisting of the most recent twenty-four consecutive months, are equal to or less than an average throughput level of 40,000 bpd. For the avoidance of doubt, commencing January 1, 2025, the Bi-Directional Moratorium will no longer apply, regardless of whether (i) and (ii) set forth above, have been satisfied. Laurel shall file the aggregate throughput data with the PaPUC and serve the data upon the Complainants on a no less than quarterly basis. To the extent that Buckeye and Laurel seek to terminate the Bi-

Directional Moratorium based upon a decline in throughput, it shall not claim that any of the aggregate data regarding throughput is subject to any privilege or other claim of confidentiality that would prevent Complainants from reviewing such data or presenting it in any relevant proceeding.

- (a) At least sixty (60) days in advance of filing any tariff change, application or petition, or taking otherwise prohibited action, Buckeye and/or Laurel must provide Complainants with written notice of its intent to invoke this Paragraph 40(a), which notice will describe Buckeye's and/or Laurel's basis for invoking the clause and include such facts as are necessary to substantiate its claim. Complainants retain the right to challenge Buckeye's and/or Laurel's invocation of this Paragraph 12(a), as well as any subsequent action by Buckeye and/or Laurel, including by filing a Complaint with the PaPUC and/or the FERC, and/or formally opposing any action taken or proposed by Buckeye and/or Laurel. If it is determined that this Paragraph 12(a) was properly invoked, Complainants nevertheless retain the right at all times to challenge the proposed action(s) by Buckeye and/or Laurel based on applicable law.
- (b) In the event that the Bi-Directional Moratorium is terminated early under this Paragraph 40(a), Buckeye and/or Laurel may propose, in a new PaPUC tariff and revised Capacity Use Agreement, a revised volume for the East to West Capacity Guarantee provided for in Paragraphs 12(a) of this Settlement (i.e. a volume lower than 120,000 barrels per day), subject to the Complainants' right to challenge such revision and provided that (i) any proposed revision must be proportionate to reduced east-to-west throughput during the Bi-Directional Moratorium, if any; (ii)

any reduced east-to-west throughput did not result from, and is not the consequence of, any pipeline operational action(s) taken by Buckeye or its affiliates with respect to east-to-west throughput on Laurel; and (iii) any reduced east-to-west throughput is not the result of a temporary market condition.

- (c) The restrictions and requirements established by subsections (a) through (b) of this Paragraph 12, above, will not apply to any proposal for extended or enlarged bi-directional service after the end of the Bi-Directional Moratorium on December 31, 2024.
- (d) The proper invocation of this Paragraph 12(a) by Buckeye does not permit Buckeye to take any action, or apply to take any action, that is otherwise prohibited under the Full Reversal Moratorium.
- (e) The Parties agree that upon the termination of either moratorium period, whether by expiration or, with respect to the Bi-Directional Moratorium, the proper invocation of this Paragraph 12(a) by Buckeye, the Complainants do not consent to Buckeye taking any action that was subject to either moratorium and retain all rights to challenge any such action based upon applicable law. Nothing herein shall be construed to suggest or imply that Complainants consent to any action proposed to be taken by Buckeye. The Parties agree that upon the termination of either moratorium period, the Complainants do not consent to Buckeye taking any action that was subject to either moratorium and retain all rights to challenge any such action based upon applicable law.

13. Except to enforce the terms of this Settlement, during the moratoria Laurel, Buckeye, and the Complainants will not attempt to alter, modify, revise or otherwise contest the

terms and conditions of the Settlement, or the terms and conditions of any filings before the PaPUC or the FERC that are identified herein as necessary to implement the Settlement, in any proceeding before the PaPUC, the FERC or other judicial body.

14. Laurel, Buckeye, and the Complainants agree that upon the termination of either moratorium period, the Complainants do not consent to Laurel or Buckeye taking any action that was subject to either moratorium and retain all rights to challenge any such action based upon applicable law.

15. The Parties agree that the term of the Settlement Agreement will expire upon the termination of both moratoria except the provisions of Paragraphs 1-8 and Paragraphs 27 and 28.

D. OTHER TERMS AND CONDITIONS

16. The Complainants, Laurel and Buckeye have agreed to privately and confidentially resolve among themselves via a binding agreement the issue of costs for the extended litigation before the PaPUC and the FERC relating to the Laurel Pipeline and the costs of implementing the Settlement, as set forth in **Appendix D** to this Settlement Agreement.

17. The Settlement Agreement will not be binding upon PESRM until an order of the bankruptcy court is entered in the Bankruptcy Proceeding authorizing PESRM's entry into and participation in this Settlement Agreement. PESRM will promptly attempt to secure authorization of PESRM's entry into and participation in this Settlement Agreement in bankruptcy at Case No. 19-11626 that is pending in the U.S. Bankruptcy Court for the District of Delaware ("Bankruptcy Proceeding"). PESRM will promptly advise the Settlement Parties, the PaPUC and the FERC in writing regarding the outcome of the August 21, 2019, hearing in the Bankruptcy Proceeding.

18. The Parties will seek expedited review and approval of the Settlement Agreement by the PaPUC and the FERC and request approval of the Settlement Agreement without

modification. The Parties also respectfully request that the PaPUC approve the Settlement, pro forma Laurel PaPUC Tariff attached hereto as **Appendix A** and Capacity Use Agreement attached hereto as **Appendix B** no later than the August 29, 2019 Public Meeting. The Settlement Agreement filing at the FERC will also state that the Parties waive the period for reply comments on the Settlement Agreement at the FERC, except in response to any adverse comments filed by any third party.

19. Promptly following the date upon which the approvals of the Settlement Agreement by the PaPUC and the FERC become final and are no longer subject to rehearing, reconsideration or judicial review, the Complainants will: (1) withdraw their PaPUC Amended Complaint; and (2) withdraw their protests of the PDO at the FERC.

20. Promptly following the date upon which the approvals of the Settlement Agreement by the PaPUC and the FERC become final and are no longer subject to rehearing, reconsideration or judicial review, Buckeye and Laurel will withdraw the currently pending PDO.

21. Promptly following the date upon which the approvals of the Settlement Agreement by the PaPUC and the FERC become final and are no longer subject to rehearing, reconsideration or judicial review, Laurel will withdraw its pending appeal to the Commonwealth Court of Pennsylvania and the Complainants will withdraw their pending cross-appeal to the Commonwealth Court of Pennsylvania, which is currently scheduled for oral argument the week of September 9, 2019. In the event the Commonwealth Court does not permit withdrawal and/or issues a decision on Laurel's appeal, the Parties agree that the Settlement Agreement, if approved by the FERC and the PaPUC, shall govern operation of the Laurel Pipeline prospectively. For purposes of clarity and avoidance of doubt, this means,

without limitation, that if the Commonwealth Court remands, modifies, vacates, reverses, or otherwise alters the PaPUC's July 12, 2018 Order, Buckeye and Laurel agree to be bound by the moratoria set forth in Paragraphs 11 and 12 and will not pursue the relief sought in the PaPUC Application at Docket No. A-2016-2575829. Laurel and Buckeye further agree that they will not use any decision from the Commonwealth Court favorable to them to argue in any forum that the Settlement Agreement should not be approved by any agency (if it has not been approved prior to the issuance of a decision on Laurel's appeal) or that the Settlement Agreement is not enforceable.

22. The filing of the Settlement Agreement with the FERC will include pro forma FERC Tariffs containing the necessary provisions to implement the terms of the Settlement, which are attached hereto as **Appendix C**. The FERC Tariffs will have a proposed effective date of October 1, 2019. The filing of the Settlement Agreement with the PaPUC will include a pro forma PaPUC Tariff supplement containing the necessary provisions to implement the terms of the Settlement Agreement and is attached hereto as **Appendix A**.

23. If the PaPUC or the FERC or both (i) reject the Settlement Agreement or (ii) conditionally approve as to a material term provided for by the Settlement Agreement, then the Parties will meet and engage in good faith negotiations to reform the Settlement Agreement to address any deficiencies identified as forming the basis for such rejection or conditional approval as to a material term, if such revisions can be made without infringing upon the substantive rights and obligations of the Parties existing under the Settlement Agreement. Whether a term provided for by the Settlement Agreement is "material" shall be determined by the Parties. Such good faith negotiations shall not exceed 30 days, unless that time period is extended by mutual agreement of all Parties. Buckeye shall not accept any new nominations for west-to-east

interstate service on L718 following the date on which the Settlement Agreement was rejected or conditionally approved as to a material term, unless and until any modifications to the Settlement Agreement are approved by the PaPUC and the FERC. If no agreement to modify the Settlement Agreement can be reached after exhausting the good faith efforts called for by the preceding sentence, or if the PaPUC or the FERC reject any such modifications to the Settlement Agreement, then: (a) all provisions of the Settlement Agreement will be null and void, except for any agreements entered into in accordance with Paragraphs 16, 27 and 28; (b) Buckeye shall immediately cease providing bi-directional service (after completing deliveries of any nominations received prior to the issuance of the PaPUC or the FERC order rejecting or conditionally approving as to a material term of the Settlement Agreement); and (c) the Parties may resume their litigation positions in all proceedings. To the extent that the procedures set forth in this Paragraph 23 are inconsistent with any procedures set forth in Paragraph 12 regarding the actions the parties must take in the event the PaPUC or the FERC or both (i) reject the Settlement Agreement or (ii) conditionally approve as to a material term provided for by the Settlement Agreement, the procedures set forth in this Paragraph 23 shall govern.

24. In the future, Buckeye and Laurel will serve the Complainants with copies of all FERC and PaPUC filings or submissions impacting rates or services on the Laurel Pipeline including, but not limited to, segments L718, L720, or L722.

25. This Settlement Agreement is presented as a package, with inextricably interrelated terms.

26. The Complainants agree that in the event the Settlement Agreement is rejected by the PaPUC or FERC, that they will not seek refunds, damages or reparations for the bi-

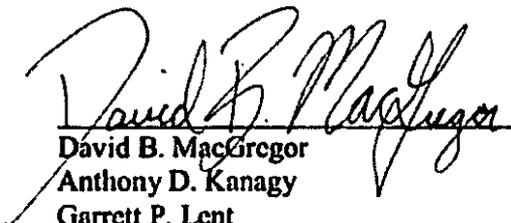
directional service provided between the date of the commencement of bi-directional service and the date on which the PaPUC or FERC rejects the Settlement Agreement.

27. Notwithstanding Paragraphs 23 and 25, the Complainants agree they will not protest, oppose or otherwise contest the pending PaPUC application seeking approval of the filed acquisition of Buckeye Partners, L.P. (the ultimate parent of Buckeye and Laurel) by Hercules Intermediate Holdings LLC at PaPUC Docket No. A-2019-3011685 (the "Buckeye Acquisition"). However, the Complainants reserve their rights to file a non-adverse intervention in the Buckeye Acquisition to monitor the proceeding or protect their rights under the Settlement Agreement. If no pleading is filed in the Buckeye Acquisition proceeding that is adverse to the Complainants' interests, the Complainants will either not seek to intervene in the proceeding or will withdraw any previously filed intervention. With respect to any intervention that is filed pursuant to this provision, the Complainants agree that such intervention that is filed will clearly state that they do not object to the expedited approval of the announced acquisition.

28. In the Buckeye Acquisition, neither Laurel nor Buckeye will propose alterations to its service or rates or otherwise propose or agree to any changes to its service or rates that would alter the terms and conditions of the Settlement Agreement.

28. Buckeye, Laurel and the Complainants agree that the Settlement Agreement will be binding upon them regardless of any change in ownership of any of the parties.

LAUREL PIPE LINE COMPANY, L.P.



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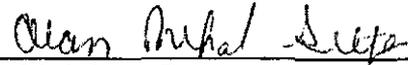
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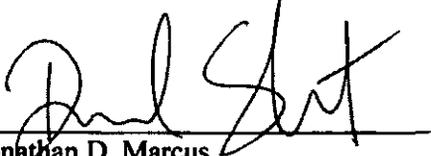
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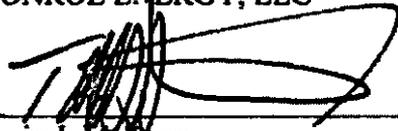
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E-mail: jrhicks@venable.com

Counsel to Monroe Energy, LLC

Dated: July 31, 2019

Appendix A

Not Attached. See Appendix A of Joint Petition for Approval of Settlement.

RECEIVED
JUL 31 2019
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Appendix B

Not Attached. See Appendix B of Joint Petition for Approval of Settlement.

RECEIVED
JUL 31 2019
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Appendix C

Not Attached. See Appendix C of Joint Petition for Approval of Settlement.

RECEIVED

JUL 31 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Privileged and Highly Confidential

Submitted Under Seal Pursuant to 18 C.F.R. § 388.112

Appendix D

Not Filed with the PaPUC. See paragraph 46 of the
Joint Petition for Approval of Settlement.

RECEIVED

JUL 31 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

RECEIVED

JUL 31 2019

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Appendix F

**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.	:	Docket No. C-2018-3003365
Complainants,	:	
	:	
v.	:	
	:	
Laurel Pipeline Company, L.P.	:	
Respondent,	:	

**JOINT STATEMENT IN SUPPORT OF
GIANT EAGLE, INC., GUTTMAN ENERGY, INC., LUCKNOW-HIGHSPIRE
TERMINALS, LLC, MONROE ENERGY, LLC, PHILADELPHIA ENERGY
SOLUTIONS REFINING AND MARKETING, LLC, AND SHEETZ, INC.**

Giant Eagle, Inc. ("Giant Eagle"), Guttman Energy, Inc. ("Guttman"), Lucknow-Highspire Terminals, LLC ("LHT"), Monroe Energy, LLC ("Monroe"), Philadelphia Energy Solutions Refining and Marketing, LLC ("PESRM"), and Sheetz, Inc. ("Sheetz") (collectively, "Complainants"),¹ by and through their counsel, submit this Joint Statement in Support ("Statement") of the Joint Petition for Approval of Settlement ("Joint Petition" or "Settlement"), filed in the above-captioned proceedings with the Pennsylvania Public Utility Commission

¹ As noted in footnote 1 of the Joint Petition, "[t]he Complainants (including LHT's affiliate Gulf Operating LLC) are largely the same companies that challenged Laurel's application at the Commission seeking authority pursuant to Laurel's intrastate Certificate of Public Convenience ("CPC") to reverse east-to-west pipeline service for delivery points west of the Eldorado, Pennsylvania delivery point. See, *Application of Laurel Pipe Line Co., L.P. for approval to change direction of petroleum products transportation service to delivery points west of Eldorado, Pennsylvania*, PUC Docket No. A-2016-2575829 (Application Filed Nov. 14, 2016) ("Application"). PUC Administrative Law Judge ("ALJ") Eranda Vero issued a Recommended Decision denying Laurel's Application. *Application of Laurel Pipe Line Co., L.P. for approval to change direction of petroleum products transportation service to delivery points west of Eldorado, Pennsylvania*, PUC Docket No. A-2016-2575829, *et al.* (Recommended Decision dated March. 21, 2018) ("Recommended Decision"). On July 12, 2018, the PUC entered an Order ("July 12 Order") affirming in part and rejecting in part the Recommended Decision."

("PUC" or "Commission"). This Settlement resolves all issues among the Parties in the above-captioned proceedings and in related matters among the Parties and Buckeye before the Federal Energy Regulatory Commission ("FERC") and the Commonwealth Court.

As a result of settlement discussions, Laurel Pipe Line Company, L.P ("Laurel" or the "Company"), Buckeye Pipeline L.P. ("Buckeye"), the Complainants, and the PUC's Bureau of Investigation and Enforcement ("BI&E") (collectively, "Parties" or "Joint Petitioners") have agreed upon the terms embodied in the foregoing Joint Petition. The Settlement provides for measures that will ensure the availability of intrastate service on Laurel's intrastate public utility pipeline and access to the Pittsburgh market from eastern Pennsylvania supply sources that are backed by new PUC and FERC tariffs, as well as a capacity agreement Laurel and Buckeye previously refused to file with the Commission, and is therefore in the public interest. The Complainants offer this Statement to further demonstrate that the Settlement is in the public interest and should be approved without modification.

I. BACKGROUND²

1. On July 12, 2018, the Complainants³ filed a Formal Complaint ("Original Complaint") and a Petition for Interim Emergency Relief ("Emergency Petition") with the PUC at Docket Nos. C-2018-3003365 and P-2018-3003368, respectively. The Formal Complaint and Emergency Petition addressed, among other things, the Complainants' concerns about scheduled maintenance and hydrostatic testing on the Laurel Pipeline and Laurel's announced intention to operate a portion of its intrastate petroleum products pipeline between Coraopolis and

² In addition to the brief background set forth herein, the Joint Petition provides a comprehensive procedural history of the proceeding. *See* Joint Petition, Section II.B.

³ Detailed descriptions of each of the Complainants are provided in Paragraphs 1 through 7 of the Joint Petition.

Duncansville, Pennsylvania ("Laurel Pipeline") from both east to west (as has been done since 1957) and from west to east (*i.e.*, "bi-directional service").

2. On July 17, 2018, Laurel filed an Answer to the Emergency Petition. Joint Petition, Paragraph 12.

3. On July 18, 2018, BI&E filed a Notice of Appearance in this proceeding. Joint Petition, Paragraph 13.

4. On July 23, 2018, a hearing on the Emergency Petition was held before Administrative Law Judge ("ALJ") Eranda Vero. At that time, the Emergency Petition was settled via a Joint Stipulation and Settlement. As a condition of that Settlement, the Complainants withdrew the Emergency Petition. BI&E did not object to the settlement that led to the withdrawal of the Emergency Petition. Joint Petition, Paragraph 12.

5. On July 25, 2018, the ALJ issued an order granting, among other things, the Complainants' request to withdraw the Emergency Petition. The ALJ also set the Original Complaint for an evidentiary hearing. Joint Petition, Paragraph 14.

6. On August 1, 2018, Laurel filed an Answer and New Matter to the Original Complaint as well as Preliminary Objections thereto. Pursuant to PUC regulations, in lieu of responding to Laurel's Preliminary Objections, the Complainants filed an Amended Complaint on August 8, 2018. Joint Petition, Paragraph 15.

7. On August 28, 2018, Laurel filed an Answer to the Amended Complaint as well as Preliminary Objections thereto. On September 7, 2018, the Complainants filed a response to Laurel's Preliminary Objections and, on September 17, 2018, the Complainants filed a Reply to Laurel's New Matter in the Amended Complaint. Joint Petition, Paragraph 16.

8. On September 20, 2018, the Complainants filed with the Commission a Petition for Interim Emergency Relief ("Second Emergency Petition") in response to Laurel's cancellation of a previously scheduled hydrostatic test for the Laurel Pipeline. Joint Petition, Paragraph 17.

9. On September 24, 2018, Laurel filed a timely Answer to the Complainants' Second Emergency Petition. An in-person hearing was scheduled by the ALJ for September 25, 2018. The Complainants and Laurel entered into a written Joint Stipulation and Settlement on October 3, 2018, the principal terms of which were read into the evidentiary record at the September 25, 2018 in-person evidentiary hearing before the ALJ. Joint Petition, Paragraph 18.

10. In an Order issued October 9, 2018, the ALJ overruled Laurel's Preliminary Objections to the Amended Complaint and directed that the Amended Complaint be set for hearing. Joint Petition, Paragraph 18. On October 16, 2018, the ALJ presided over a telephonic prehearing conference during which the Complainants and Laurel proposed to engage in discovery and settlement discussions rather than establish a formal litigation schedule. The ALJ granted the request subject to regular updates on the status of settlement discussions.

11. Following the October 16, 2018 prehearing conference, the Complainants and Laurel engaged in extensive discovery and settlement discussions, while providing multiple status updates to the presiding ALJ confirming ongoing negotiations. Joint Petition, Paragraph 21-23.

12. On July 23, 2019, Complainants and Laurel filed a Joint Status Update with the Commission advising that the parties had reached a settlement-in-principle and would file a Joint Petition for Settlement with the PUC by July 31, 2019.

II. STATEMENT IN SUPPORT

13. The Commission has a strong policy favoring settlements of proceedings. As set forth in the PUC's regulations, "[t]he Commission encourages parties to seek negotiated settlements of contested proceedings in lieu of incurring the time, expense and uncertainty of litigation." 52 Pa. Code § 69.391(a); *see also* 52 Pa. Code § 5.231. Consistent with the Commission's policy, the Joint Petitioners engaged in negotiations to resolve the issues raised in the above-captioned proceedings. These ongoing discussions produced the foregoing Settlement.

14. The Settlement addresses the Complainants' concerns that Laurel and Buckeye's bi-directional service proposal would harm the public interest by materially and adversely impacting current east-to-west flows on the Laurel Pipeline without complying with the Commission's tariff review process. *See* Amended Complaint, at 21-22. Specifically, the Settlement satisfies the concerns of the Complainants, and is in the public interest, in the following ways:

- a. The Settlement ensures that Western Pennsylvania consumers and businesses will continue to have year-round access to low-cost fuel from East Coast sources in volumes consistent with historical flows when prevailing market conditions favor the pricing of products from those sources. It also ensures that Eastern refiners and shippers will continue to have the ability to meet demand in the Western Pennsylvania market when markets so dictate. To these ends, the Settlement creates specific and legally-enforceable commitments at FERC and the PUC assuring that the available, physical intrastate capacity of east-to-west transportation on L718⁴ will be no less than 1,200,000 barrels per cycle (which is 120,000 barrels per day times ten days) under bi-directional service, outside of force majeure circumstances impacting Laurel's ability to provide such capacity on the Laurel Pipeline. Joint Petition, Paragraph 30. This provision is in the public interest because it ensures that adequate access to the Pittsburgh market is available to shippers from the east despite temporary periods when east to west intrastate movements cannot occur due to L718 being used to carry petroleum products from west to east to facilitate interstate movements.

⁴ L718 is the Laurel pipeline segment that runs from Duncansville to Coraopolis.

- b. The Settlement preserves the ability for the Complainants and other users of the Laurel Pipeline to deliver and have access to customers in Western Pennsylvania, thereby allowing retailers and ultimately consumers to purchase gasoline and other petroleum products from refiners located both east and west of the Western Pennsylvania market based on the most current favorable pricing. This ability to compare different regional pricing is preserved and facilitated through an approximately five-year moratorium on further extensions of bi-directional service or capacity increases for west-to-east service between Coraopolis and Duncansville on the Laurel Pipeline and an approximately seven-year moratorium on implementation of a full reversal of product flows for any points east of Pittsburgh on the Laurel Pipeline. The bi-directional moratorium is subject to an exception that recognizes circumstances may change in the future. This flexibility substantiates that the bi-directional moratorium is in the public interest. Joint Petition, Paragraphs 39-40. Preservation of the ability to supply the Western Pennsylvania market with petroleum products from either the east or the west, based on prevailing price, terms and conditions, ensures that customers in this market are receiving fuel at the lowest cost possible under prevailing conditions. At the end of the respective moratoria period, the Complainants retain all rights to challenge actions taken by Buckeye based on applicable law.
- c. The Settlement also provides for Commission review and approval of a capacity agreement between Laurel and Buckeye that makes west to east capacity on the Laurel Pipeline available for the new interstate shipments. Joint Petition, Paragraphs 30-31. Buckeye intends to implement the Transportation Agreements it has executed with Midwest suppliers. Before the Complainants filed their Complaint, it was Buckeye's intention to use L718 of the Laurel Pipeline for interstate shipments without any prior review or approval by the PaPUC of this use of Laurel by Buckeye, without any compensation to Laurel. Previously, Laurel and Buckeye submitted capacity agreements for Commission review when Laurel made its pipeline available for interstate shipments handled by Buckeye. The Settlement requires Laurel and Buckeye to submit a capacity agreement that covers the interstate west to east shipments on L718 and such a capacity agreement is part of this Settlement filing. The Settlement does not obligate Laurel and Buckeye to continue to file capacity agreements should they seek to extend bi-directional service in the future, however; the Complainants have reserved their rights to oppose future proposals that forego capacity agreements.
- d. The Settlement provides for important Scheduling/Operational/Logistical ("SOL") commitments to ensure that Laurel's provision of bi-directional service is transparent and adequate to meet customer needs. Joint Petition, Paragraphs 32-38. Laurel and Buckeye's SOL commitments include, among various others, appointment of an escalation manager to address scheduling issues and implementation of a continuous review process to allow for informal customer input on Laurel's bi-directional operations. *Id.* These SOL commitments will allow the parties to work cooperatively to address any issues that arise as a result of bi-directional service and are thus in the public interest.

- e. The Settlement obligates Buckeye and Laurel to serve the Complainants with copies of all FERC and PUC filings or submissions impacting rates or services on the Laurel Pipeline including, but not limited to, segments L718, L720, or L722. Joint Petition, Paragraph 47.
- f. The Settlement requires Laurel and/or Buckeye to file tariffs at the PUC and FERC containing the necessary provisions to implement the terms of the Settlement, thus ensuring that the terms are clear to the public and enforceable by the appropriate regulatory bodies. Joint Petition, Paragraphs 45-46. These tariff provisions are therefore in the public interest.

15. The Joint Petitioners agree that approval of the proposed Settlement is in the best interests of the Parties involved. The Settlement reflects a carefully balanced compromise of the interests of the Joint Petitioners while continuing to protect the public interest.

- a. As a result of the Settlement, expenses incurred by the Joint Petitioners and the Commission will be less than they would have been if the proceeding had been fully litigated.
- b. Uncertainties regarding further expenses and resources associated with possible appeals from the Final Order of the Commission in this proceeding, the ongoing appeal of the Commission's July 12 Order, and related FERC proceedings are avoided as a result of the Settlement.
- c. The Settlement is without prejudice to any position any Joint Petitioner may have advanced so far in this proceeding. Similarly, the Joint Petition is presented without prejudice to any position any party may advance in future proceedings involving Laurel.

16. The Complainants support the foregoing Joint Petition because it is in the public interest. The Complainants have requested expedited preparation of a Recommended Decision and contemporaneously with the filing of the Joint Petition, have waived their right to file Exceptions to an RD approving the Settlement. An evidentiary record was not completed in this case. However, the Complainants concerns are clear from their pleadings and the Settlement terms resolve those concerns in a balanced manner fair to Laurel and Buckeye and consistent with the public interest. The Complainants further support the Joint Petition's request that this Settlement be reviewed and decided at the PUC's August 29, 2019, Public Meeting, in order to confirm

whether oral argument on the related appeal of the Commission's July 12 Order before the Commonwealth Court of Pennsylvania, currently scheduled for the week of September 9-13, 2019, can be determined moot.

17. Notwithstanding the above, in the event that the Joint Petition is modified or rejected by the Commission or FERC, the Complainants will resume their litigation position, which differs from the terms of the Joint Petition. Joint Petition, Paragraphs 57-58.

18. As set forth above, the Complainants submit that the Settlement is in the public interest and adheres to Commission policies promoting negotiated settlements. The Settlement was achieved after numerous settlement discussions. Although the Joint Petitioners have invested time and resources in the negotiation of the Settlement, this process has allowed the Parties, and the Commission, to avoid expending the substantial resources that would have been required to fully litigate this proceeding while still reaching a just, reasonable, and non-discriminatory result. The Joint Petitioners have thus reached an amicable solution to this dispute as embodied in the Settlement. Approval of the Settlement will permit the Commission and Joint Petitioners to avoid incurring the additional time, expense, and uncertainty of further litigation of several major issues in this proceeding. *See* 52 Pa. Code § 69.391.

III. CONCLUSION

WHEREFORE, Giant Eagle, Inc. ("Giant Eagle"), Guttman Energy, Inc. ("Guttman"), Lucknow-Highspire Terminals, LLC ("LHT"), Monroe Energy, LLC ("Monroe"), Philadelphia Energy Solutions Refining and Marketing, LLC ("PESRM"), and Sheetz, Inc. ("Sheetz") respectfully request that the Pennsylvania Public Utility Commission approve the foregoing Joint Petition for Approval of Settlement without modification.

Respectfully submitted,

GIANT EAGLE, INC.



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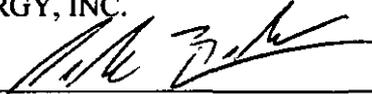
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LUCKNOW-HIGHSPIRE TERMINALS
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ENERGY, INC.

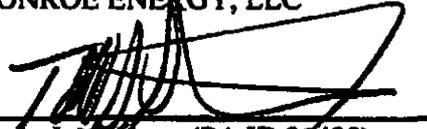


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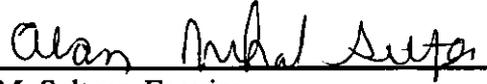


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Dated: July 31, 2019

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Appendix G

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Giant Eagle, Inc.; Guttman Energy, Inc.;	:	
Lucknow-Highspire Terminals, LLC;	:	
Monroe Energy, LLC; Philadelphia Energy	:	Docket No. C-2018-3003365
Solutions Refining and Marketing, LLC;	:	
and Sheetz, Inc.	:	
	:	
	:	
Complainants,	:	
	:	
v.	:	
	:	
Laurel Pipe Line Company, L.P.	:	
	:	
	:	
Respondent.	:	

**LAUREL PIPE LINE COMPANY, L.P.'S
STATEMENT IN SUPPORT OF SETTLEMENT PETITION**

TO ADMINISTRATIVE LAW JUDGE ERANDA VERO:

I. INTRODUCTION

Laurel Pipe Line Company, L.P. ("Laurel" or the "Company") hereby submits this Statement in Support of the Joint Petition for Approval of Settlement ("Joint Petition for Settlement" or "Settlement") entered into by Laurel, Giant Eagle, Inc. ("Giant Eagle"), Guttman Energy, Inc. ("Guttman"), Lucknow-Highspire Terminals, LLC ("LHT"), Monroe Energy, LLC ("Monroe"), Philadelphia Energy Solutions Refining and Marketing, LLC ("PESRM"), and Sheetz, Inc. ("Sheetz"), collectively hereinafter referred to as the "Joint Petitioners." The Joint Petition for Settlement represents a complete settlement of all issues among the Joint Petitioners in the instant proceeding.¹ The Commission's Bureau of Investigation & Enforcement ("I&E")

¹ I&E and Laurel have reached a "Stipulation In Settlement" regarding safety issues, which is attached to the Joint Petition for Approval of Settlement as Appendix D. I&E does not object to the other terms of the Settlement, and the Complainants do not object to the terms of the Stipulation in Settlement between Laurel and

and Laurel have entered into a separate Stipulation and Settlement that resolves all issues as between Laurel and I&E.

The Joint Petitioners respectfully request the Pennsylvania Public Utility Commission (“Commission” or “PUC”) approve the Joint Petition for Settlement, including the terms and conditions thereof, without modification. In addition, the Joint Petitioners request approval of the pro forma PUC Tariff attached to the Settlement as **Appendix A** and the related Capacity Use Agreement attached to the Settlement as **Appendix B**, which are both necessary to effect certain terms and conditions of the Settlement, and the Stipulation in Settlement with I&E attached to the Settlement as **Appendix D**. A copy of the pro forma FERC Tariffs that will be filed with the FERC are also attached hereto as **Appendix C**. In addition, the Settlement Parties and Buckeye have entered into a definitive Settlement Agreement, which comprehensively reflects all the terms and conditions under which they have agreed to resolve all issues among them. The fully executed Settlement Agreement is attached the Joint Petition for Settlement as **Appendix E**. The Settlement and associated documents reflect a carefully balanced compromise of the interests of the Joint Petitioners in this proceeding. Therefore, and for the reasons more fully explained in this Statement in Support, Laurel believes that the Settlement and associated **Appendices A, B, D and E** are just, reasonable and in the public interest, and should be approved without modification.

II. HISTORY OF THE PROCEEDING

On November 14, 2016, Laurel filed an application with the PUC to change the direction of petroleum products transportation service over a portion of its pipeline system at PUC Docket No. A-2016-2575829. A related capacity use agreement was filed at PUC Docket No. G-2017-

I&E. The Settlement Parties have requested Commission approval of all the terms of the Settlement, including the Stipulation in Settlement.

2587567 and consolidated with the application. Certain of the Complainants were parties to that proceeding. After several rounds of testimony, a week-long hearing, and two-rounds of briefing, the ALJ issued a Recommended Decision on March 29, 2018, denying the application. On July 12, 2018, the PUC issued an Opinion and Order that denied the application. Laurel filed a Petition for Review of the July 12, 2018 Order with the Commonwealth Court of Pennsylvania at Docket No. 1113 C.D. 2018 and certain of the Complainants filed a Cross-Petition for Review at Docket No. 1168 C.D. 2018. The appeal and cross-appeal remain pending before the Commonwealth Court.

The Complainants filed a Formal Complaint (“Original Complaint”) and a Petition for Interim Emergency Relief (“Emergency Petition”) with the PUC on July 12, 2018, at Docket Nos. C-2018-3003365 and P-2018-3003368, respectively. The Original Complaint and Emergency Petition were intended to address the Complainants’ concerns about scheduled maintenance and hydrostatic testing on the Laurel Pipeline and Laurel’s announced intention to operate a portion of the Laurel Pipeline between Coraopolis and Eldorado, Pennsylvania from both east to west (as has been done since 1957) and from west to east, otherwise known as “bi-directional service.”

Laurel filed a timely Answer to the Emergency Petition on July 17, 2018. A hearing on the Emergency Petition was held on July 23, 2018 before Administrative Law Judge Eranda Vero (“ALJ”), at which time the Emergency Petition was settled via a Joint Stipulation and Settlement. As part of the settlement, the Complainants agreed to withdraw the Emergency Petition.

I&E filed a Notice of Appearance in this proceeding on July 18, 2018, attended the Emergency Petition hearing on July 17, 2018 and indicated no objection to the settlement leading to the withdrawal of the Emergency Petition.

The ALJ issued an order on July 25, 2018 granting, among other things, the Complainants' request to withdraw the Emergency Petition and setting the Original Complaint for an evidentiary hearing.

On August 1, 2018, Laurel filed an Answer and New Matter as well as Preliminary Objections to the Original Complaint. In accordance with the Commission's rules, in lieu of responding to Laurel's Preliminary Objections, the Complainants filed an Amended Complaint on August 8, 2018.

On August 28, 2018, Laurel filed a timely Answer as well as Preliminary Objections to the Amended Complaint. On September 7, 2018, the Complainants filed a timely response to Laurel's Preliminary Objections and, on September 17, 2018, the Complainants filed a Reply to Laurel's New Matter in the Amended Complaint.

On September 20, 2018, the Complainants filed with the Commission a Petition for Interim Emergency Relief ("Second Emergency Petition") in response to Laurel's cancellation of a previously scheduled hydro test for the Laurel Pipeline.

Laurel filed a timely Answer to the Complainants' Second Emergency Petition on September 24, 2018 and an in-person hearing was scheduled by the ALJ for September 25, 2018. The Complainants and Laurel entered into a written Joint Stipulation and Settlement on October 3, 2018, the principal terms of which were read into the evidentiary record at the September 25, 2018 in-person evidentiary hearing before the ALJ.

In an Order issued October 9, 2018, the ALJ overruled Laurel's Preliminary Objections to the Amended Complaint and directed that the Amended Complaint be set for hearing.

Following a telephonic prehearing conference held on October 16, 2018, the Complainants engaged in extensive written and other discovery, resulting in several disputes that were timely adjudicated by the ALJ.

In accordance with the ALJ's order of February 28, 2019, the Complainants and Laurel submitted to the ALJ status reports/Prehearing Conference Memoranda by March 5, 2019, in which they jointly proposed to conduct a settlement conference on or before April 19, 2019.

In accordance with the ALJ's order of March 13, 2019, the Complainants and Laurel submitted to the ALJ their respective Prehearing Conference Memoranda on April 30, 2019, in which they jointly proposed a continuation of settlement discussions with a further update due to the ALJ before June 1, 2019.

On May 31, 2019, the Complainants filed a fourth Prehearing Conference Memorandum requesting another extension of time to continue settlement discussions and in an order dated June 5, 2019 the ALJ granted that request and directed the Complainants and Laurel to provide a further status report by no later than July 1, 2019.

On April 30, 2018, Laurel and Buckeye filed a Petition for Declaratory Order ("PDO") with the FERC at Docket No. OR18-22-000 seeking approval of the rate structure and certain aspects of contract provisions and terms of service for the transport of refined petroleum products from Midwest refinery sources to Western and Central Pennsylvania using the Laurel Pipeline. The Complainants opposed the granting of the PDO and that proceeding is still pending before the FERC. The Commission is a party to this FERC proceeding.

On April 8, 2019, Laurel filed FERC Tariff Nos. 1.0.0 and 2.0.0 in Docket No. IS19-277-000 and Buckeye filed FERC Tariff Nos. 456.0.0, 457.0.0 and 458.0.0 at Docket No. IS19-278-000 (collectively, "FERC Tariffs") to implement proposed new west-to-east interstate service on the portion of the Laurel Pipeline between Coraopolis and Eldorado that would co-exist with existing intrastate east to west service provided by Laurel under PUC Tariff as bi-directional service. In response, on April 23, 2019, the Complainants filed a joint motion to intervene, comment, protest and consolidate the FERC Tariffs with the PDO proceeding. The Complainants requested that the FERC reject the FERC Tariffs, or in the alternative, suspend the FERC Tariffs for the maximum suspension period, and establish hearing procedures and/or a technical conference. Buckeye and Laurel filed a response to the Complainants on April 29, 2019 requesting that the FERC authorize implementation of the FERC Tariffs.

On May 1, 2019, the PUC filed a letter response to the FERC Tariffs. The Commission requested that the FERC not take any action that would allow the FERC Tariffs to go into effect until the Complaint proceeding before the PUC at Docket No. C-2018-3003365 was concluded. In an Order issued on June 6, 2019, the FERC rejected the FERC Tariffs without prejudice.² On July 8, 2019, Buckeye and Laurel filed a Joint Request for Rehearing regarding the FERC Tariffs at Docket Nos. IS19-277-000, et al. This filing remains pending at the FERC.

No testimony has been filed in this proceeding.

Contemporaneously with this Statement in Support, the Settlement Parties filed the Joint Petition for Settlement on July 31, 2019. This Statement in Support also includes **Attachment A**, the sworn Affidavit of David W. Arnold. Mr. Arnold swears to the facts and benefits set forth in this Statement in Support and submits that, in its totality, the Settlement and associated

² *Laurel Pipe Line Company, L.P., Buckeye Pipe Line Company, L.P.*, 167 FERC ¶ 61,210 (2019) (initial FERC order issued in Docket Nos. IS19-277-000, et al.).

Appendices A, B, D and E are reasonable and in the public interest, and should be approved without modification.

III. DISCUSSION

Commission policy promotes settlements. *See* 52 Pa. Code § 5.231. Settlements lessen the time and expense the parties must expend litigating a case and, at the same time, conserve administrative resources. The Commission has indicated that settlement results are often preferable to those achieved at the conclusion of a fully litigated proceeding. *See id.* § 69.401. In order to accept a settlement, the Commission must first determine that the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm'n v. York Water Co.*, Docket No. R-00049165 (Order entered Oct. 4, 2004); *Pa. Pub. Util. Comm'n v. C.S. Water and Sewer Assocs.*, 74 Pa. P.U.C. 767 (1991).

Importantly, the Settlement will bring to a close proceedings that have been ongoing since November 2016. As explained below and in the accompanying attachment, the terms and conditions contained in the Settlement globally resolve all issues associated with: (1) the Complaint at the above-captioned docket (C-2018-3003365); (2) the pending Petition for Declaratory Order proceeding before the FERC at FERC Docket No. OR18-22-000; (3) the proceeding involving FERC tariff filings by Laurel and Buckeye at FERC Docket Nos. IS19-277-000, IS19-277-001, IS19-278-000 and IS9-278-001; and (4) the consolidated appeal and cross appeal pending before the Commonwealth Court of Pennsylvania at Docket Nos. 1113 C.D. 2018 and 1168 C.D. 2018, which are related with the prior Application proceeding before the Commissions at Docket No. A-2106-2575829.

In addition, the global resolution of these proceedings, as contemplated by the Settlement, (1) guarantees the Complainants substantial east to west capacity on the Laurel pipeline for a significant period of time, (2) limits, subject to contingencies, Laurel and

Buckeye's right to propose further extensions of bi-directional service or a full reversal of service for moratoria periods, (3) establishes a process for disseminating information, convening calls/meetings to resolve complaints regarding bi-directional service, and (4) permits the initiation of bi-directional service on October 1, 2019 pursuant to the Transportation Service Agreements ("TSAs") between Buckeye and certain committed shippers, providing access to new Pennsylvania markets for petroleum products originating in the Midwest. In sum, the Settlement will address the Complainants' concerns and preserve their continued use of the Laurel pipeline system, while also permitting L718 to be used to provide bi-directional service (*i.e.* east-to-west intrastate service by Laurel and west-to-east interstate service by Buckeye) to the benefit of shippers, the market, and Pennsylvania as a whole.

Finally, Laurel notes that the Settlement will result in the avoidance of additional litigation with the Settlement Parties regarding the pending PUC application seeking approval of the announced filed acquisition of Buckeye Partners, L.P. (the ultimate parent of Buckeye and Laurel) by Hercules Intermediate Holdings LLC at Docket No. A-2019-3011685 (the "Buckeye Acquisition"). This additional benefit will save the parties and the Commission significant time and expense and further supports the prompt approval of the Settlement without modification.

Therefore, and for the reasons more fully explained below, the ALJ should conclude that the Settlement is in the public interest and should be approved without modification.

A. PRESERVATION OF EXISTING EAST-TO-WEST CAPACITY³

The above-captioned complaint proceeding stems from the Complainants' concerns that Laurel's proposal to implement bi-directional service over L718 would, *inter alia*, violate Laurel's duty to provide reasonably continuous and uninterrupted service under Section 1501 of

³ Laurel notes that the specific paragraph references contained herein align with the numbering used in the Joint Petition for Settlement.

the Code and/or constitute an action inconsistent with Laurel's existing tariff, and constitute an abandonment of service in violation of Section 1102(a)(2) of the Code. *See* Amended Complaint, Count Nos. 1 and 2. The Complainants further alleged that Laurel had not provided written assurances and guarantees that Complainants or other shippers would continue to be able to transport the same amount of petroleum products from the east to Pittsburgh that they have historically. Amended Complaint, ¶ 42.

Laurel denied these claims and indicated that the initiation of bi-directional service would not unreasonably impair existing east-to-west intrastate service, was consistent with Laurel's PUC tariff, and did not constitute an abandonment of service under the Code because east-to-west intrastate transportation service would continue to be provided. *See* Answer to Amended Complaint, ¶¶ 34-44. If this proceeding were to be litigated, Laurel would have been able to demonstrate that no reduction in capacity would occur for intrastate shippers. Laurel would have also demonstrated that the provision of bi-directional service was reasonable, consistent with its existing PUC tariff, and would not result in an abandonment of service. *See* New Matter to Amended Complaint, ¶¶ 1-10. In addition, Laurel would have shown that the initiation of bi-directional operations on L718 would not violate its obligation to provide "reasonably continuous" service "without unreasonable interruptions or delay" under Section 1501 of the Code, 66 Pa. C.S. § 1501. Importantly, Laurel's proposal to initiate bidirectional service, via the initiation of west-to-east interstate service and continuation of west east-to-west intrastate, would not have required any change to its existing Tariff or the rates set forth therein. Laurel further notes that its tariff already reserves Laurel's right to alter intrastate pumping sequences and schedules to facilitate the efficient use and operation of Laurel's facilities, which actions Laurel would have demonstrated would occur to commence bi-directional operations. *See* Laurel Pipe

Line Company, L.P. – Tariff Pa. P.U.C. No. 79 (effective June 1, 2008), page 4, Item No. 10(B) (emphasis added).

Paragraph 30 of the Settlement guarantees that the available, physical capacity of east-to-west transportation on L718 will be no less than 1,200,000 barrels per cycle (which is 120,000 barrels times ten days) under bi-directional service, outside of force majeure circumstances impacting Laurel’s ability to provide such capacity. (Settlement ¶ 30.) Paragraph 31 sets forth the explicit mechanisms by which the East to West Capacity Guarantee will be implemented, which include a PUC Tariff and Capacity Use Agreement (filed as an affiliated interest agreement between Laurel and Buckeye).⁴ (Settlement ¶ 31.] **Appendix A** to the Settlement contains the PUC Tariff supplement which contains the “East to West Capacity Guarantee” contemplated by this provision, and the “East to West Capacity Guarantee” is reflected in the updated language for Rule 90(A). (Settlement, **Appendix A**, p. 10.) **Appendix B** to the Settlement contains the contemplated Capacity Use Agreement, and the “East to West Capacity Guarantee” is reflected in the “WHEREAS” clause on page 1 and paragraph 6(b). (Settlement, **Appendix B**, pp. 1 and 7.)

These provisions of the Settlement and the associated documents are in the public interest because they reasonably resolve the Complainants’ concerns regarding the preservation of existing east-to-west capacity. Paragraphs 30 and 31 ensure that L718 on the Laurel pipeline system will have the physical capacity to accommodate Complainants’ shipments from the east into the Pittsburgh market. The 120,000 barrels per day guarantee is reasonable and sufficient because it is sufficient to accommodate the historical maximum average of volumes over Line 718. In addition, the East to West Capacity Guarantee is reasonable because the volume

⁴ Paragraph 50 contains a similar provision regarding the pro forma tariffs that will accompany the submission of the Settlement before the Commission and the FERC. (Settlement ¶ 50.) As explained below, Paragraph 50 should be approved for the same reasons as Paragraphs 30 and 31.

guarantee will not interfere with Buckeye's ability to provide interstate west-to-east transportation under the 2019 Expansion Capacity contemplated by the TSAs.

Paragraphs 30 and 31 also represent a reasonable compromise of competing litigation positions and will avoid the time and expense of litigating whether the implementation of bi-directional operations constitutes an abandonment, is inconsistent with Laurel's tariff or would unreasonably impair existing east-to-west intrastate service. These provisions guarantee, via Laurel's tariff and an associated Capacity Use Agreement, that intrastate service is not being abandoned under bi-directional operations and will not impair existing service. As such, Paragraphs 30 and 31 confirm Laurel's expectation that bi-directional service would not impair existing east-to-west intrastate service and also provide the Complainants with the specific written assurances and guarantees they believed were necessary.

Therefore, Paragraphs 30 and 31 of the Settlement and **Appendices A and B** thereto are in the public interest and should be approved without modification.

B. SCHEDULING / OPERATIONAL / LOGISTICAL ("SOL") COMMITMENTS

As a part of the Amended Complaint, the Complainants also alleged that the implementation of bi-directional service on L718 would "adversely impact and impair the existing intrastate tariffed pipeline transportation service provided by Laurel to Complainants." Amended Complaint, ¶ 37. The Complainants further alleged that Laurel should be required to file changes to its PUC Tariff that included rules, terms and conditions under which bi-directional service would be provided. *See* Amended Complaint, ¶ 43.

Laurel denied the Complainants' allegations and explained that, under bi-directional operations, the Complainants would still have pipeline access to Pittsburgh and will not need to sell their product in alternative markets or use alternative methods to reach Pittsburgh. *See, e.g.,*

Answer to Amended Complaint, ¶ 44. Laurel further explained that the implementation of bi-directional operations would not constitute or require a change in the rules, terms and conditions of Tariff for the provision of existing westbound intrastate service and the provision of bidirectional service. *See* Answer to Amended Complaint, ¶ 43.

If this proceeding had been litigated, Laurel would have demonstrated that its existing scheduling, operational and logistical practices could accommodate the implementation of bi-directional operations without adversely impacting the east-to-west intrastate service. Laurel would have also demonstrated that: its existing PUC Tariff would continue to govern east-to-west intrastate service; no changes to nomination procedures for east-to-west service would occur; no changes to cycles of east-to-west operation on the Laurel system would occur; and no changes to estimated transit times would occur for east-to-west service.

Importantly, Buckeye and Laurel will provide bi-directional service to destinations on the Coraopolis-to-Eldorado segment of Laurel via a mix of offsetting swaps and physical movements, so as to optimize efficiency and reduce the need for physical transportation. Under this proposed method and procedure of operations, even if it were to be necessary to provide service without any swaps, and purely by means of physical deliveries in both directions, Laurel would have demonstrated that L718 could accommodate approximately 40,000 barrels/day from east to west and approximately 120,000 barrels per day from east-to-west. As such, Laurel would have demonstrated that the methods and procedures for accommodating bi-directional operations on L718 would not impair existing east-to-west service, either on an average basis or on a peak month basis.

Paragraph 32 of the Settlement states that Laurel and Buckeye agree to designate a manager as an “escalation” contact, who can be contacted if and when schedulers are unable to

address scheduling issues related to bi-directional operation of L718. (Settlement ¶ 32.) This provision will enhance communication and coordination between Buckeye, Laurel, the Complainants and other shippers that utilize L718, beyond present levels. While Buckeye and Laurel communicate frequently with their shippers nominations and scheduling issues, Paragraph 32 ensures an appropriate manager is available if issues arise that cannot be handled by schedulers alone and enhances communication. Thus, this provision is in the public interest.

Under Paragraph 33 of the Settlement, Laurel and Buckeye have agreed to implement a continuous review process that the Complainants and/or other shippers may participate in over the first six months of bi-directional operations. (Settlement ¶ 33.) This review process is designed: (1) to provide Complainants and/or other shippers information regarding intended operation (including a high-level review of scheduled receipts and deliveries, etc.) for the upcoming cycle or month, as appropriate; (2) to receive input from Complainants and/or other shippers; and (3) to implement modifications to processes where appropriate. While Laurel would have demonstrated that its existing processes were sufficient to implement bi-directional operations without resulting in a violation of the Code or the Commission's regulations, the information that will be provided to the Complainants and/or other participating shippers during this process will demonstrate that bi-directional operations are provided without unreasonable, adverse impacts to existing intrastate service. Moreover, the process will permit Complainants and/or other shippers the opportunity to actively provide Buckeye and Laurel input regarding bi-directional operations, which could increase the effectiveness and efficiency of operations and communications with shippers. Lastly, subparts (b) and (c) of Paragraph 33 ensure that all interested shippers may participate and confirm that the information provided will not provide participating shippers with a commercial advantage. These subparts reasonably balance

shippers' interests in open communication regarding bi-directional operations on L718 against state and federal statutes and regulations that may limit the disclosure of operational information. As such, this provision is in the public interest and should be approved.

Similarly, Paragraph 34 establishes a two-step collaborative process whereby Buckeye, Laurel, the Complainants and/or other shippers will participate in collaboratives after the first six months and first twelve months of bi-directional operations. (Settlement ¶ 34.) The purpose of each collaborative will be to discuss and implement changes necessary to address issues regarding bi-directional operation of L718 that have arisen during each period and, to the extent those issues cannot be addressed during the collaborative, establish a dispute resolution process to attempt to resolve issues without the filing of a formal complaint. (See Settlement ¶ 34.) This provision is in the public interest because it enhances communications between Buckeye, Laurel and their shippers and establishes a process to attempt to avoid additional litigation related to bi-directional operation of L718. As such, this provision will save the Parties and the Commission time and resources by requiring disputes regarding bi-directional operations to go through an informal resolution process prior to the initiation of litigation. Therefore, it is in the public interest and should be approved.

Paragraph 35 implements a process by which Buckeye, Laurel and the Complainants will work in good faith to develop a shipper notification process to provide shippers with written notification and explanation of material delays (*i.e.* delays exceeding one day) in the timing of deliveries that differ from estimated times in pumping schedules. (Settlement ¶ 35.) While Laurel would have demonstrated that material increases in delivery times would not result from bi-directional operations, this provision will provide shippers with additional information

regarding the timing of deliveries that they do not have access to today. Therefore, it is in the public interest and should be approved.

During the course of this proceeding, the Complainants also voiced concerns that bi-directional operations would increase losses, transmix, or interface percentages over L718. Laurel would have demonstrated that material increases in losses, transmix, or interface percentages would not have occurred, and Paragraph 36 of the Settlement contains a written assurance by Buckeye and Laurel that such increases will not occur. (Settlement ¶ 36.) This provision provides the Complainants with a written assurance regarding the impact of bi-directional operations that does not currently exist and, therefore, is in the public interest.

Paragraph 37 states that Buckeye will add at least one full-time employee to assist with bi-directional scheduling and retain full-time staffing to assist with bi-directional scheduling. (Settlement ¶ 37.) This provision is in the public interest because it confirms Buckeye's intent to dedicate the resources to monitoring and assisting bi-directional scheduling necessary to implement bi-directional operations in an efficient and effective manner. Moreover, it confirms that bi-directional scheduling will be sufficiently staffed, so long as it is provided.

Paragraph 38 states that Buckeye will Item 90-A in FERC Tariff No. 456.0.0 to provide that Regular Shippers will have access to up to at least 5% of the 2019 Expansion Capacity, and that New Shippers will have access to up to at least 5% of the 2019 Expansion Capacity, after 2019 Expansion Capacity has been allocated to Committed Shippers. (Settlement ¶ 38.) While this provision is a specific commitment by Buckeye with respect to a proposed FERC tariff, Laurel submits that this provision is in the public interest as a part of the Settlement in its entirety and, therefore, requests that the Settlement be approved without modification.

Collectively, the SOL Commitments contained in the Settlement largely confirm Laurel's averments regarding bi-directional operations and provide Complainants and other shippers with written assurances and guarantees regarding the methods and processes that will be used to implement bi-directional service. In addition, several of the provisions provide for enhanced communications and informal dispute resolution processes, to ensure the implementation of bi-directional operations is consistent with Laurel's representations. Therefore, these commitments are in the public interest and should be approved.

C. IMPLEMENTATION OF BI-DIRECTIONAL OPERATIONS AND MORATORIA

In this proceeding, and in the prior Laurel Application proceeding, the Complainants raised concerns regarding reversals on the Laurel pipeline system to points east of Eldorado, Pennsylvania. In addition, as a part of this proceeding, the Complainants raised concerns regarding both the expansion of west-to-east interstate service over L718 affecting contemplated bi-directional operations and the expansion of bi-directional service to points east of Eldorado, Pennsylvania.

If this proceeding were litigated, Laurel would have demonstrated that the expansion of bi-directional service on L718, extension of bi-directional service to points east of Eldorado, Pennsylvania, or implementation of a full reversal on the Laurel pipeline system are both irrelevant to the contemplated bi-directional operations and also not ripe for litigation. Importantly, the nature of those proposals substantially differs from the contemplated bi-directional operations on L718, which is designed to initiate the west-to-east interstate transportation of 40,000 bpd of petroleum products from the Midwest to Eldorado, Pennsylvania and maintain existing east-to-west intrastate transportation from eastern origins to Eldorado and Pittsburgh. As such, Laurel would have demonstrated that the Complainants' request to prohibit

the contemplated bi-directional operations should have been denied and that bi-directional operations should be implemented.

Section C of the Settlement is designed to permit bi-directional operation of L718 to commence on October 1, 2019, and addresses the Complainants' concerns regarding (a) expansions of bi-directional services, and (b) the implementation of a full reversal on the Laurel pipeline system. Paragraphs 39 through 44 are in the public interest because these provisions constitute a reasonable balance of competing litigation positions, and establish terms and conditions regarding the conduct of Buckeye, Laurel and the Complainants that will terminate extensive, ongoing litigation before multiple forums and avoid additional future litigation for a defined period.

Paragraph 39 of the Settlement allows for the contemplated bi-directional service to be implemented pursuant to tariffs substantially in the form as the pro forma tariffs attached to this document as **Appendices A (PUC Tariff) and C (FERC Tariffs)** of the Settlement, on October 1, 2019, even if the FERC and/or the PUC have not approved the Settlement. This provision provides for the implementation of bi-directional service on a date certain, which will provide Buckeye, Laurel, their shippers and the petroleum products market substantial certainty regarding the timing of bi-directional operations. The implementation of bi-directional operations will also permit additional, lower-cost Midwestern petroleum products to reach Pittsburgh and Central Pennsylvania via the Laurel pipeline system, which Laurel submits can be expected to benefit Pennsylvania consumers by decreasing retail gasoline prices. Moreover, competition in the Pennsylvania petroleum products markets will be enhanced by bi-directional operations because these lower-cost Midwestern supplies will reach Pittsburgh and Central Pennsylvania, and existing supplies from the east will continue to be able to access these same

markets via the Laurel pipeline system. As such, Laurel submits that this provision is in the public interest because Pennsylvania consumers, and the competitive market as a whole will, finally see the benefits of additional lower-cost Midwestern petroleum products that have driven Laurel's proposals to change the method of operating L718.

Paragraph 40 of the Settlement establishes two moratoria: (1) a "Bi-Directional Moratorium" (as defined therein), lasting from October 1, 2019, until December 31, 2024; and (2) a "Full Reversal Moratorium" (as defined therein), lasting from October 1, 2019, until December 31, 2026. (Settlement ¶ 40.) It further establishes an "Interim Period" between December 31, 2024 and December 31, 2026, during which Buckeye and Laurel may propose the extension of bi-directional service to any points east of Eldorado along the Laurel Pipeline or increase the capacity for west-to-east service on the Laurel Pipeline between Coraopolis and Eldorado, Pennsylvania. (*See* Settlement ¶ 40.)

This provision directly addresses the Complainants' concerns regarding future expansions or extensions of bi-directional service and/or future implementation of a full reversal on the Laurel pipeline system. By providing the Complainants with regulatory certainty regarding the conduct of Buckeye and Laurel for a substantial period of time, Laurel submits that each of the moratoria reasonably resolve the Complainants' concerns regarding these issues. Importantly, however, these concerns are resolved in a manner that allows bi-directional operations on L718 to commence on October 1, 2019; as discussed above, the implementation of bi-directional operations is to the benefit of Buckeye, Laurel and the petroleum products market as a whole. (*See* Settlement ¶ 39.) Therefore, this provision is in the public interest and should be approved.

Relatedly, Paragraph 41 of the Settlement provides for the early termination of the Bi-Directional Moratorium, if:

(i) the Philadelphia Energy Solutions Refining & Marketing, LLC (“PESRM”), or its successor company / entity, is no longer a refining entity with refining operations at Point Breeze or Girard Point in Philadelphia, Pennsylvania processing crude oil using atmospheric and vacuum distillation processes averaging 100,000 barrels per day, for a 6-month period ending on or after July 1, 2022 (provided, however, for the purposes of determining whether the 100,000 barrels per day average has been achieved for a 6-month period, the calculation will be adjusted to account for any scheduled turnarounds of the PESRM refinery for a period not to exceed sixty (60) days and bona fide force majeure conditions not related to the operational actions of the PESRM refinery that result in a limitation or cessation of production for a period not to exceed ninety (90) days), and (ii) the total east to west throughput on the Laurel Pipeline experiences a sustained and substantial decline not a consequence of pipeline operational actions taken by Buckeye or its affiliates as to East to West throughput on the Laurel system

(Settlement ¶ 41.)

During the course of these proceedings, an explosion occurred at the PESRM refinery, which led to the closure of a portion of the refinery. As such, Laurel believes that a complete prohibition on its ability to expand or extend bi-directional service on its pipeline system for the moratorium, would unreasonably restrict its ability to provide alternative petroleum products transportation services that may be necessary to address the loss of East Coast supplies resulting from the PESRM refinery closure.

The Complainants and Laurel have both recognized the important role Laurel’s pipeline system plays in supplying petroleum products throughout Pennsylvania.⁵ Laurel submits that Paragraph 41 recognizes, if the PESRM refinery remains closed and supplies on the Laurel system experience a sustained and substantial decline, then Laurel will be provided the opportunity to propose to change its method of operations to address this supply issue and ensure

⁵ See, e.g., Amended Complaint, ¶ 11.

that adequate supplies continue to reach Pennsylvania markets. And, importantly, this provision contemplates that Laurel will do so by expanding or extending bi-directional service such that additional lower-cost Midwestern volumes will be able to fill the gap in Pennsylvania markets while East Coast supplies continue to reach them as well.

Moreover, Paragraph 41 sets forth a process by which Buckeye, Laurel and the Complainants can ensure that it is properly invoked. (*See Settlement ¶ 41(a)-(e).*) By agreeing to this process in advance of its use or invocation, the parties have allowed for the efficient invocation of Paragraph 41 and determination as to whether such invocation was proper. This process will save the parties, the Commission, the FERC and/or other judicial bodies substantial time and resources by defining their rights and obligations in advance. Moreover, this provision reasonably balances Buckeye's and Laurel's interest in being able to respond to significant market changes that could adversely affect Pennsylvania consumers and the petroleum products market as a whole, with the Complainants' interest in ensuring that any early termination of the Bi-Directional Moratorium is properly implemented. Therefore, Paragraph 41 and the terms and conditions regarding the moratoria set forth therein are in the public interest and should be approved without modification.

Under Paragraph 42, except to enforce the terms of this Settlement, during the moratoria Laurel, Buckeye and the Complainants agree that that they will not attempt to alter, modify, revise or otherwise contest the terms and conditions of the Settlement, or the terms and conditions of any filings before the PUC or the FERC that are identified herein as necessary to implement the Settlement, in any proceeding before the PUC, the FERC or other judicial body. (*Settlement ¶ 42.*) This provision represents an essential aspect of the Settlement Parties' commitment to terminating the extensive, ongoing litigation amongst them and ensures the

parties will be bound to act in conformance with the Settlement and associated documents for the duration of the agreement. This commitment reasonably resolves competing litigation positions and will save the parties, the Commission, the FERC and other judicial bodies considerable time and resources by terminating pending litigation and avoiding future litigation for a defined period. Moreover, it assures that the public benefits associated with the provision of bi-directional service of L718 will inure to Pennsylvania consumers and the competitive market as a whole throughout the duration of the moratoria. As such, it is in the public interest and should be approved.

Paragraph 43 provides that Buckeye and Laurel agree that after the end of both moratoria, the Complainants retain all rights to challenge any actions by Buckeye or Laurel that may have been previously prohibited. (Settlement ¶ 43.) This provision clarifies the scope of the Settlement and the Complainants' rights after the moratoria end. It is a reasonable compromise of competing litigation and, therefore, should be approved.

Paragraph 44 confirms that the terms of the Settlement, except the provisions of Paragraphs 31-37 and Paragraphs 55 and 56, will terminate upon the expiration of both moratoria, *i.e.* December 31, 2026. (Settlement ¶ 44.) This provision is in the public interest because it ensures that the SOL commitments contained in Paragraphs 31-37 continue as long as bi-directional operations are provided, and ensures that the enhanced communication and coordination that Buckeye and Laurel believe will alleviate the Complainants' concerns regarding bi-directional operations remain in place. In addition, it ensures that the Complainants' commitments regarding the Buckeye Acquisition (defined and discussed below) operate independently of approval and implementation of the moratoria, which will avoid the

time and resources of complex litigation in that proceeding. As such, Paragraph 44 is in the public interest and should be approved.

D. OTHER TERMS AND CONDITIONS

Paragraph 45 of the Settlement states that the Complainants, Laurel and Buckeye have agreed to privately and confidentially resolve the issue of costs of litigation in proceedings before the PUC and FERC and the costs of implementing the Settlement. While Laurel expected to demonstrate that the claims in the Amended Complaint should be denied, as explained in Sections III.A-C. above, Laurel recognizes that Buckeye, Laurel and the Complainants have already engaged in extensive litigation across multiple proceedings in multiple forums. As such, Laurel submits that the resolution of costs between these parties in a private and confidential manner is reasonable and in the public interest because it will terminate the numerous ongoing proceedings and avoid future litigation between the parties. Moreover, given the compromises between competing litigation positions contained in the Settlement, the parties' decision to privately and confidentially resolve the issue of costs is in the public interest.

Paragraph 46 explains that the parties are seeking expedited approval of the Settlement by the PUC. Expedited approval of the Settlement, without modification, is reasonable and necessary to ensure that Buckeye and Laurel may commence bi-directional operations by no later than October 1, 2019, without triggering other terms and conditions under the Settlement that would require Buckeye and Laurel to cease bi-directional operations if the Settlement is not approved. Importantly, approval of the Settlement by no later than the August 29, 2019 Public Meeting would: (1) provide certainty regarding bi-directional operations and the continued availability of supply to Pittsburgh and Central Pennsylvania from the east and increased availability of supply from to Pittsburgh and Central Pennsylvania from the west; and (2)

promptly bring to a close several proceedings pending before the Commission, the FERC and the Commonwealth Court.

Paragraphs 47 through 49 contain the agreement of Buckeye, Laurel and the Complainants to bring the aforementioned proceedings pending before the Commission, the FERC and the Commonwealth Court to a close upon approval of the Settlement by the PUC and FERC. (Settlement ¶¶ 47-49.) Furthermore, Paragraph 48 also confirms that, in the unlikely event that withdrawal of the pending appeal and cross appeal before the Commonwealth Court does not occur, the Settlement Parties agree to be bound by the Settlement. (Settlement ¶ 49.) This condition ensures litigation will not be re-instated in the event of an intervening decision by the Commonwealth Court, which will save the parties, the Commission, and Pennsylvania courts additional time, resources and expense by avoiding further litigation. In addition, this provision specifically ensures that regulatory approval of the Settlement by the Commission and the FERC will result in a binding, final arrangement between the Settlement Parties with respect to bi-directional operations on L718.

Paragraph 50 requires that a pro forma PUC Tariff supplement accompany the Settlement. **Appendix A**, attached thereto, contains the requisite supplement. As explained above with respect to Paragraphs 30 and 31 of the Settlement, this provision and **Appendix A** are reasonable and in the public interest, and should be approved without modification.

In the event that the PUC and/or the FERC reject or conditionally approve the Settlement, Paragraph 51 provides a process for the Settlement Parties to attempt reform the Settlement prior to resuming their respective litigation positions. (Settlement ¶ 51.) Given the extensive, ongoing litigation between the parties, which spans multiple forums, this provision is reasonable and in the public interest because it ensures the Settlement Parties do not immediately resume litigation

if the Settlement is rejected or modified by the Commission or the FERC. This provision further evidences the Settlement Parties' commitment to bringing litigation surrounding the implementation of bi-directional operations on L718 to a close and their commitment to work in good faith to attempt to resolve any materials issues with the Settlement to that end.

Buckeye and Laurel agree in Paragraph 52 of the Settlement that they will serve the Complainants with copies of all FERC and Commission filings or submissions impacting rates or services on the Laurel Pipeline, including but not limited to segments L718, L720, and L722. (Settlement ¶ 52.) During the course of this proceeding, Complainants indicated that increased communication between Buckeye, Laurel and the Complainants would be beneficial in avoiding future litigation. This provision of the Settlement ensures that Complainants receive additional notice from Buckeye and Laurel and evidences a commitment between the parties to increase the amount of information regarding impacts to rates or services on Laurel's system. As such, it is reasonable and in the public interest, and should be approved.

Paragraph 53 of the Settlement states that the Settlement is presented as a package, with inextricably interrelated terms. (Settlement ¶ 53.) This provision recognizes that the terms of the Settlement constitute a compromise of competing positions between the Settlement Parties and that, unless otherwise noted, the entirety of the Settlement must be approved by the PUC and the FERC in order for it to take effect.

Under Paragraph 54, the Complainants agree that, if the PUC or the FERC reject the Settlement, the Complainants will not seek refunds, reparations or damages for bi-directional service provided between October 1, 2019, and the date of rejection. (Settlement ¶ 54.) This provision provides Buckeye and Laurel with the assurances and protections to implement bi-directional service in accordance with the terms of the Settlement Agreement while it is pending

approval by the PUC and the FERC. Paragraph 54 also provides regulatory certainty to Buckeye, Laurel and the petroleum products transportation market that bi-directional service will be implemented on a date certain, *i.e.* October 1, 2019. This is in the public interest because it will ensure that additional volumes of lower-cost Midwestern products are able to reach Pittsburgh and Central Pennsylvania and that Buckeye and Laurel may be compensated for providing this beneficial service without such compensation being at risk of loss or refund.

The Settlement also contains specific provisions to ensure that the terms and conditions regarding bi-directional service established under the Settlement will be binding on the parties and not subject to change in other pending and/or future proceedings. Specifically, the Complainants agree under Paragraph 55 of the Settlement that they will not protest, oppose or otherwise contest the Buckeye Acquisition (defined above and therein). (Settlement ¶ 55.) In addition, Buckeye and Laurel agree that they will not propose alterations to its service or rates or otherwise propose or agree to any changes to its service or rates that would alter the terms and conditions of the Settlement in Paragraph 56. (Settlement ¶ 56.) Furthermore, Paragraph 57 of the Settlement provides that the Settlement will be binding upon Buckeye, Laurel and the Complainants regardless of any change in ownership of any of the parties. (Settlement ¶ 57.)

Paragraph 55 of the Settlement is in the public interest because it will ensure the prompt review and approval of the Buckeye Acquisition and avoid the time and expense of litigating issues related to bi-directional operations, which were raised in the context of the above-captioned complaint proceeding, in an acquisition proceeding. As explained in the Buckeye Acquisition Application, the change in control contemplated will provide substantial affirmative public benefits, *inter alia*, due to the acquirer's commitment to balance financial returns with environmental, social and governance objectives and due to the ability of the acquirer to leverage

its size and bargaining power for the benefit of operating companies under its ownership. *See generally Application for Approval of an Indirect Transfer of Control of Laurel Pipe Line Company, L.P. from Buckeye Partners, L.P. to IFM Global Infrastructure Fund*, Docket No. A-2019-3011685 (Application submitted July 23, 2019).

These provisions of the Settlement are also in the public interest because they ensure that Buckeye, Laurel and the Complainants will not seek to alter any of the terms and conditions of the Settlement in the Buckeye Acquisition proceeding. (Settlement ¶¶ 55-57.) In addition, these provisions of the Settlement are in the public interest because they avoid future, additional litigation between Buckeye, Laurel and the Complainants regarding the resolution of issues surrounding bi-directional operation of L718 or the terms and conditions of the Settlement as applied to new owners. As such, the Settlement will save the parties and the Commission time, expense and resources in the Buckeye Acquisition and other proceedings, by specifically confirming that its terms and conditions will remain binding.

E. LAUREL'S SETTLEMENT AND STIPULATION REGARDING SAFETY ISSUES WITH I&E

I&E intervened in this proceeding to ensure the safe and reliable operation of L718. If this proceeding had been litigated, Laurel would have demonstrated that bi-directional operation of L718 would be safe, reliable and consistent with all applicable guidance and regulations. Laurel had previously committed to implementing the Integrity Impact Review Report ("IRR") to comply with the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration's ("PHMSA") Guidance for Pipeline Flow Reversals, Product Changes and Conversion to Service, US DOT PHMSA, September 2014, Docket PHMSA-2014-0040,⁶

⁶ Laurel notes that PHMSA's safety regulations applicable to hazardous liquids pipelines (49 C.F.R. Parts 195 and 199) are directly incorporated by the Commission's regulations (52 Pa. Code § 59.33) do not directly address flow reversals. However, PHMSA's Guidance for Pipeline Flow Reversals, Product Changes and

with respect to the flow reversal contemplated by the prior Application proceeding at Docket No. A-2016-2575829 that is currently pending review before the Commonwealth Court.

On April 30, 2018, Laurel and I&E advised the ALJ in their respective prehearing memoranda that they had reached a settlement in principle regarding I&E's issues and would submit a *Settlement Agreement or Stipulation in Settlement to the ALJ for a ruling*. I&E served additional discovery upon Laurel on May 30, 2019, and Laurel served its responses to I&E's discovery on June 21, 2019. The agreed upon Stipulation in Settlement was executed by Laurel and I&E on July 31, 2019 ("I&E Settlement"), and is included as **Appendix D** to the Joint Petition for Settlement. The Stipulation in Settlement contains terms and conditions that fully resolve I&E's issues in this proceeding. (I&E Settlement ¶ 7(d).)

Under the I&E Settlement, Laurel agreed to take all safety actions identified in the Company's IRR to comply with the PHMSA's Guidance for Pipeline Flow Reversals, Product Changes and Conversion to Service, US DOT PHMSA, September 2014, Docket PHMSA-2014-0040. (I&E Settlement ¶ 7(a)). Paragraph 7(a) of the I&E Settlement ensures that the commencement of bi-directional operations over L718 complies with guidance issued by PHMSA with respect to product flow reversals. Importantly, this guidance requires a pipeline operator to take specific actions prior to initiating bi-directional service and after initiating bi-directional service, which are designed to confirm that the subject pipeline is able to safely accommodate bi-directional operations.

The actions that Laurel has taken or will take in the future, pursuant to the IRR submitted by PHMSA are included in "Figure 1" of the I&E Settlement, reproduced below.

Conversion to Service, US DOT PHMSA, September 2014, Docket PHMSA-2014-0040 sets forth considerations for pipeline operators that intend to implement flow reversals. The IRR conducted by Laurel is consistent with the considerations set forth in this guidance.

FIGURE 1: LAUREL LINE - INTEGRITY IMPACT REVIEW ACTIONS SUMMARY AND SCHEDULE

Actions To Be Completed Prior to Initiation of Bi-directional Service	Estimated Date
Initiate Hydrostatic Pressure Test	5/8/2019
Complete Hydrostatic Pressure Test	Completed 6/21/2019
Updated Surge Analysis	Completed 11/15/2017
Updated Emergency Flow Restricting Device (EFRD) analysis	Completed 11/20/2017
Update to Computational Pipeline Monitoring System (LeakWarn)	Completed
Review and Update Procedure Manuals (Operations, Maintenance & Emergency Response)	Completed
Update to Work Management System for new Equipment	8/1/19
Revise Startup and Shutdown Procedures and Train Controllers	Completed
Review and Update Supervisory Control and Data Acquisition (SCADA) System	Completed
Update Oil Spill Response Plan	Completed 2/5/19
Preventative & Mitigative Actions Review	Completed 8/29/18
Post-Initiation of Bi-Directional Service Actions	Initiation Expected 10/1/19
As Built Drawings and Compile Project Records	120 days after initiation
Inspect Mainline Isolations Valves	On date of initiation, 7 days after initiation and 30 days after initiation
Perform Visual Surveys of Aboveground Equipment	30 days after initiation
Determine and Evaluate actual Pressure Cycling of Pipeline	30 days after initiation 180 days after initiation

Paragraph 7(b) of the I&E Settlement states that Laurel will provide I&E's Safety Division with an updated version of this Figure 1, which reflects the estimated completion dates for the identified safety actions that have not been completed based on the anticipated in-service date of the contemplated bi-directional service on Line 718. (I&E Settlement ¶ 7(b).) This

provision of the I&E Settlement ensures that I&E's Safety Division is apprised of Laurel's compliance with the IRR. Laurel's compliance with Paragraph 7(b) will demonstrate it has taken actions consistent with the IRR and will evidence its continued commitment to the safe operation of L718 once bi-directional operations are commenced.

In Paragraph 7(c), Laurel agrees that I&E Safety Division inspectors may inspect the Laurel pipeline, including review of the Company's compliance with the actions identified in the IRR and PHMSA Pipeline Safety Regulations applicable to hazardous liquids pipelines, set forth in 49 C.F.R. Parts 195 and 199, as well as I&E's on-going review of the L718 pipeline and related hydrostatic pressure testing. (I&E Settlement ¶ 7(c).) In this proceeding, there was a dispute between I&E and Laurel as to whether the Commission had jurisdiction over Laurel's proposal to initiate interstate service so that bi-directional operation of L718 could commence. *See* Laurel's Preliminary Objections to the Amended Complaint, ¶¶ 14-22; *see also* I&E Answer to Preliminary Objections to the Amended Complaint, ¶¶ 14-22. This provision resolves this dispute by confirming that I&E may continue to monitor L718 once bi-directional operations commence to ensure the safe operation of L718. Laurel submits that this provision demonstrates its commitment to continue an amicable relationship with I&E's Safety Division, which is based upon a shared understanding that the safe operation of Laurel's pipeline system is of paramount importance.

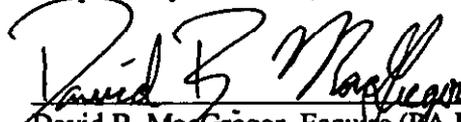
Finally, Paragraph 8 of the I&E Settlement confirms that the terms and conditions contained I&E Settlement constitute the respective litigation positions of Laurel and I&E regarding the issues raised in this proceeding by I&E. (I&E Settlement ¶ 8.) Paragraph 8 demonstrates both parties' commitments to the safe operation of L718 and is in the public interest.

From the outset of this proceeding, Laurel has alleged that bi-directional operations on L718 would not adversely impact the safety of the public. The I&E Settlement demonstrates that Laurel is committed to the safe and reliable operation of L718, and is undertaking appropriate actions to ensure its safe and reliable operation under the Commission's and PHMSA's regulations and guidelines. Therefore, and for the reasons more fully explained above, the I&E Settlement is in the public interest and should be approved without modification.

IV. CONCLUSION

The Settlement resolves all of the issues that were raised during this proceeding. For the reasons explained above, approval of (1) the Joint Petition for Approval of Settlement, including, without limitation, the Settlement Agreement attached thereto as Appendix E, (2) the associated pro forma PUC Tariff supplement attached thereto as Appendix A, to be effective on one day's notice, (3) the associated Capacity Use Agreement attached thereto as Appendix B, and (4) the Stipulation and Settlement entered into by Laurel Pipe Line Company, L.P. and the Bureau of Investigation and Enforcement attached thereto as Appendix D without modification, is in the public interest.

Respectfully submitted,



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Date: July 31, 2019

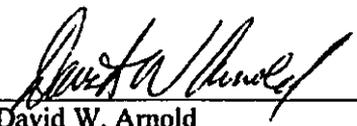
Counsel for Laurel Pipe Line Company, L.P.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Giant Eagle, Inc.; Guttman Energy, Inc.; :
Lucknow-Highspire Terminals, LLC; :
Monroe Energy, LLC; Philadelphia Energy : Docket No. C-2018-3003365
Solutions Refining and Marketing, LLC; :
and Sheetz, Inc. :
: :
: :
Petitioners, :
: :
v. :
: :
Laurel Pipe Line Company, L.P. :
: :
Respondent. :

AFFIDAVIT

I, David W. Arnold, being duly sworn according to law, deposes and states that I am the Vice President, Domestic Pipelines at Buckeye Partners, L.P., and that in this capacity, I am authorized to and do make this affidavit for Laurel Pipe Line Company, L.P., and that the facts set forth in the foregoing Statement in Support of the Joint Petition for Settlement in the above-captioned proceeding are true and correct to the best of my knowledge, information and belief.



David W. Arnold

Signed and sworn to before me on

July 31, 2019 by

David W. Arnold making statement.

Robin L. Bilger

Notary Public

My commission expires 8-4-2021.

(SEAL) COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Robin L. Bilger, Notary Public
Upper Macungie Twp., Lehigh County
My Commission Expires Aug. 4, 2021
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

Appendix H

**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	:	

**THE BUREAU OF INVESTIGATION AND ENFORCEMENT'S
STATEMENT IN SUPPORT OF THE
STIPULATION IN SETTLEMENT
BETWEEN LAUREL PIPE LINE COMPANY, L.P AND
THE BUREAU OF INVESTIGATION AND ENFORCEMENT**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE ERANDA VERO:

The Bureau of Investigation and Enforcement ("I&E") of the Pennsylvania Public Utility Commission ("Commission"), by and through its prosecuting attorneys, hereby respectfully submits that the terms and conditions of the Stipulation in Settlement ("Stipulation") between Laurel Pipe Line Company, L.P. ("Laurel" or "Company") and I&E are just, reasonable and in the public interest as Laurel has either completed or committed to perform certain safety actions described in greater detail herein to manage the safety and integrity of the segment of the L718 pipeline located between Eldorado, PA and Coraopolis, PA with which Laurel desires to initiate bi-directional service.

I. BACKGROUND

1. I&E is charged with serving as the Commission's prosecutory bureau for the purposes of representing the public interest in ratemaking and service matters before the Commission and enforcing compliance with the laws and regulations over which the Commission maintains jurisdiction. 66 Pa.C.S. § 308.2(a)(11). *See also Implementation of Act 129 of 2008; Organization of Bureaus and Offices*, Docket No. M-2008-2071852 (Order entered August 11, 2011) at 5. The Safety Division of I&E acts as an agent of the United States Department of Transportation's ("DOT") Pipeline and Hazardous Materials Safety Administration ("PHMSA") and employs a team of engineers who inspect intrastate pipeline facilities to ensure compliance with PHMSA's pipeline safety regulations set forth in 49 CFR Parts 191-193, 195 and 199. In negotiated settlements of pipeline matters, it is incumbent upon I&E to identify how an amicable resolution of any such proceeding benefits the public interest and ensures that the public interest is served. The Stipulation between I&E and Laurel should be approved as being in the public interest as it demonstrates that Laurel has satisfactorily completed a series of actions designed to test the integrity of the pipeline prior to the commencement of bi-directional service and has committed to perform continuing actions to maintain the integrity of the pipeline subsequent to the initiation of bi-directional service.

2. 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 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.

3. The Complaint and Petition for Interim Emergency relief were filed by Complainants in response to Laurel's 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.

4. 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 concerning the Petition, which was approved by presiding Administrative Law Judge ("ALJ") Eranda Vero by Initial Decision issued July 27, 2018.

5. 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.

6. 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 concerning the second Petition.

7. On October 9, 2018, ALJ Vero issued an Order overruling Laurel's Preliminary Objections and set the Amended Complaint for hearing.
8. 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.
9. 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.
10. 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.
11. On February 28, 2019, ALJ Vero issued a Prehearing 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.
12. 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.

13. 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 bi-directional flow. On April 29, 2019, I&E and Laurel reached a settlement-in-principle and I&E advised ALJ Vero of the same in I&E's prehearing memo dated April 30, 2019.

14. Complainants and Laurel also filed prehearing memoranda on April 30, 2019, requesting that the establishment of a litigation schedule be deferred as settlement negotiations remained ongoing.

15. Subsequently, an unanticipated issue involving the failure of a hydrostatic pressure test that was performed on Laurel's pipeline occurred. This event caused the I&E Safety Division to further investigate the root cause of the failure and prompted I&E to request additional discovery through the serving of its Interrogatories and Requests for Production of Documents – Set II on Laurel on May 30, 2019. As indicated in greater detail herein, a hydrostatic pressure test was successfully completed in June 2019.

16. Complainants provided a further status update on May 31, 2019 and indicated that settlement negotiations continued.

17. On June 5, 2019, ALJ Vero issued a Prehearing Order directing the parties to provide a status report no later than 4:30 PM on July 1, 2019, and file Prehearing Memorandum with a proposed litigation schedule no later than 4:30 PM on July 1, 2019.

18. Laurel submitted its responses to I&E Set II Discovery on June 20, 2019.

19. On July 1, 2019, Complainants, Laurel and I&E submitted further status reports to the presiding ALJ and provided additional updates regarding the status of settlement negotiations.

20. On July 23, 2019, Complainants and Laurel filed a Joint Status Report and Request for Further Prehearing Conference wherein Complainants and Laurel represented that they have reached a settlement in principle, requested expedited treatment of the settlement as it would also resolve various related pending proceedings, and requested a further prehearing conference to discuss procedural matters associated with an expedited review and ruling concerning the settlement.

21. Telephonic prehearing conferences were held on July 25 and 26, 2019.

22. On July 31, 2019, Complainants and Laurel filed a Joint Petition for Settlement to which the Stipulation between I&E and Laurel was appended, thereby rendering the matter to be a unanimous, amicable resolution. This Statement in Support addresses and is submitted in conjunction with the Stipulation between I&E and Laurel.¹

II. TERMS AND CONDITIONS OF SETTLEMENT

23. Commission policy promotes settlements. *See* 52 Pa. Code § 5.231. Settlements lessen the time and expense that the parties must expend litigating a case and, at the same time, conserve precious administrative resources. Settlement results are often preferable to those achieved at the conclusion of a fully litigated proceeding. “The focus of inquiry for determining whether a proposed settlement should be recommended for

¹ I&E does not oppose the terms and conditions of the Joint Settlement Petition entered into by Complainants and Laurel, but limits its Statement in Support to the Stipulation entered into by I&E and

approval is not a ‘burden of proof’ standard, as is utilized for contested matters.” *Pa. Pub. Util. Comm’n, et al. v. City of Lancaster – Bureau of Water*, Docket Nos. R-2010-2179103, *et al.* (Order entered July 14, 2011) at p. 11. Instead, the benchmark for determining the acceptability of a settlement is whether the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm’n v. Philadelphia Gas Works*, Docket No. M-00031768 (Order entered January 7, 2004).

24. The issues raised by I&E have been satisfactorily resolved through discovery and settlement discussions with Laurel and are included in an appendage to the Joint Settlement Petition. I&E represents that the Stipulation between I&E and Laurel satisfies all applicable legal standards set forth in PHMSA’s pipeline safety regulations, 49 CFR Parts 191-193, 195 and 199, and results in terms that are preferable to those that may have been achieved at the end of a fully litigated proceeding. Accordingly, for the reasons articulated herein, I&E asserts that the Stipulation is in the public interest and requests that the following terms be approved by the presiding ALJ and the Commission without modification:

(a) Laurel agrees to take all safety actions identified in the Company’s Integrity Impact Review Report (“IRR”) to comply with PHMSA’s Guidance for Pipeline Flow Reversals, Product Changes and Conversion to Service, US DOT PHMSA, September 2014, Docket PHMSA-2014-0040.

Laurel. The Stipulation addresses the safety issues that were raised by I&E in this proceeding and negotiated by I&E and Laurel during settlement discussions.

(b) Within thirty (30) days of the completion of the hydrostatic test necessary to initiate the contemplated bi-directional service on Line 718, Laurel will provide an updated version of Figure 1, below, to I&E's Safety Division. Figure 1 provides actual and estimated dates of completion for actions by Laurel, based on the fact that the contemplated hydrostatic test was successfully completed on June 21, 2019. The updated schedule will reflect the estimated completion dates for the identified safety actions that have not been completed based on the anticipated in-service date of the contemplated bi-directional service on Line 718.

FIGURE 1: LAUREL LINE - INTEGRITY IMPACT REVIEW ACTIONS SUMMARY AND SCHEDULE

Actions To Be Completed Prior to Initiation of Bi-directional Service	Estimated Date
Initiate Hydrostatic Pressure Test	5/8/2019
Complete Hydrostatic Pressure Test	Completed 6/21/2019
Updated Surge Analysis	Completed 11/15/2017
Updated Emergency Flow Restricting Device (EFRD) analysis	Completed 11/20/2017
Update to Computational Pipeline Monitoring System (Leak Warn)	Completed
Review and Update Procedure Manuals (Operations, Maintenance & Emergency Response)	Completed
Update to Work Management System for new Equipment	8/1/19
Revise Startup and Shutdown Procedures and Train Controllers	Completed
Review and Update Supervisory Control and Data Acquisition (SCADA) System	Completed
Update Oil Spill Response Plan	Completed 2/5/19
Preventative & Mitigative Actions Review	Completed 8/29/18
Post-Initiation of Bi-Directional Service Actions	Initiation Expected

	10/1/19
As Built Drawings and Compile Project Records	120 days after initiation
Inspect Mainline Isolations Valves	On date of initiation, 7 days after initiation and 30 days after initiation
Perform Visual Surveys of Aboveground Equipment	30 days after initiation
Determine and Evaluate actual Pressure Cycling of Pipeline	30 days after initiation 180 days after initiation

(c) Laurel agrees that the I&E Safety Division inspectors may inspect the Laurel pipeline, including review of the Company's compliance with the actions identified in the IRR and PHMSA Pipeline Safety Regulations applicable to hazardous liquids pipelines, set forth in 49 C.F.R. Parts 195 and 199, as well as I&E's on-going review of the L718 pipeline and related hydrostatic pressure testing. The Stipulating Parties agree that Laurel and I&E reserve all arguments regarding any issues that may arise from the inspection process.

(d) Laurel and I&E acknowledge that the aforementioned provisions fully satisfy the concerns raised by I&E in this proceeding, and that I&E will not oppose Laurel's initiation of the contemplated bi-directional service.

III. THE STIPULATION SATISFIES THE PUBLIC INTEREST²

25. Laurel has performed safety actions to ensure that the integrity of L718 will remain intact upon the initiation of bi-directional service and has committed to perform on-going safety actions, as summarized in the chart above, designed to maintain the integrity of L718 after bi-directional flow has commenced. Thus, I&E represents that all safety issues raised by I&E in this proceeding have been satisfactorily resolved through discovery and discussions with the Company and are incorporated and considered in the Stipulation.

26. Some of Laurel's actions exceed regulatory requirements. For example, Laurel has prepared, implemented and agreed to adhere to an IRR pursuant to PHMSA's guidance on implementing flow reversals; said guidance is advisory and not codified in PHMSA's pipeline safety regulations. The engineers of I&E's Safety Division possess a copy of the IRR and, during multiple inspections of L718, ensured that Laurel's actions were consistent with the IRR.

27. Additionally, on June 21, 2019, Laurel successfully completed a hydrostatic pressure test on L718, including a new segment of pipeline that replaced a prior section that did not pass the first hydrostatic pressure test. This test involved filling up the pipeline with water and maintaining pressure for at least four (4) continuous hours at a

²² I&E's focus in the instant proceeding was to determine whether the commencement of bi-directional service in L718 would adversely impact the safety or integrity of the pipeline. As such, I&E's analysis concerning whether the Stipulation is in the public interest was not predicated upon the Commission's Policy Statement regarding *Factors and Standards for Evaluating Litigated and Settled Proceedings Involving Violations of the Public Utility Code and Commission Regulations*, 52 Pa. Code § 69.1201. I&E does not allege that any violations of the PHMSA pipeline safety regulations have occurred in connection with the Company's request to initiate bi-directional service on L718.

pressure equal to 125 percent (125%), or more, of the maximum operating pressure and for at least an additional four (4) continuous hours at a pressure equal to 110 percent (110%), or more, of the maximum operating pressure, pursuant to 49 C.F.R. § 195.304. A hydrostatic pressure test examines a pipeline's strength and detects leaks. The June 21, 2019 test was completed without incident and provides reasonable assurance that the integrity of L718 will not be compromised with bi-directional service.

28. Moreover, the Settlement covers Laurel's on-going compliance with PHMSA's pipeline safety regulations and does not preclude the I&E Safety Division from continuing to inspect L718 and address any potential future issues with the pipeline segment as deemed appropriate by I&E.

29. I&E further submits that acceptance of this Stipulation will negate the need for I&E to participate in evidentiary hearings, which would compel the extensive devotion of time and resources for the preparation, presentation and cross-examination of witnesses, the preparation of Main and Reply Briefs, the preparation of Exceptions and Reply Exceptions and the potential of filed appeals. The Settlement thereby conserves time and expenses for all involved while allowing Laurel to commence bi-directional service in a manner that has been extensively reviewed by the I&E Safety Division and determined to be prudent.

WHEREFORE, the Commission's Bureau of Investigation and Enforcement represents that it supports the Stipulation in Settlement as being in the public interest and respectfully requests that Administrative Law Judge Eranda Vero recommend, and the Commission approve, the terms and conditions contained in the Stipulation in Settlement.

Respectfully submitted,



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

Pennsylvania Public Utility Commission
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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Date: July 31, 2019

**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.

Laurel Pipe Line Company, L.P.
Respondent.

Docket No. C-2018-3003365

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the Joint Petition for Approval of Settlement upon the parties and in the manner listed below:

Via Email and First Class Mail

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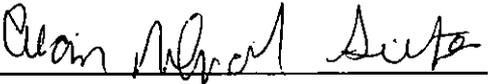
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Dated this 31st day of July, 2019.



Alan M. Seltzer, Esq.

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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