

**HARRISBURG OFFICE**  
SENATE BOX 203016  
HARRISBURG, PA 17120-3016  
(717) 787-1349

**LEHIGH COUNTY OFFICE**  
7535 WINDSOR DRIVE, SUITE 200B  
ALLENTOWN, PA 18106  
PHONE: (484) 861-4964  
FAX: (484) 861-4965

**BUCKS COUNTY OFFICE**  
314 WEST BROAD STREET, ROOM 102  
QUAKERTOWN, PA 18951  
PHONE: (267) 551-3744  
FAX: (267) 551-3764

16TH DISTRICT  
SENATOR  
**JARRETT COLEMAN**



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SENATORCOLEMAN.COM  
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FACEBOOK.COM/SENATORJARRETTCOLEMAN

April 2, 2026

The Honorable Stephen M. DeFrank, Chairman  
Pennsylvania Public Utility Commission  
400 North Street, Keystone Building  
Harrisburg, PA 17120

**Re: Proposed Extension of Bi-Directional Service on the Laurel Pipeline**

**PUC Docket No. C-2025-3053018 *Monroe Energy, LLC, et al. v. Laurel Pipeline Company, LLC***

Dear Chairman DeFrank:

I am writing about a significant consumer affordability issue that is of immense importance to both the constituents of my Legislative District and all of Pennsylvania: access to reliable and competitively priced liquid fuel supplies, including gasoline, diesel and home heating oil. Given the ongoing conflict in the Middle East, this issue becomes even more important. Because of the war, gasoline prices in Pennsylvania have steadily increased over the last several weeks.<sup>1</sup>

As you know, since 2019, the Laurel Pipe Line Company, L.P. (“Laurel”) has provided bi-directional service over the portion of the Laurel pipeline system located between Altoona and Pittsburgh. These bi-directional operations have allowed Laurel to re-purpose an underutilized asset to increase supply optionality on its system; this optionality has meant that shippers and Western Pennsylvania have benefited from increased supplies of competitively priced gasoline, diesel, and heating oil from *both* Midwest refineries and East Coast refineries. Laurel now seeks to implement an extension of bi-directional service—which would result in bi-directional operations between Pittsburgh and Reading. This would extend bi-directional benefits to even more of the shipping community and even more of the Commonwealth.

Importantly, Eastern and Central PA are currently supplied by three sources: Colonial pipeline (which moves product from refineries along the Gulf Coast), a few local refineries (using primarily foreign crude) and foreign gasoline imports. Disruption to any one of these sources (*e.g.* from a cyber-attack on Colonial or a war disrupting overseas shipments of crude oil or gasoline) will result—and indeed has already resulted—in dramatic price increases in the most populous parts

<sup>1</sup> See <https://fox56.com/news/local/gas-prices-keep-climbing-in-pennsylvania-reaching-new-highs-where-to-find-cheap-gas>

of Pennsylvania. Providing additional sources from approximately a dozen Midwest refineries, which have substantially expanded their output in the past decade using North American sourced crude, reduces this risk. Moreover, Laurel is not proposing a full reversal. If current suppliers can continue to supply competitively priced products to Pennsylvania consumers, they will be able to do so. In short, bi-directional operations are a win for the pipeline, a win for shippers, and a win for Pennsylvania.

Despite these benefits, four of the shippers that use the Laurel pipeline system (out of 39 total shippers) filed a Complaint *over five years* into bi-directional operations. The Complaint was filed after an extension of bi-directional operations was proposed, which would affect the service configuration for these shippers. The Complaint seeks to prevent the proposed operational changes and maintain the current configuration of service.

The legal proceeding resulting from the Complaint has already produced a substantial evidentiary record consisting of thousands of pages of testimony and exhibits, three days of evidentiary hearings with cross-examination and additional testimony from more than ten witnesses, and briefs submitted by all parties. The Administrative Law Judge (“ALJ”) assigned to the case applied the Public Utility Code and relevant Pennsylvania precedent to this record and issued an evidence-based Initial Decision (“ID”) concluding that the Complaint should be denied.

Some of the key evidence-based findings of record contained in the ID are as follows:

- “Bi-directional service increases the flexibility and liquidity of the Laurel pipeline system by enabling demand to be met from additional origins and allowing multiple destinations to be supplied from both east and west.” ID, p. 18 (Finding of Fact ¶ 71).
- “The resulting benefit to the shippers and the public include: greater supply reliability through access to additional origins; increased competition for market supply to help ensure the best available price for shippers and consumers; expanded overall capacity of the pipeline system; and more optimal utilization of the pipeline asset, which enables more efficient and enhanced transportation services.” ID, p. 132 (quoting Laurel St. No. 4-R at 22).
- “Laurel capacity has been historically underutilized with each of the three segments (L718, L720, and L724) running at only about 1/3 of available capacity between November of 2019 to November 2024.” ID, p. 120.
- Underutilization worsened in 2019, after the Philadelphia Energy Solutions refinery exploded. ID, p. 13 (Finding of Fact ¶ 49).
- “Existing Bi-directional Service improved pipeline utilization and efficiency and prevented the higher transit times that would have accompanied the even lower throughput volumes had service remained solely east-to-west in direction.” ID, p. 19 (Finding of Fact ¶ 74).
- Transit times are inherently variable, and the data and statistical analysis presented in this case showed that bi-directional operations had, at most, a “de minimis” impact on transit times. ID, p. 21.

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- There is *zero evidence* that shows bi-directional operations have posed any integrity, safety, or reliability issues. Rather, the record shows that bi-directional operations resulted in substantial upgrades and modifications to the Laurel pipeline system that “had the added benefit of replacing outdated equipment, which improves the integrity, safety and reliability of the pipeline.” ID, pp. 141-142.
- There is *zero evidence* (and the complainant-shippers made no claim) that bi-directional operations would result in decreased supplies of heating oil or diesel fuel in Pennsylvania.
- There is *zero evidence* that shows bi-directional operations have impacted, or will impact, Pennsylvania jobs.
- The ALJ found that the complainant-shippers’ “goal of maintaining the status quo on Laurel is near impossible to achieve.” ID, p. 143. Indeed, “[d]emanding that Laurel maintain the pre-2019, or even the post-2019 status quo at all costs, is unreasonable from a business perspective and unfair from a legal one, as perfect service to one customer or one group of customers is not required by the law.” ID, p. 143.

In closing, a full and complete review of the Complaint, Laurel’s existing bi-directional operations, and its proposed bi-directional operations has been conducted, and the Initial Decision is well-reasoned. That review concludes that bi-directional operations over Laurel’s underutilized pipeline system have benefited, and will continue to benefit, Pennsylvania, including by enhancing access to reliable and competitively priced liquid fuel supplies such as gasoline, diesel, and home heating oil. The record does not support a finding that the proposed extension of bi-directional operations would negatively affect these interests.

Sincerely,



Jarrett C. Coleman  
Senator, 16<sup>th</sup> District  
Chairman of Intergovernmental Operations