

October 25, 2016

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241945

Chairman Daniel R. Elliott III
Vice Chairman Deb Miller
Member Ann D. Begeman
United State Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

ENTERED
Office of Proceedings
November 2, 2016
Part of
Public Record

Re: STB Finance Docket No. 36041
Motion to Intervene and Petition of Equilon Enterprises LLC d/b/a Shell Oil
Products US for Declaratory Order

Dear Mr. Elliott, Ms. Miller, and Ms. Begeman:

On June 17, 2016, Equilon Enterprises LLC d/b/a Shell Oil Products US ("Shell") filed a motion to intervene in proceedings initiated by Tesoro Refining & Marketing Company, LLC and petitioned the Board for a declaratory order affirming Shell's rights as a shipper under federal law to receive transportation service over rail lines that are subject to the Board's jurisdiction. Shell's Petition concerned continued rail service for feedstocks necessary to operate Shell's Puget Sound Refinery ("PSR"), continued rail service to ship products manufactured at PSR, and rail service for a proposed crude offloading facility that would serve PSR in the near future.

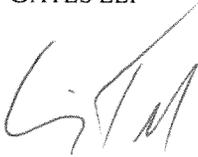
On October 11, 2016, Shell notified the Washington State Department of Ecology that Shell has suspended work on the proposed crude offloading facility due to business considerations and was withdrawing its pending applications for permits and approvals needed for the proposed facility. A true and correct copy of the notice is attached hereto as Exhibit A. Similar notices were sent to other agencies with jurisdiction over the proposed facility. Shell wanted to bring this new information to the Board's attention.

Shell's concerns with respect to continued rail service to PSR for feedstocks and products remain ripe, Shell continues to have standing to intervene and petition the Board for relief, and Shell reaffirms its request that the Board grant Shell's Motion to Intervene and grant the relief requested in Shell's Petition.

Very truly yours,

K&L GATES LLP

By


Craig Trueblood

CERTIFICATE OF SERVICE

I certify that this 25th day of October, 2016, I have caused a copy of the foregoing to be served by first-class mail upon the following:

Melody Allen
P.O. Box 498
Suquamish, WA 98392-0498

Stephen T. Lecuyer
Swinomish Indian Tribal Community
11404 Moorage Way
Laconner, WA 98257

Christopher I. Brain
Tousley Brain Stephens PLLC
1700 Seventh Avenue, Suite 2200
Seattle, WA 98101

Mel Sheldon, Jr.
The Tulalip Tribes
6406 Marine Drive
Tulalip, WA 98271

Anthony J. Larocca
Steptoe & Johnson LLP
1330 Connecticut Avenue NW
Washington, D.C. 20036-1795

Kevin A. Ewing
Bracewell LLP
2001 M Street NW
Washington, D.C. 20036

Respectfully submitted,

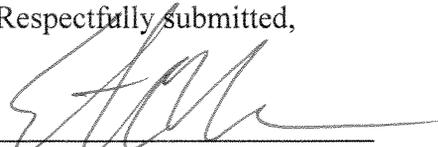

Ethan Morss

EXHIBIT A



Josh Baldi
Washington State Department of Ecology
3190 160th Avenue SE
Bellevue, WA 9800

Puget Sound Refinery
8505 S. Texas Road
Anacortes WA 98221
Tel +1360-293-0800
Internet <http://www.shelloilproductsus.com/>

October 11, 2016

Dear Josh Baldi;

On behalf of Equilon Enterprises, LLC (hereinafter "Shell"), I am writing to notify you that Shell has suspended its work on the Puget Sound Refinery crude-by-rail project due to business considerations. Consequently, Shell hereby withdraws its pending applications for permits and associated authorizations for this project. Through separate correspondence, we will notify each permitting agency of this intent.

Shell requests that, effective immediately, Washington State Department of Ecology suspend further work on the State Environmental Policy Act Draft Environmental Impact Statement ("DEIS"). Shell reserves the right to resubmit permit applications and continue work on the DEIS at a later date when circumstances so dictate.

Shell recognizes that a substantial amount of time and resources have been devoted to this project and very much appreciates both of your agencies' diligence and professionalism. We remain committed to investing in the Puget Sound Refinery and look forward to additional opportunities to collaborate with your agencies in the future. If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "B.C. Newbry".

Burt Newbry, PE
Manager - Projects
Puget Sound Refinery
8505 S. Texas Road
Anacortes WA 98221