



Philadelphia Gas Works

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February 24, 2010

James McNulty, Secretary
Pennsylvania Public Utility Commission
Room B-20, North Office Building
Harrisburg, PA 17105-3265

Re: Karleen Starkes v. PGW, Docket No. C – 2010 – 2156178

Dear Secretary McNulty:

Pursuant to 52 Pa. Code §5.61, the Philadelphia Gas Works ("PGW") hereby files the original of its Preliminary Objections to the Complaint in the above captioned matter.

If additional information is required, please do not hesitate to contact the undersigned. Thank you for your assistance in the matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kristine Trock", is written over the typed name.

Kristine Trock

Enclosure

cc: Ms. Karleen Stakes (Regular Mail)
Anne Marie Cromley (PGW Mail)
Linda Pereira (PGW Mail)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Karleen Starkes

v.

Philadelphia Gas Works

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: Docket No. C – 2010 – 2156178

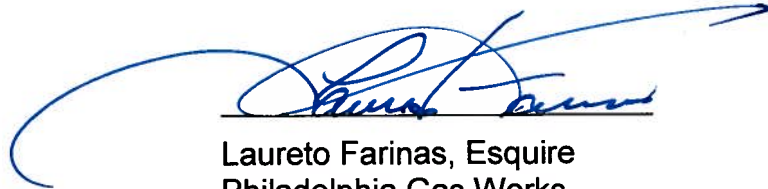
NOTICE TO PLEAD

To: Karleen Stakes, Complainant

Pursuant to 52 Pa. Code §5.101, you are hereby notified to file a written response to the enclosed Preliminary Objection, within ten (10) days from service hereof or you may be deemed to be in default and relevant facts stated in these pleadings may be deemed admitted and a judgment may be entered against you.

Respectfully submitted,

February 24, 2010



Laureto Farinas, Esquire
Philadelphia Gas Works
800 W. Montgomery Avenue
Philadelphia, PA 19122
(215) 684-6982

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Karleen Starkes

v.

Philadelphia Gas Works

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Docket No. C – 2010 – 2156178

**Philadelphia Gas Works’
Preliminary Objections and
Motion to Strike Impertinent Matter**

Pursuant to 52 Pa. Code §5.101, the Philadelphia Gas Works (“PGW”) hereby files its Preliminary Objections to the Complaint filed in the above captioned matter on the grounds that the Commission lacks jurisdiction over the subject matter of the Complaint, and that the Complaint includes impertinent matter in its requested relief to remove the lien, and moves to strike the requested relief as “impertinent matter” pursuant to 52 Pa. Code §§5.101(a)(1) and (2).

In support of its preliminary objection and motion to strike, PGW hereby avers the following:

1. On or about February 4, 2010, the Complainant filed a formal complaint against PGW with the Commission under Docket No. C – 2010 – 2156178, regarding unpaid debt for gas service to 5442 W. Berks Street, Philadelphia, Pennsylvania (5442 W. Berks Street).
2. For the period from October 13, 2006 through January 15, 2010, Michael Covin was the Customer of Record for the PGW gas account for gas service to 5442 W. Berks Street, 1st Floor.
3. For the period from June 6, 2000 through January 15, 2010, David Johns was the Customer of Record for the PGW gas account for gas service to 5442 W. Berks Street, 2nd Floor.
4. The City of Philadelphia, as owner of PGW, has filed a municipal lien upon 5442 W. Berks Street for the unpaid PGW debt of Michael Covin and

David Johns, pursuant to the Municipal Claim and Tax Lien Law, Act 153 of 1923, P.L. 207 53 P.S. §7101, et seq. ("Municipal Lien Act").

5. Pursuant to the Municipal Lien Act, PGW as owned by the City of Philadelphia has the right to collect on municipal claims owed to PGW for gas service to a Service Address.

6. The Complaint avers that since the gas was consumed by a tenant, the Complainant should not be held responsible for the unpaid debt of Michael Covin and David Johns, the tenants, for \$28,262.98 for gas usage for the period beginning June 6, 2000 through January 15, 2010.

7. The Complaint requests relief in the form of a Commission order finding that the Complainant is not responsible for payment of the outstanding unpaid municipal claim for gas service rendered to 5442 W. Berks Street under the account of Michael Covin and David Johns, and to do so by having the lien on 5442 W. Berks Street removed.

8. Under the Commission's Rules of Administrative Practice and Procedure at 52 Pa. Code §5.101, the treatment of preliminary objections is comparable to that of Pennsylvania civil practice. (See: Order Sustaining Preliminary Objection in *Nathaniel Lewis Mooney, Jr. v. Philadelphia Gas Works*, Docket No. C-2009-2134673 (November 23, 2009), *2020 West Passyunk Avenue Inc. v. Philadelphia Gas Works*, Docket No. C-2009-2138727 (December 18, 2009), *David Golan v. Philadelphia Gas Works*, Docket No. C-2009-2138115 (December 18, 2009), *Jean Charles v. Philadelphia Gas Works*, Docket No. C-2009-2138638 (December 18, 2009))

The Commission's regulations provide, in relevant part:

(a) *Grounds*. Preliminary objections are available to parties and may be filed in response to a pleading except motions and prior preliminary objections. Preliminary objections...must state specifically the legal and factual grounds relied upon and be limited to the following:

(1) Lack of Commission jurisdiction or improper service of the pleading initiating the proceeding.

(2) Failure of a pleading to conform to this chapter or the inclusion of scandalous or impertinent matter.

52 Pa. Code §5.101(a) (2)¹

9. In this case, as the Complaint states that the bills that are the subject of the lien were from gas service from a tenant's gas account and not her PGW account. This Commission is without the authority to grant this relief.

10. Pursuant to the Natural Gas Choice and Competition Act, 66 Pa. C.S.A Section 2201 et seq., section 2212(n), which specifically provides, "Nothing contained in this title shall abrogate the power of a city natural gas distribution operation to collect delinquent receivables through the imposition of liens pursuant to section 3 of the act of May 16, 1923 (P.L. 207, No. 153), referred to as the Municipal Claim and Tax Lien Law, or otherwise." Thus, under 66 Pa. C.S.A Section 2212(n), the Commission has no jurisdiction over the filing of such a lien.²

11. Pursuant to the Responsible Utility Customer Protection Act at 66 Pa. Cons. Stat. § 1414, which states: "[a] city natural gas distribution operation furnishing gas service to a property is entitled to impose or assess a municipal claim against the property and file as liens of record claims for unpaid natural gas distribution service and other related costs, including natural gas supply ...," clarifies and confirms such rights to impose a lien.

12. The Complainant disputes the imposition of the lien because she did not incur the debt for gas service.

13. The nature of a lien is such that it encumbers the real estate, regardless who caused the event, which results in the imposition of a municipal claim. PGW, as owned by the City of Philadelphia, may collect as a municipal claim, unpaid debt for gas service rendered, even when the gas service was not rendered to the owner of the property. *Newberry Township v. Ray Stambaugh*, 848 A.2d 173; (Pa. Cmwlt. 2000)

¹ 52 Pa. Code §5.101(a) (2) emphasis added.

² 52 Pa. Code §5.101(a) (1)

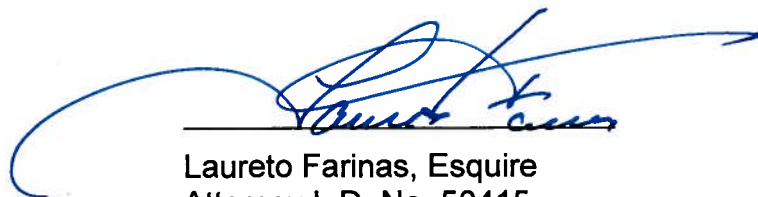
14. In the instant matter, the Complainant simply wishes not to be responsible for the payment of the gas that he did not use. As PGW has not held the Complainant personally responsible for the unpaid balance for gas service rendered to 5442 W. Berks Street under the accounts of Michael Covin and David Johns, the Commission need not grant the requested relief of having the Complainant not be personally responsible for the unpaid balance for gas service rendered under the tenant's PGW account. Furthermore the Commission has no jurisdiction over the rules governing the effect of the lien (encumbering real estate) to grant the requested relief.

15. A prayer for relief from a condition that does not exist (held personally responsible for unpaid balance for gas service rendered to another) is not recoverable in the cause of action before this Commission. It is irrelevant to the instant cause of action and therefore "impertinent matter" within the use and meaning of 52 Pa. Code §5.101(a) (2) and, should be stricken from the Complaint pursuant to Pa. Code §5.101(a)(2).

Wherefore, PGW respectfully requests that this Commission sustain PGW's preliminary objections to the Complaint and dismiss the Complaint for lack of jurisdiction and strike off the requested relief as impertinent matter.

Respectfully submitted,

February 24, 2010



Laureto Farinas, Esquire
Attorney I. D. No. 50415
Philadelphia Gas Works
800 W. Montgomery Avenue
Philadelphia, PA 19122
(215) 684-6982

VERIFICATION

I, Laureto Farinas, hereby declare that I am counsel for the Philadelphia Gas Works. I am authorized to make this verification on its behalf. The facts set forth in the foregoing Answer are true and correct to the best of my knowledge, information and belief. I expect to be able to prove these facts at a hearing held in this matter. This verification is made subject to the penalties of 18 Pa. C.S. §4904, concerning false statements to authorities.

February 24, 2010


Laureto Farinas, Esquire

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS DAY SERVED A TRUE COPY OF THE FOREGOING DOCUMENT UPON THE PARTICIPANTS LISTED BELOW, IN ACCORDANCE WITH THE REQUIREMENTS OF 52 PA CODE §1.54 (RELATING TO SERVICE BY A PARTICIPANT).

For Complainant:

Ms. Karleen Starkes
2432 N. 56th Street
Philadelphia, PA 19131

February 24, 2010



Laureto Farinas, Esquire
Philadelphia Gas Works
800 W. Montgomery Avenue
Philadelphia, PA 19122
(215) 684-6982