

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

Marvin Black
v.
Philadelphia Gas Works

Public Meeting held August 25, 2011
2218474-OSA

Docket No. C-2011-2218474

STATEMENT OF COMMISSIONER WAYNE E. GARDNER

On December 29, 2010, Marvin Black filed a Formal Complaint complaining that PGW filed a lien against three commercial rental properties. The liens were related to unpaid bills for natural gas service provided by PGW to the tenants at the subject properties. PGW filed Preliminary Objections asking that the Complaint be dismissed because the Commission lacks jurisdiction over municipal liens. The ALJ granted the Preliminary Objections dismissing the case for lack of Jurisdiction. The Complainant filed Exceptions objecting to the dismissal of his complaint. Including in the filing were documents relating to PGW's Landlord Cooperation Program. PGW filed Reply Exceptions explaining that the Complainant is a landlord of commercial properties which do not fall within the Landlord Cooperation Program.

PGW is a public utility that is wholly owned by the City of Philadelphia. When PGW provides natural gas service to an entity within the borders of the City and it is not paid, it is the City that has a municipal claim, pursuant to the Municipal Claim and Tax Lien Law, 53 P.S. § 7101 *et seq.*, which the City can enforce by way of a lien on the property that was provided natural gas service. Such was the case in this proceeding.

To its credit, PGW has voluntarily instituted the Landlord Cooperation Program (LCP) for landlords who rent to residential tenants. According to PGW's web site, the LCP was designed with input from landlords and landlord association groups to assist residential rental property owners in avoiding the placement of gas liens on registered properties, and to help PGW with necessary meter access. Property owners who provide full and complete cooperation and compliance with the LCP are not subjected to the placement of liens on registered properties. Unfortunately for the Complainant in this proceeding, landlords who rent to commercial tenants are currently ineligible for membership in the LCP.

A significant number of landlords, who have had liens placed by the City of Philadelphia against their commercial rental properties, have filed Complaints with the Commission. Because these landlords are often not informed of the municipal liens placed against their properties until their non-paying commercial tenants are long gone, they can do little or nothing to prevent or to mitigate their losses. Given the complexity of these cases, I encourage PGW to expand its LCP and make it available to the landlords of commercial properties. I also continue to encourage PGW to evaluate and refine its LCP as necessary and to notify all landlords of potential consequences. I believe that the loss prevention made possible with the LCP benefits both the landlord and PGW, whether the rental property is residential or commercial.

August 25, 2011
Date


Wayne E. Gardner, Commissioner