

**PENNSYLVANIA PUBLIC UTILITY COMMISSION  
HARRISBURG, PA 17105-3265**

**Margarita Kron vs. Philadelphia Gas Works**

**Public Meeting - August 29, 2013**

**2332152 - ALJ**

**Docket No. F-2012-2332152**

**MOTION OF  
COMMISSIONER PAMELA A. WITMER**

Before the Pennsylvania Public Utility Commission (Commission) today is the Initial Decision (I.D.) addressing the Complaint of Margarita Kron (Ms. Kron or Complainant). Ms. Kron, a landlord, complained that she was improperly billed by Philadelphia Gas Works (PGW or Company) for two years of gas service to her service address even though she requested that gas service be discontinued. In his June 14, 2013 Initial Decision (I.D.), Administrative Law Judge (ALJ) Cheskis sustained Ms. Kron's Complaint.

The facts of this case are clearly not in dispute. On May 4, 2010, Ms. Kron contacted PGW to request that gas service to her service address be shut off. However, rather than stopping the flow of gas, PGW took the account out of Ms. Kron's name and continued to provide gas to the service address through an unnamed placeholder account known as a "user without contract." On May 8, 2012, just over two years after Ms. Kron asked that gas service be discontinued, PGW billed the Complainant for \$3,666.00.

As I have previously stated,<sup>1</sup> when properly utilized, a "user without contract" mechanism allows a utility to save money by avoiding repeated trips to a service address to physically disconnect and reconnect customers, usually in rental properties. When utilizing this mechanism, however, utilities should ensure that "user without contract" is the proper billing mechanism. Utilities must also be diligent in quickly identifying the correct party to bill, rather than allowing a sizeable balance to accrue in a "placeholder" account.

PGW satisfied neither of these requirements in this case. By PGW's own admission, Ms. Kron properly made a request to discontinue service. In fact, at the time Ms. Kron called to terminate service, she was instructed by PGW to let the Company know when she would like gas flow to be restarted. Despite this fact, PGW then made an independent decision not to stop service but instead to utilize a placeholder account for the service address. Then, after not months, but two years of allowing a \$3,666 balance to accrue, PGW attempted to bill the person

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<sup>1</sup> See Larry and Gail Newman v. Philadelphia Gas Works, Docket No. C-2011-2273565, Statement of Commissioner Pamela A. Witmer (dated March 29, 2012).

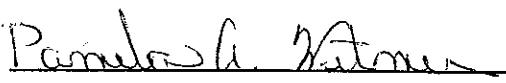
who, based on the Company's own admission, had requested that service be discontinued years earlier. In this case, PGW acted improperly and wasted both the Complainant's as well as this Commission's time and resources in attempting to justify its actions.

I further note that the I.D. as drafted recognized what was a long-standing practice of the Commission not to impose civil penalties on the municipally owned PGW because of its lack of shareholders and prior financial situation. However, as this Commission has recently affirmed, we will no longer refrain from levying civil penalties against PGW when circumstances warrant.<sup>2</sup> In this case, ALJ Cheskis found that PGW violated Section 1501 of the Public Utility Code. I therefore recommend imposing a civil penalty of \$500 upon PGW.

**THEREFORE, I MOVE THAT:**

1. The Initial Decision be modified to reflect the Commission's policy of imposing civil penalties upon PGW when circumstances warrant and to impose a civil penalty of \$500.
2. The Office of Special Assistants prepare an Order consistent with this Motion.

**DATE: August 29, 2013**

  
**PAMELA A. WITMER**  
**COMMISSIONER**

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<sup>2</sup> See Marcia Shapiro v. Philadelphia Gas Works, Docket No. F-2012-2318535, Motion of Commissioner Wayne E. Gardner (dated August 15, 2013).