



PHILADELPHIA GAS WORKS

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June 24, 2014

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Leona Oliphant v. PGW, Docket No. C - 2013 - 2397029

Dear Secretary Chiavetta:

Pursuant to 52 Pa. Code §5.535, the Philadelphia Gas Works ("PGW") hereby files the original of its exceptions to the June 4, 2014, Initial Decision 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,


Danielle Leva

Enclosure

cc: Leona Oliphant (Regular Mail)
Linda Pereira (PGW Mail)
Wendy Vacca (PGW Mail)

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).

Service List:

For Complainant:

Ms. Leona Oliphant
7000 Woodbine Avenue
Philadelphia, PA 19151

June 24, 2014



Graciela Christlieb, Esquire
Attorney I.D. 200760
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800 West Montgomery Avenue
Philadelphia, PA 19122
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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

LEONA OLIPHANT,	:	
Complainant	:	
	:	
v.	:	C – 2013 – 2397029
	:	
PHILADELPHIA GAS WORKS,	:	
Respondent	:	

**EXCEPTIONS OF
PHILADELPHIA GAS WORKS TO THE INITIAL DECISION**

Pursuant to 52 Pa. Code §5.533, and the Secretary’s letter dated June 4, 2014 in the above captioned matter, the Respondent the Philadelphia Gas Works (PGW) hereby files its Exceptions to the Initial Decision issued on May 15, 2014.

I. Introduction

On or about December 11, 2013, Leona Oliphant (“Complainant”) filed a formal Complaint against Philadelphia Gas Works (“PGW”) wherein she requested that the Commission direct PGW to restore her gas service and have the outstanding balance paid through a payment agreement.

PGW filed an Answer (“Answer”) on or about January 6, 2014 wherein it admitted that the gas service at the Complainant’s home is turned off and stated its position that the Complainant is not eligible for a payment agreement as she has a balance of approximately \$3,047.90 and has not complied with 4 PGW payment agreements (including Customer Responsibility Program (CRP) agreements).

On March 20, 2014, the hearing was held, as scheduled, via telephone, before Administrative Law Judge Joel H. Cheskis. The Complainant was present via telephone and testified on her own behalf; she introduced no exhibits.

Graciela Christlieb, Esquire, represented PGW and presented as a witness Jack Irizarry, PGW Customer Review Unit Officer. Attorney Christlieb introduced six (6) exhibits, which were made part of the record.

On May 15, 2014, the Commission issued the Initial Decision, which held that the Complainant is eligible for a payment agreement on the non-CRP arrearage of her total account balance under 66 Pa.C.S.A. § 1405 (b),(c) & (d). Accordingly, the Complainant's request was granted in part and denied in part. The May 15, 2014 Order states, in part:

“5. That within thirty (30) days of the date the Commission enters its Order in this case, Philadelphia Gas Works shall tender a bill to Leona Oliphant for the unpaid balance of her gas separated by arrearages accrued while enrolled in the Customer Responsibility Program and those accrued while not enrolled in the Customer Responsibility Program.

6. That within thirty (30) days of the date Philadelphia Gas Works tenders the bill described in paragraph 3 [sic], Leona Oliphant shall pay Philadelphia Gas Works the regular amount of her bills as they come due, plus the reconnection fee and 1/60th of the arrearage owed on her account that accrued while she was not enrolled in the Customer Responsibility Program, and continuing thereafter on the due date for the payment of each regular monthly bill, until the arrearage on the account has been paid in full.”

Pursuant to 52 Pa. Code §5.535, this timely reply follows.

II. Exceptions

1. PGW takes exception to the Commission-issued payment agreement commencing within thirty (30) days of the date Philadelphia Gas Works tenders the bill described in the Order.

The Initial Decision completely fails to address the necessity of the Complainant first making a payment of the arrears accrued while in CRP. According to the Order, Philadelphia Gas Works is to issue a new bill to the Complainant for the unpaid balance of her gas separated by arrearages accrued while enrolled in CRP and those accrued while not enrolled in CRP. It goes on to set up a payment agreement for the arrearages accrued while not in CRP, but fails to clarify what is to be done about the

remaining arrearages. As it stands, the law indicates that in order to benefit from a Commission-issued payment agreement on the non-CAP portion of a balance, the Complainant must first make a one-time payment of the CAP portion of the arrearage as under *Cooper v. PECO Energy Co.*, Docket No. F-2011-2254904 (Order entered August 2, 2012) (*Cooper*). In *Cooper*, one of the first cases to address payment agreements in the case of a “mixed arrearage,” the Commission held that the Complainant was entitled to a payment agreement on the non-CAP portion of her mixed arrearage, if she first paid off her CAP arrearage. *Cooper* has become a seminal case on the subject of “mixed arrearage” payment agreements.

2. The Complainant has failed to show any evidence of either a good faith effort to pay her utility bill or that she has experienced a significant change in circumstances beyond her control.

The Initial Decision relies heavily on *George Crawford v. National Fuel Gas Distribution Corp.*, Docket No. C-20066348, Opinion and Order (entered Dec. 6, 2007) (*Crawford*) for the authority, in this instance, to order service reconnection through a payment agreement. However, *Crawford* states that this authority should be used “very judiciously” and “only on behalf of customers who have demonstrated a some evidence of good faith errors to pay their utility bills, or who have experienced a significant change of circumstance outside of their control.

The Complainant in this case has failed to show evidence of either good faith or a change in circumstance. The initial decision finds that the Complainant became unemployed on April 15, 2013 and that she left the Service Address on June 25, 2013 to live with her mother to nurse her back to health. It also finds that in the 36 months before either of those things occurred, the Complainant only made 17 payments to PGW. Before becoming unemployed or having to care for her mother, while on programs that provided her with discounted gas service, the Complainant paid her gas bill less than half of the time. This indicates a lack of good faith effort to pay her utility bills. The initial decision recognized that the Complainant did not experience any significant change in circumstance.

III. Conclusion

For the foregoing reasons, PGW respectfully requests that the Commission grant PGW's Exceptions and issue a decision holding either that the payment agreement outlined in the Initial Decision will commence upon payment of the CRP portion of the Complainant's balance or that the Complainant is not entitled to service restoration through a payment agreement.

June 24, 2014

Respectfully submitted,



Graciela C. Christlieb, Esq.
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