

INTEROFFICE MEMORANDUM

Date: December 31, 2014

To: Rosemary Chiavetta
Secretary

Re: *J3 Energy Group v. West Penn Power and UGI Development*
Docket No. C-2011-2219920

From: Elizabeth H. Barnes
Administrative Law Judge

EHB

Please attach this electronic correspondence between the presiding officer and counsel to the above-referenced case. Thank you.

Attachment.

cc: Kimberly Hafner

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PA FILE
SECRETARY'S BUREAU

Barnes, Elizabeth

From: Barnes, Elizabeth
Sent: Wednesday, December 31, 2014 9:38 AM
To: Brown, Kriss; 'tom.russial@comcast.net'
Cc: 'Povilaitis, John'; 'Wright, Christopher'
Subject: RE: J3 Energy Group v. West Penn and UGI Development, Docket No. C-2011-2219920 (Report on Bankruptcy Developments and Request for a Continuance)

Correction, March 18-19 will be the dates. You'll receive a notice in the mail. Thank you.

From: Barnes, Elizabeth
Sent: Tuesday, December 30, 2014 3:38 PM
To: Brown, Kriss; tom.russial@comcast.net
Cc: Povilaitis, John; Wright, Christopher
Subject: RE: J3 Energy Group v. West Penn and UGI Development, Docket No. C-2011-2219920 (Report on Bankruptcy Developments and Request for a Continuance)

March 17-19 it is. I will issue a notice cancelling/rescheduling the hearing.

Please keep us informed, Mr. Russial. After I hear from you, I may schedule an informal telephonic conference to discuss the status of this case.

Regards,

Elizabeth H. Barnes
Administrative Law Judge
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17015
phone: (717)772-5408
e-mail: ebarnes@pa.gov.

From: Brown, Kriss
Sent: Tuesday, December 30, 2014 2:48 PM
To: Barnes, Elizabeth; tom.russial@comcast.net
Cc: Povilaitis, John; Wright, Christopher
Subject: RE: J3 Energy Group v. West Penn and UGI Development, Docket No. C-2011-2219920 (Report on Bankruptcy Developments and Request for a Continuance)

Your Honor, I am available March 17-19.

Kriss E. Brown
Assistant Counsel
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

(717) 787-4518
kribrown@pa.gov

From: Barnes, Elizabeth
Sent: Monday, December 29, 2014 1:00 PM
To: tom.russial@comcast.net
Cc: Brown, Kriss; Povilaitis, John; Wright, Christopher
Subject: RE: J3 Energy Group v. West Penn and UGI Development, Docket No. C-2011-2219920 (Report on Bankruptcy Developments and Request for a Continuance)

Counsel:

If there is no opposition to J3's request for continuance, I will grant it. I am available March 2-6, and March 17 – 20. Please let me know your availability for a hearing on those dates and a notice will be issued cancelling/rescheduling the 2-day hearing currently scheduled for January 13-14. A copy of this e-mail correspondence will be attached to the file C-2011-2219920. Thank you.

Elizabeth H. Barnes
Administrative Law Judge
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17015
phone: (717)772-5408
e-mail: ebarnes@pa.gov.

From: tom.russial@comcast.net [<mailto:tom.russial@comcast.net>]
Sent: Monday, December 29, 2014 12:19 PM
To: Barnes, Elizabeth
Cc: Brown, Kriss; Povilaitis, John; Wright, Christopher; tom russial
Subject: J3 Energy Group v. West Penn and UGI Development, Docket No. C-2011-2219920 (Report on Bankruptcy Developments and Request for a Continuance)

Your Honor:

Per your Order dated September 11, 2014 directing J3 Energy Group, Inc. (J3) to notify you and the Parties of developments in J3's bankruptcy case that may impact the matter before the Commission, there are recent developments to report and in light of those J3 respectfully asks for a continuance of the hearing currently scheduled for January 13-14. I consulted with West Penn and UGI Development counsel last week and both have informed me that their clients take no position on a continuance.

By Order dated December 10, 2014, the Federal Bankruptcy Court for the Middle District of Pennsylvania consolidated the hearing on J3's Amended Disclosure Statement and hearing on confirmation of the amended reorganization plan for January 15, 2015. Previously, the hearing was scheduled only on the Disclosure Statement.

The largest creditors in the case have filed objections to the Amended Disclosure Statement and Reorganization Plan. Those creditors were the joint plaintiffs in a suit filed in Common Pleas Court against J3 and Stephen Russial individually. The suit resulted in a Judgment for the plaintiffs against J3 and Stephen Russial individually. The matter is on appeal to the Superior Court with oral argument having been held on December 9, 2014.

By separate Bankruptcy Court Order dated December 10, 2014, my understanding is that an extension of the automatic bankruptcy stay that had been earlier extended to Stephen Russial's 100% ownership interest in J3 was not extended. The Plaintiff's in the State Court case are pursuing execution on Mr. Russial's shares in J3 and Mr. Russial has been informed that a Sheriff's sale is scheduled for late January 2015.

Considering that the hearing on J3's Disclosure Statement and Reorganization Plan is now scheduled for the day after the hearing before you on January 13-14, J3 believes the best use of everyone's time would be to suspend the procedural schedule for a brief period until we collectively see what transpires in the bankruptcy case. I would propose that J3 report back to you and the Parties by the end of January.

Thomas J. Russial
Attorney for J3 Energy Group, Inc.
412-389-2482