

COMMONWEALTH OF PENNSYLVANIA
PUBLIC UTILITY COMMISSION

ORIGINAL

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 :
 Pa. PUC v. Philadelphia Gas Works : Docket Nos.
 Filed Supplement No. 16 to Gas Service :
 Tariff PA. PUC No. 2 to become effective : R-00061931,
 February 20, 2007, which proposes a : R-00061931C0001-
 general rate increase of \$100,000,000. : R-00061931C0067
 :
 Evidentiary hearing. :
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Pages 407 through 454 Hearing Room No. 1
 13th Floor, State Office Building
 Broad and Spring Garden Streets
 Philadelphia, Pennsylvania

**DOCUMENT
FOLDER**

Monday, May 21, 2007

Met, pursuant to notice, at 10:00 a.m.

BEFORE:

CYNTHIA WILLIAMS FORDHAM, Administrative Law Judge
 ANGELA T. JONES, Administrative Law Judge

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C O N T E N T S

WITNESSES

DIRECT CROSS REDIRECT RECROSS

(None.)

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25	E X H I B I T S NUMBER	FOR IDENTIFICATION	IN EVIDENCE
	PGW		
	✓ Statement No. 4 (Krellenstein)	434	434
	✓ Statement No. 9 (Wilkerson)	434	434
	✓ Statement No. 10 (Dubow)	435	435
	✓ Statement No. 11 (Muntzer)	436	436
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	✓ Statement No. 3 (Kubas)	438	440
	✓ Exhibit No. 3 (Kubas)	438	440
	✓ Statement No. 3-SR (Kubas)	438	440
	✓ Statement No. 4 (Yocca)	439	440
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	✓ Statement No. 4-SR (Yocca)	439	440
	✓ Statement No. 5 (Graeser)	439	440
	✓ Exhibit No. 5 (Graeser)	439	440
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	OCA		
	✓ Statements Nos. 2 & 2-S (Bleiweis)	440	441
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	✓ Statement No. 3-S (Galligan)	443	444

E X H I B I T S (CONTINUED)

NUMBER	FOR IDENTIFICATION	IN EVIDENCE
Hess Corporation		
Statements Nos. 1 & SR-1 (Magnani)	445	445
✓ Exhibit No. 1 (IR-Hess-I-3)	445	445
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P R O C E E D I N G S

ADMINISTRATIVE LAW JUDGE

CYNTHIA WILLIAMS FORDHAM: Good morning.

I am Administrative Law Judge Cynthia Williams Fordham and sitting with me is Administrative Law Judge Angela T. Jones. We are the Judges that have been assigned to hear the matter of Pennsylvania Public Utility Commission versus Philadelphia Gas Works at Docket Number R-00061931, and Docket Number R-0061931C001 et al. At this point we are up to 71 formal complaints.

At this time I would ask Counsel to enter their appearances, beginning with Mr. Clearfield.

MR. CLEARFIELD: Good morning, Your Honors. I am Dan Clearfield with Wolf Block and I am Outside Regulatory Counsel for PGW.

MR. STUNDER: Good morning, Your Honors. I am Gregory Stunder for Philadelphia Gas Works.

MR. CLEARFIELD: And I would note that Deanne O'Dell from Wolf Block is also making an appearance.

JUDGE FORDHAM: Thank you.

JUDGE FORDHAM: Mr. Lawrence.

MR. LAWRENCE: Good morning, Your Honors. Darryl Lawrence representing the Office of Consumer Advocate.

1 MS. APPLEBY: Good morning, Your Honors.
2 I am Christy Appleby with the Office of Consumer Advocate.

3 MS. MINCAVAGE: Good morning. I am
4 Charis Mincavage on behalf of the Philadelphia Industrial
5 and Commercial Gas Users Group.

6 MR. KANASKIE: Good morning, Your Honors.
7 I am Rick Kanaskie with the Office of Trial Staff.

8 MS. KASTER: Good morning, Your Honors. I
9 am Allison Kaster, also with the Office of Trial Staff.

10 MS. McCLOSKEY: Good morning. Tanya
11 McCloskey with the OCA.

12 MR. POVILAITIS: Good morning, Your
13 Honors. I am John Povilaitis with Ryan Russell Ogden &
14 Seltzer representing Hess Corporation.

15 MR. STEWART: Good morning, Your Honors.
16 Todd Stewart, Hawke McKeon & Sniscak, for Interstate Gas
17 Supply.

18 MR. SHORE: Good morning, Your Honors.
19 Miles Shore. I represent the School District of
20 Philadelphia, Intervenor.

21 MS. WEBB: Good morning, Your Honors.
22 Sharon Webb on behalf of the Office of Small Business
23 Advocate.

24 MS. LEPKOSKI: Good morning, Your Honors.
25 Lauren Lepkoski, also with the Office of Small Business

1 Advocate.

2 MS. TRAN: Good morning. Thu Tran with
3 Community Legal Services representing Action Alliance and
4 TURN.

5 MR. BERTOCCI: Good morning, Your Honors.
6 I am Philip Bertocci, also with Community Legal Services,
7 representing Action Alliance and TURN.

8 MR. HINERMAN: Philip Hinerman,
9 representing the Philadelphia Housing Authority.

10 MS. GULDIN: Jill Guldin, also on behalf
11 of the Philadelphia Housing Authority:

12 JUDGE FORDHAM: Thank you.

13 At this time I will give a history of the
14 proceedings thus far.

15 On December 22nd, 2006, the Philadelphia
16 Gas Works filed Supplement No. 16 to Tariff Gas Pa. PUC
17 No. 2 to become effective February 20, 2007. In said
18 tariff PGW proposed changes in rules, regulations and
19 rates calculated to produce \$107 million or 11 percent in
20 additional annual revenues.

21 By order entered February 8, 2007, the
22 Pennsylvania Public Utility Commission instituted an
23 investigation into the lawfulness, justness and
24 reasonableness of the proposed rate increase. Pursuant to
25 section 1308(d) of the Public Utility Code, Supplement No.

1 16 to Tariff Gas Pa. PUC No. 2 was suspended by operation
2 of law on February 8, 2007, until September 20, 2007,
3 unless otherwise directed by order of the Commission. In
4 addition, the Commission ordered that the investigation
5 include consideration of the lawfulness, justness and
6 reasonableness of PGW's existing rates.

7 The matter was assigned to the Office of
8 Administrative Law Judge for resolution by hearings and
9 for issuance of a recommended decision. In accordance
10 with the Commission's order, the matter was assigned to me
11 and Judge Jones.

12 On December 28, 2006, Richard A. Kanaskie,
13 Esquire, Allison C. Kaster, Esquire and Johnnie E. Simms,
14 Esquire, entered a notice of appearance on behalf of the
15 Commission's Office of Trial Staff.

16 The Office of Consumer Advocate filed a
17 complaint and public statement on January 5, 2007. That
18 complaint was docketed as R-0061931C001.

19 The Office of Small Business Advocate
20 filed a complaint and public statement on January 18,
21 2007. That complaint was docketed as R-0061931C008.

22 Action Alliance of Senior Citizens of
23 Greater Philadelphia and Tenant Union Representative
24 Network filed a complaint on January 26, 2007. That
25 complaint was docketed as R-0061931C0010.

1 The Philadelphia Industrial and Commercial
2 Gas Users Group filed a complaint on February 5, 2007.
3 That complaint was docketed at R-0061931C0033.

4 To date 71 formal complaints have been
5 filed.

6 Petitions to intervene were filed by the
7 following on the following dates: PECO Energy Company on
8 February 7; Interstate Gas Supply, Incorporated on
9 February 15; Philadelphia Housing Authority on February
10 16; the School District of Philadelphia on February 16;
11 Hess Corporation on February 22.

12 The Presiding Officers issued a prehearing
13 order dated February 17, 2007. In response to that
14 prehearing memoranda were filed by PGW, OTS, OCA, OSBA,
15 PICGUG, Action Alliance, Interstate Gas Supply, PECO
16 Energy and Hess Corporation.

17 The following appeared at the prehearing
18 conference in this matter, which was held on February
19 23rd, 2007: Philadelphia Gas Works, Philadelphia Housing
20 Authority, School District of Philadelphia, Action
21 Alliance, Hess Corporation, Office of Small Business
22 Advocate, Office of Trial Staff, Philadelphia Industrial
23 and Commercial Gas Users Group, Office of Consumer
24 Advocate, Interstate Gas Supply and PECO Energy.
25 Ms. Helen Richardson, Esquire, appeared for observation

1 purposes only. And two pro se formal Complainants
2 appeared: Ms. Cornelia Hester Williams at Docket
3 R-0061931C007, and Mr. Russell Rossi, R-o-s-s-i, at Docket
4 R-0061931C005. The petitions to intervene filed by Hess,
5 PECO, PHA, PSD and IGS were approved without objection.
6 The formal pro se Complainants did not object to being
7 treated as inactive parties as such status was outlined in
8 the February 15, 2007, prehearing order.

9 In addition to discussing the proposed
10 plan and schedule of discovery, we modified some of the
11 discovery rules. We discussed the schedule. The schedule
12 was not finalized at that time. Therefore, a second
13 prehearing conference was convened on March 2nd, 2007, to
14 discuss the procedural schedule and public input hearings.

15 The following parties appeared at that
16 prehearing conference: PGW, PHA, PSD, Action Alliance,
17 OSBA, OTS, PICGUG and OCA. At that time Counsel for the
18 School District and PHA were asked to provide prehearing
19 memoranda to address the agenda items by March 8. The
20 School District submitted its prehearing memorandum on
21 March 8. PHA submitted its prehearing memorandum on March
22 9.

23 Prehearing Order No. 3 was issued on March
24 9, 2007. It contained a number of things, including the
25 time, date and location of the public input hearings and

1 the evidentiary hearings. It was noted that any documents
2 filed in this proceeding should be served on the Presiding
3 Officers at the Philadelphia office and on the active
4 parties. It was also noted that a final version in hard
5 copy be stamped on the date due for filing with the
6 Secretary regardless of any agreement among the parties,
7 and that the Presiding Officers agreed to electronic or
8 tele-facsimile service for the proceeding but a hard copy
9 of all documents should be sent to the Philadelphia
10 Regional Office the next day.

11 The procedural schedule was set forth and
12 the Intervenors filed their direct testimony, company
13 rebuttal, surrebuttal testimony has been submitted by 11
14 of the 12 active parties in accordance with that schedule.

15 The evidentiary hearings are scheduled for
16 May 21 through 24th in Philadelphia. The close of the
17 record is May 25. Main briefs are due June 12. Reply
18 briefs are due June 21.

19 The end of the suspension period was
20 extended on March 5, 2007, by PGW to September 28, 2007.

21 The Presiding Officers have also submitted
22 an order which appended a copy of the special instructions
23 for brief and exceptions in major general rate
24 proceedings. We realize that it does not involve the
25 regular rate of return analysis but we did ask the parties

1 to follow those instructions as much as possible.

2 By order dated March 22nd, 2007, the
3 Presiding Officers granted the petition to intervene filed
4 by the Archdiocese of Philadelphia with active status and
5 gave the parties instructions regarding the brief.

6 We noted that there is a page limitation
7 on the briefs, that the main briefs shall not exceed 110
8 pages and the reply briefs shall not exceed 95 pages. And
9 we also included the sections of the Pennsylvania Code
10 that apply to the briefs.

11 We held four public input hearings: On
12 March 26 at the Dorothy Emanuel Recreation Center; on
13 March 28 at the George Washington High School; on April 9
14 at 1:00 and 7:00 p.m. at the Community College of
15 Philadelphia.

16 In addition to the testimony that has been
17 presented, we do have a couple of motions. Before we get
18 to the motions we would ask are there any preliminary
19 matters that we need to discuss with the exception of the
20 motions?

21 Mr. Clearfield.

22 MR. CLEARFIELD: Thank you, Your Honor.

23 Good morning.

24 JUDGE FORDHAM: Good morning.

25 MR. CLEARFIELD: I wanted at some point to

1 indicate that there have been a number of stipulations
2 that PGW and some of the other parties have entered into
3 with respect to cross-examination and that has eliminated
4 the cross-examination of those witnesses. And I believe
5 we have made a determination that that testimony can be
6 stipulated into the record. We can go through that at
7 some point --

8 JUDGE FORDHAM: Yes.

9 MR. CLEARFIELD: -- and discuss that.

10 But other than that, Your Honor, and other
11 scheduling matters regarding the presentation of
12 witnesses, I don't have any other preliminary matters.

13 JUDGE FORDHAM: Does any other Counsel
14 have any preliminary matters with the exception of the
15 stipulations that Mr. Clearfield has mentioned?

16 (No audible response.)

17 JUDGE JONES: At this point we are ready
18 to hear argument on the motions. We have received written
19 argument from PGW in reference to the Archdiocese of
20 Philadelphia Interrogatory Set I.

21 Mr. Clearfield.

22 MR. CLEARFIELD: Your Honor, that was an
23 objection to the Archdiocese of Philadelphia
24 interrogatories. As far as I know they have not filed a
25 motion to compel. But we are happy to raise that issue.

1 JUDGE FORDHAM: We would like to address
2 it because we don't want to wait until the record closes
3 and then have that.

4 Mr. Levine is not here but we will listen
5 to you.

6 MR. CLEARFIELD: Your Honor, we received
7 interrogatories from the Archdiocese I believe on Monday
8 or Tuesday of last week. The response time for the
9 interrogatories would put them due, I believe, Friday of
10 this week.

11 We have objected to those on a couple of
12 grounds. One is that there was no formal cutoff for
13 discovery in the matter but these are clearly
14 interrogatories that were directed at our initial case.
15 The Archdiocese had plenty of time to do discovery and it
16 would be very prejudicial to the company if they had to
17 try to answer those interrogatories while preparing for
18 this hearing and frankly while we are in the hearing this
19 week.

20 And the second reason is that since the
21 record is going to close on Friday there is nothing that
22 the Archdiocese can do with the information once it gets
23 it unless it files some kind of motion to reopen the
24 record to include the data. I would expect that you would
25 consider that if there was good cause but I don't believe

1 there is any good cause. So that is why we objected.

2 JUDGE JONES: Thank you, Mr. Clearfield.

3 Let the record reflect that the party, the
4 Philadelphia Archdiocese, is not in the room. Counsel for
5 the Philadelphia Archdiocese is not in the room.
6 Therefore, we have not heard from them regarding this
7 objection.

8 At this point we are willing to grant your
9 objection and we are also willing to entertain a motion
10 for lack of prosecution of the Philadelphia Archdiocese
11 complaint.

12 MR. CLEARFIELD: Let me take that under
13 advisement, Your Honor, if that is acceptable and give it
14 some consideration.

15 JUDGE JONES: Thank you, Mr. Clearfield.

16 Mr. Stunder.

17 MR. CLEARFIELD: Before Mr. Stunder starts
18 I just wanted to state for the record that, as I think I
19 mentioned to the Judges off the record, that Wolf Block is
20 not participating in the issues or specifically with
21 respect to the School District and the Philadelphia
22 Housing Authority because Wolf Block in other capacities
23 not involving me represents those two parties. So we have
24 made an arrangement so I would not participate directly on
25 those issues.

1 For that, and because Mr. Stunder is my
2 partner in trying this case, he is going to handle all the
3 School District and PHA issues.

4 JUDGE FORDHAM: Thank you.

5 Mr. Stunder.

6 MR. STUNDER: Good morning, Your Honors.

7 JUDGE JONES: Good morning.

8 JUDGE FORDHAM: Good morning.

9 MR. STUNDER: Shall we proceed with the
10 motion to strike?

11 JUDGE JONES: Yes.

12 MR. STUNDER: Your Honors, as you know,
13 Philadelphia Gas Works filed a motion to strike on Friday
14 and what we are filing a motion to strike is to strike the
15 surrebuttal testimony, a portion of the surrebuttal
16 testimony, of Judith Mondre on behalf of the School
17 District of Philadelphia.

18 Essentially -- and if I may approach Your
19 Honors with an exhibit, and if I may give Mr. Shore an
20 exhibit -- Your Honors, the motion is based on Rule 5.243,
21 which forbids a party to introduce evidence during the
22 rebuttal phase which should have been included in the
23 party's case in chief. What I handed up to Your Honors
24 and Mr. Shore is a portion of Ms. Mondre's direct
25 testimony that she initially filed in the case. And the

1 issue that she speaks to on lines six to 11 of this direct
2 testimony is at first what she describes as expenses that
3 PGW sought to include in the cost of service that she does
4 not consider reasonable. And she says, for example,
5 retiree healthcare benefits. She discusses this topic in
6 three sentences and in a sense when she says for example,
7 it is as if retiree health benefits is an afterthought.

8 Then PGW deals with it in a similar
9 fashion in its rebuttal testimony and addresses it in the
10 testimony of Mr. White on page 19 of his rebuttal
11 testimony submitted on May 4. Mr. White discusses it in
12 about eight lines and that's it.

13 Now we have Ms. Mondre's surrebuttal
14 testimony, the portion of which we are seeking to strike
15 that is attached to the motion to strike, where she goes
16 on at length for from pages six to ten about retiree
17 health benefits. The substance of everything that was
18 included in that is what she should have included in her
19 direct testimony when she initially presented it. But she
20 did not.

21 That is exactly what Rule 5.243 forbids,
22 that type of extensive testimony in which Ms. Mondre goes
23 into very much detail about the policies and practices of
24 other government and private organizations with respect to
25 the retiree contributions and health benefits. And as a

1 matter of fact, at the end she recommends an adjustment,
2 something she never even did in her direct testimony.

3 And as Your Honors know from the direct
4 testimony submitted by other parties like OCA and OTS,
5 this is the type of testimony that one properly submits in
6 direct testimony, not in surrebuttal. And the reason they
7 do it, it is an equitable argument, basically: We don't
8 permit parties to sandbag other parties in surrebuttal
9 testimony. And that is essentially what happened here.

10 Additionally, there are a few other
11 points. There is a footnote on page six as well which is
12 improper surrebuttal. It addresses an incentive
13 compensation plan that Ms. Mondre never discussed in her
14 direct. And it is in the motion itself. It is footnote
15 one on page six.

16 Additionally, even in Ms. Mondre's
17 surrebuttal she admits that she's not an expert in the
18 area of employee benefits, and from her testimony we can
19 see she is an energy consultant. She is not an employee
20 benefit consultant. Also, there is quite a bit of hearsay
21 in her testimony as well with regard to benefits.

22 For all these reasons, Your Honors, I am
23 requesting that you strike portions of her testimony, her
24 surrebuttal testimony, as indicated in the motion to
25 strike.

1 JUDGE JONES: Thank you, Mr. Stunder.

2 Mr. Shore.

3 MR. SHORE: Good morning, Your Honors.

4 JUDGE JONES: Good morning.

5 MR. SHORE: And please accept an oral
6 argument as the formal response to the motion, which I did
7 receive late on Friday. I did not have time to prepare a
8 written response.

9 Your Honors, this is proper surrebuttal
10 mainly for the reason that in the rebuttal testimony of
11 Craig White that was submitted on May 4, 2007, on behalf
12 of the gas works Mr. White did respond to specifically the
13 claim made by the School District. This is on page 19 of
14 his rebuttal testimony, which is in tab four of volume one
15 of the rebuttal testimony. The question and answer
16 beginning at line seven, the question was, "Turning to
17 claims made specifically by the School District, the
18 district alleges that PGW has included unreasonable
19 expenses in its costs. Do you agree?"

20 "Answer. No, I do not." And then he
21 explains his answer. This is proper surrebuttal to Mr.
22 White's rebuttal testimony.

23 As far as any hearsay is concerned, I
24 think Counsel for the gas works ignores the fact that this
25 testimony was offered as expert testimony. The case that

1 they site in their motion does not involve an expert
2 witness. They were lay witnesses at a housing authority
3 grievance hearing out in Pittsburgh, the Bratton case.

4 Also, Pennsylvania Rule of Evidence 703
5 specifically allows an expert to rely on hearsay testimony
6 or hearsay evidence if it is of the type that is
7 reasonably relied upon by experts in the particular field.
8 For that reason it is hearsay, of course, but it is an
9 exception to the hearsay rule under rule 703 for experts.

10 If Your Honors are not sure about that, I
11 would request that you defer the ruling until the
12 testimony of Ms. Mondre, the surrebuttal testimony, is
13 offered, which will be later this week. But for the
14 reasons that it is proper surrebuttal and it is a specific
15 exception to the hearsay rule, Your Honor, the testimony
16 should not be stricken at this time.

17 Thank you.

18 JUDGE JONES: Thank you, Mr. Shore.

19 We are off the record.

20 (Discussion off the record.)

21 JUDGE JONES: Back on the record.

22 We have heard the arguments presented by
23 PGW and the School District in reference to Ms. Mondre's
24 testimony and we will provide our ruling prior to the
25 presentation of Ms. Mondre as a witness for the School

1 District.

2 We do have other matters that the parties
3 have alerted us to. That brings us to the stipulated
4 testimony of witnesses.

5 Our plan is to go through a list that we
6 have. Hopefully that list agrees with PGW's list as far
7 as those parties that are stipulated to. I did speak with
8 some parties off the record. We do understand that there
9 are some witnesses that are in flux as far as whether
10 there is an agreement or not in total on the testimony,
11 and that things may be worked out one way or another prior
12 to those witnesses being presented. I will note that. I
13 will basically say those witnesses are in flux and we are
14 waiting for a determination.

15 Okay. Mr. Krellenstein is a stipulated
16 witness?

17 MR. CLEARFIELD: As far as I know, Your
18 Honor.

19 JUDGE JONES: Mr. Gorman, Ms. Wilkerson,
20 Mr. Dubow, Mr. Muntzer, Mr. Kubas, Mr. Yocca, Mr. Graeser.
21 Mr. Bleiweis, we did not make a determination as to
22 whether we have questions for Mr. Bleiweis. We do
23 understand that the parties have, however, stipulated to
24 his testimony.

25 Is that correct, Mr. Clearfield?

1 MR. CLEARFIELD: Yes, Your Honor.

2 I would note that on my list we still have
3 a question mark as to Mr. Gorman. I believe the School
4 District, I have been informed by Mr. Stunder, still was
5 considering whether it had questions. And I would note
6 that if we do have to do that I think I have also informed
7 the parties and Your Honors informally that Mr. Gorman
8 unfortunately has taken very ill. He is available. He is
9 going to make himself available by phone. We would have
10 to schedule his cross-examination for a particular time to
11 make sure he is there and then we will have to arrange a
12 number at which we can call him and I guess arrange a
13 conference phone for the hearing room.

14 JUDGE JONES: Okay. So you are telling me
15 Mr. Gorman is in flux?

16 MR. CLEARFIELD: I guess that is the way
17 to put it, yes, Your Honor.

18 JUDGE JONES: Okay.

19 MR. CLEARFIELD: But I would just note
20 that we would need some time to arrange those things.

21 JUDGE JONES: Understood. And that is for
22 Wednesday, is that correct?

23 MR. CLEARFIELD: Yes.

24 JUDGE JONES: I believe I left off with
25 Mr. Graeser for OTS. And Mr. Bleiweis I did say possibly

1 we may have questions. We will let you know by the end of
2 today.

3 MS. APPLEBY: Your Honors, I just wanted
4 to let you know that Mr. Bleiweis regardless of whether
5 Your Honors have questions or not will be here tomorrow
6 present. So whether or not you have questions for him, he
7 will be available for that.

8 JUDGE JONES: Thank you, Ms. Appleby.

9 Mr. Galligan. Mr. Knecht, our
10 understanding is in flux. It is possible that there will
11 be something worked out between OSBA and IGS.

12 MR. STEWART: Yes, Your Honor.

13 MS. LEPKOSKI: Yes, Your Honor.

14 JUDGE FORDHAM: Mr. Geller, our
15 understanding is that he is in flux. It is a possibility
16 there will be something worked out between Action Alliance
17 and TURN and PGW, is that correct?

18 MR. CLEARFIELD: That is correct.

19 MR. BERTOCCI: Yes.

20 JUDGE JONES: Mr. Magee, Mr. Magnani.

21 MR. POVILAITIS: Yes, Your Honor.

22 JUDGE JONES: Mr. Parisi, that is the
23 other half of the in flux between IGS and OSBA.

24 MR. STEWART: That's correct.

25 JUDGE JONES: It is possible there will be

1 something worked out there.

2 Mr. Greene, Mr. Cohen, Mr. Vallas and
3 Mr. Lewis.

4 That ends the list of witnesses that we
5 have heard from the parties that testimony will be
6 stipulated to.

7 MR. CLEARFIELD: Your Honor, one
8 clarification with respect to Mr. Muntzer. The
9 stipulation that we entered into with Hess, I believe,
10 includes a written rejoinder of five or six questions that
11 they have agreed we can move into the record in written
12 form. We have copies of that and at the appropriate time
13 we can do that.

14 JUDGE JONES: Okay. All right.

15 We had envisioned as far as saving time
16 and being efficient that we would go through the
17 stipulated parties, have the Counsel enter their prefiled
18 testimony into the record, exhaust that list and perhaps
19 we would be at the time where we could break for lunch.
20 If not, then we will go ahead with any other business that
21 we have and then break for lunch.

22 Is that amenable to the parties?

23 (Parties responding yes.)

24 JUDGE FORDHAM: All right. We would like
25 to start with the company for the stipulated witnesses.

1 MR. CLEARFIELD: Your Honor, I believe
2 that with respect to the testimony, we can start with
3 Mr. Krellenstein, which is PGW Statement No. 4, which I
4 believe has been stipulated.

5 Off the record for just a moment?

6 JUDGE FORDHAM: Yes, we can go off the
7 record.

8 (Discussion off the record.)

9 JUDGE FORDHAM: Back on the record.

10 MR. CLEARFIELD: Your Honor, my
11 understanding is that all of the parties have agreed to
12 stipulate into the record the testimony of
13 Mr. Krellenstein, which has been marked as Statement 4.

14 I understand and I represent that the
15 parties have agreed that Mr. Krellenstein's Statement No.
16 4 was prepared by him or under his supervision and
17 direction, and it is true and correct to the best of his
18 information, knowledge and belief, and that if he was
19 asked those questions here in the hearing room his answers
20 would be the same. So we would move for the admission of
21 OCA Statement No. 4 under those conditions.

22 JUDGE FORDHAM: So admitted.

23 MS. McCLOSKEY: Excuse me, Your Honor. I
24 think you said OCA Statement No. 4.

25 MR. CLEARFIELD: PGW Statement No. 4.

1 JUDGE FORDHAM: All right.

2 (Whereupon, the document was marked as PGW
3 Statement No. 4 for identification, and was
4 received in evidence.)

5 MR. CLEARFIELD: I believe the next
6 statement that we have all stipulated to and there are no
7 questions about would be Ms. Wilkerson's, which is PGW
8 Statement No. 9.

9 Again, my understanding is that all
10 parties have agreed to the admission of that statement
11 into the record without cross-examination. And I am
12 representing that all parties have agreed that
13 Ms. Wilkerson's statement is true and correct to the best
14 of her information, knowledge and belief, and that if she
15 was asked those questions contained in PGW Statement No. 9
16 those answers would be the same and that it should be
17 admitted into the record under those conditions.

18 JUDGE FORDHAM: So admitted.

19 (Whereupon, the document was marked as PGW
20 Statement No. 9 for identification, and was
21 received in evidence.)

22 MR. CLEARFIELD: The next statement, then,
23 is Mr. Dubow's, which we have marked as PGW Statement No.
24 10.

25 Again, the parties have agreed to admit

1 this statement into the record without cross-examination,
2 that the statement is true and correct to the best of
3 Mr. Dubow's information, knowledge and belief and that it
4 was prepared by him and under his supervision and
5 direction -- as was Ms. Wilkerson's -- and if he was asked
6 the questions set forth in that statement today his
7 answers would be the same and that under those conditions
8 the statement can be admitted into the record.

9 JUDGE FORDHAM: So admitted.

10 (Whereupon, the document was marked as PGW
11 Statement No. 10 for identification, and was
12 received in evidence.)

13 MR. CLEARFIELD: I have Mr. Muntzer, but
14 that is still in flux so I think we should hold off on
15 that.

16 JUDGE JONES: Okay. At this time we are
17 ready to hear from OTS.

18 MR. POVILAITIS: Your Honor, if I may, I
19 don't think there is anything dangling with Mr. Muntzer.

20 MR. CLEARFIELD: Okay. That is true.

21 Mr. Muntzer's statement can be admitted.

22 (Pause.)

23 MR. CLEARFIELD: Why don't we stipulate
24 his statement into the record, his direct testimony, which
25 is PGW Statement 11, which the parties have agreed to

1 stipulate into the record without cross-examination. They
2 have also agreed to stipulate that the statement was
3 prepared by him or under his supervision and direction,
4 and he represents that it is true and correct to the best
5 of his information, knowledge and belief and that if he
6 answered the questions set forth therein today the answers
7 would be the same as set forth there. Under those
8 conditions we ask that it be moved into the record.

9 JUDGE FORDHAM: So admitted.

10 (Whereupon, the document was marked as PGW
11 Statement No. 11 for identification, and was
12 received in evidence.)

13 MR. CLEARFIELD: Now, Your Honor, we have
14 a prepared rejoinder that has been shared with Counsel for
15 Hess. The stipulation that we have entered into includes
16 admitting into the record in prepared form rejoinder so
17 that it would obviate the need for --

18 JUDGE JONES: This is in reference to
19 Mr. Muntzer?

20 MR. CLEARFIELD: Yes, Mr. Muntzer's
21 appearance.

22 JUDGE JONES: Okay. How is that marked?

23 MR. CLEARFIELD: We propose to mark it as
24 PGW Statement 11-RJ, for rejoinder.

25 JUDGE FORDHAM: It shall be so marked.

1 (Whereupon, the document was marked as PGW
2 Statement No. 11-RJ for identification.)

3 MR. CLEARFIELD: Again, by stipulation we
4 have agreed that this rejoinder statement would be moved
5 into the record without cross-examination. And the
6 stipulation would include similarly that Mr. Muntzer
7 prepared it or it was prepared under his supervision or
8 direction, that it is true and correct to the best of
9 Mr. Muntzer's information, knowledge and belief, and that
10 if he was asked the questions set forth therein today his
11 answers would be the same. On that basis we ask that it
12 be moved into the record.

13 JUDGE FORDHAM: It shall be so admitted.

14 (Whereupon, the document marked as PGW
15 Statement No. 11-RJ was received in evidence.)

16 MR. CLEARFIELD: Thank you.

17 JUDGE JONES: OTS. Mr. Kanaskie and
18 Ms. Kaster.

19 MR. KANASKIE: That would be me, Your
20 Honor.

21 I have one clarifying question with
22 respect to Mr. Graeser. Am I correct that
23 Mr. Graeser's testimony is stipulated in or he is still in
24 flux?

25 JUDGE JONES: He is stipulated.

1 MR. KANASKIE: He is stipulated?

2 JUDGE JONES: Yes.

3 MR. KANASKIE: Thank you, Your Honor.

4 Your Honor, we have preliminarily
5 distributed to the parties, the court reporter as well as
6 yourselves nine documents that have been preliminarily
7 identified as OTS Statement No. 3, OTS Exhibit No. 3, OTS
8 Statement No. 3-SR. This testimony represents the
9 testimony of Mr. Joseph Kubas. At this point I ask that
10 they be marked for identification.

11 JUDGE FORDHAM: They shall be so marked.
12 (Whereupon, the documents were marked as OTS
13 Statement No. 3, Exhibit No. 3 and Statement No.
14 3-SR for identification.)

15 MR. KANASKIE: By stipulation among the
16 parties as to the authentication it is agreed that these
17 documents were prepared by Mr. Kubas or under his direct
18 supervision. The questions, if they were repeated today,
19 would contain the same answers and those answers would be
20 true and correct to the best of his knowledge and belief.

21 Your Honor, at this point let me proceed
22 with the rest of them and then I will ask to move them in.

23 We have also distributed OTS Statement No.
24 4, OTS Exhibit No. 4 and OTS Statement No. 4-SR,
25 representing the direct and surrebuttal testimony of

1 Gary L. Yocca.

2 Again, in agreement with the parties we
3 have stipulated that these questions contained in
4 Mr. Yocca's testimony would be answered the same way
5 today. They were indeed prepared by him or under his
6 direct supervision and the answers provided in this
7 testimony are true to the best of his knowledge and
8 belief.

9 (Whereupon, the documents were marked as OTS
10 Statement No. 4, Exhibit No. 4 and Statement No.
11 4-SR for identification.)

12 MR. KANASKIE: Finally, Your Honor, we
13 have preliminarily identified OTS Statement No. 5, OTS
14 Exhibit No. 5 and OTS Statement No. 5-SR, representing the
15 direct and surrebuttal testimony of Ralph Graeser.

16 These documents, in agreement with the
17 parties, have been prepared by Mr. Graeser or under his
18 direct supervision. The answers, if asked again today,
19 would be consistent with his original testimonies and
20 these answers would be true and correct to the best of his
21 knowledge and belief.

22 (Whereupon, the documents were marked as OTS
23 Statement No. 5, Exhibit No. 5 and Statement No.
24 5-SR for identification.)

25 MR. KANASKIE: Your Honor, that concludes

1 the testimonies that OTS would be submitting today,
2 consisting of OTS Statements Nos. 3, 4 and 5 and
3 Statements 3-SR, 4-SR and 5-SR, as well as OTS Exhibits
4 Nos. 3, 4 and 5. At this time, Your Honor, I ask that
5 these documents be admitted into the record.

6 JUDGE FORDHAM: The direct and surrebuttal
7 testimony with exhibits for the direct testimony of Mr.
8 Kubas, Mr. Yocca and Mr. Graeser are so admitted.

9 MR. KANASKIE: Thank you, Your Honor.
10 (Whereupon, the documents marked as OTS
11 Statements Nos. 3, 4 & 5, Exhibits Nos. 3, 4 & 5
12 and Statements Nos. 3-SR, 4-SR and 5-SR were
13 received in evidence.)

14 JUDGE JONES: Thank you, Mr. Kanaskie.
15 Mr. Lawrence, Ms. Appleby.

16 MS. APPLEBY: Your Honor, the Office of
17 Consumer Advocate has previously distributed copies of the
18 direct testimony statement and surrebuttal testimony
19 statement of Michael Bleiweis. The Office of Consumer
20 Advocate would request that these statements and attached
21 exhibits be marked as OCA Statement No. 2 and OCA
22 Statement No. 2-S.

23 JUDGE FORDHAM: They shall be so marked.
24 (Whereupon, the documents were marked as OCA
25 Statements Nos. 2 and 2-S for identification.)

1 MS. APPLEBY: The parties have agreed to
2 stipulate to the admission of the testimony of
3 Mr. Bleiweis without cross-examination. As I understand
4 it, Your Honors may have additional questions for
5 Mr. Bleiweis and he shall be available tomorrow should you
6 have any questions for him.

7 Mr. Bleiweis does not have any corrections
8 or clarification to these documents. He submits that if
9 today he were to be asked the questions contained in these
10 statements his answers would be the same. Everything
11 contained in the statements, OCA Statements Nos. 2 and
12 2-S, have been prepared by himself or under his
13 supervision and these documents are true and correct to
14 the best of his knowledge, belief and understanding.

15 The OCA requests that OCA Statement No. 2
16 and OCA Statement No. 2-S and their attached exhibits and
17 appendices be moved into the record.

18 JUDGE FORDHAM: OCA Statements 2 and 2-S
19 with the attached exhibits will be entered into the record
20 contingent on any questions that we may have.

21 MS. APPLEBY: Thank you, Your Honor.

22 (Whereupon, the documents were marked as OCA
23 Statements Nos. 2 and 2-S for identification, and
24 were received in evidence.)

25 JUDGE JONES: Mr. Galligan.

1 MR. LAWRENCE: Yes. I will be submitting
2 that, Your Honor. Thank you.

3 JUDGE JONES: Okay.

4 MR. LAWRENCE: The Office of Consumer
5 Advocate has previously distributed copies of direct,
6 rebuttal and surrebuttal testimony of Mr. Richard Galligan
7 to the other parties. I have handed two copies of each
8 piece of testimony to the court reporter.

9 The OCA would ask that the direct
10 testimony of Richard Galligan consisting of 30 pages of
11 testimony and Exhibit RAG-1 consisting of seven pages be
12 marked for the record as OCA Statement No. 3.

13 JUDGE FORDHAM: It shall be so marked.

14 MR. LAWRENCE: Thank you, Your Honor.

15 (Whereupon, the document was marked as OCA
16 Statement No. 3 for identification.)

17 MR. LAWRENCE: The OCA would ask that the
18 rebuttal testimony of Richard Galligan consisting of 14
19 pages of testimony and Exhibit RAG-1R consisting of seven
20 pages be marked for the record as OCA Statement No. 3-R.

21 JUDGE FORDHAM: It shall be so marked.

22 MR. LAWRENCE: Thank you.

23 (Whereupon, the document was marked as OCA
24 Statement No. 3-R for identification.)

25 MR. LAWRENCE: The OCA would also ask that

1 the surrebuttal testimony of Richard Galligan consisting
2 of 21 pages of testimony be marked for the record as OCA
3 Statement 3-S.

4 JUDGE FORDHAM: It shall be so marked.

5 MR. LAWRENCE: Thank you.

6 (Whereupon, the document was marked as OCA
7 Statement No. 3-S for identification.)

8 MR. LAWRENCE: The parties have agreed to
9 the admission of OCA Statements Nos. 3, 3-R and 3-S
10 without cross-examination. The OCA represents that if
11 here today Mr. Galligan would testify that the testimony
12 and exhibits were prepared by him or under his direct
13 supervision and that the testimony is true and correct to
14 the best of his information, knowledge and belief and if
15 asked these questions today under oath Mr. Galligan's
16 answers would be the same.

17 At this time the OCA would move that OCA
18 Statements Nos. 3, 3-R, 3-S and their accompanying
19 exhibits, RAG-1 and RAG-1-R be admitted into the record.

20 JUDGE FORDHAM: The statements for
21 Mr. Galligan, his direct, rebuttal and surrebuttal
22 testimony with the accompanying exhibits, will be admitted
23 into the record.

24 MR. LAWRENCE: Thank you, Your Honor.

25

1 (Whereupon, the documents marked as OCA
2 Statements Nos. 3, 3-R and 3-S were received in
3 evidence.)

4 MR. LAWRENCE: One question, if I may, to
5 clarify. Your Honors do not have any questions for
6 Mr. Galligan, is that correct?

7 JUDGE JONES: That is correct.

8 JUDGE FORDHAM: That is correct.

9 MR. LAWRENCE: Thank you.

10 JUDGE JONES: Mr. Povilaitis, in regards
11 to Mr. Magnani.

12 MR. POVILAITIS: Thank you, Your Honor.
13 Mr. Clearfield, Your Honor, has already
14 referenced a stipulation between Hess and PGW. Consistent
15 with that stipulation we ask that the following materials
16 be identified. I have two testimonies, Hess Statement No.
17 1, the direct testimony of Randy Magnani, and Hess
18 Statement SR-1, the surrebuttal testimony of Randy
19 Magnani.

20 These testimonies were prepared by
21 Mr. Magnani or under his direction. The information is
22 true and correct to the best of his knowledge, information
23 and belief, and if asked those questions today he would
24 give the same responses.

25 I would also that the following materials

1 be marked consistent with the stipulation: Hess has four
2 hearing exhibits consisting of discovery responses that
3 were developed in this case. Hess Corporation Hearing
4 Exhibit No. 1 is PGW's response to Hess Set I-3. Hess
5 Exhibit No. 2 is PGW's response to Hess Set I-5. Exhibit
6 No. 3, Hearing Exhibit No. 3, is PGW's response to Hess
7 Set II-1. And Hess Hearing Exhibit No. 4, is Hess's
8 response to PGW Set II-4.

9 I will point out with in the copies that I
10 will be distributing there is typo on the cover of Exhibit
11 No. 4, which I have corrected for Your Honors' copies.

12 JUDGE FORDHAM: Thank you.

13 MR. POVILAITIS: We ask that the foregoing
14 materials be moved into evidence.

15 JUDGE FORDHAM: The direct and surrebuttal
16 testimony of Mr. Magnani and the Hearing Exhibits 1, 2, 3
17 and 4 are so marked and admitted into the evidence.

18 (Whereupon, the documents were marked as Hess
19 Statements Nos. 1 and SR-1 and Exhibits Nos. 1, 2, 3
20 and 4 for identification, and were received in
21 evidence.)

22 MR. POVILAITIS: Your Honor, for the
23 record, we would also like to thank PGW and Counsel for
24 the OCA and the School District, whose cooperation were
25 instrumental in achieving the stipulation.

1 Given this, the stipulation, Hess will not
2 be participating in the remainder of the hearings this
3 week. However, Your Honors have already given direction
4 on the briefing which we will certainly comply with.

5 JUDGE FORDHAM: Thank you very much.

6 MR. POVILAITIS: Thank you.

7 JUDGE JONES: After Mr. Povilaitis
8 finishes distributing the exhibits for Counsel we will
9 hear from either Ms. Guldin or Mr. Hinerman in reference
10 to Mr. Greene.

11 MR. HINERMAN: Your Honors, PHA has
12 distributed to Counsel the direct testimony of Carl R.
13 Greene, Executive Director of the Housing Authority. The
14 parties have stipulated to the enter the testimony into
15 the record without cross-examination.

16 This testimony was prepared by Mr. Greene
17 or under his supervision and is true and correct to the
18 best of his knowledge. If Mr. Greene were asked the
19 questions in the testimony at a hearing his answers would
20 be the same.

21 We would ask that the testimony be
22 admitted into the record.

23 JUDGE JONES: And how are you identifying
24 Mr. Greene's testimony, sir?

25 MR. HINERMAN: We can make that PHA-1.

1 JUDGE FORDHAM: Very well.

2 JUDGE JONES: Very well.

3 JUDGE FORDHAM: So marked, PHA Statement
4 1, and it is admitted into the record.

5 (Whereupon, the document was marked as PHA
6 Statement No. 1 for identification, and was
7 received in evidence.)

8 JUDGE JONES: Thank you, Mr. Hinerman.
9 Ms. Mincavage.

10 MS. MINCAVAGE: Yes, Your Honor. Thank
11 you.

12 We have previously provided to the parties
13 as well as to Your Honors and also this morning to the
14 court reporter two documents. The first document is
15 entitled direct testimony and exhibit of Lewis C. Cohen.
16 We would ask that this be identified as PICGUG Statement
17 No. 1.

18 JUDGE FORDHAM: So marked.

19 (Whereupon, the document was marked as PICGUG
20 Statement No. 1 for identification.)

21 MS. MINCAVAGE: Thank you, Your Honor.

22 The second document is entitled
23 surrebuttal testimony of Lewis C. Cohen. We would ask
24 that that be identified and marked as PICGUG Statement No.
25 1-S.

1 JUDGE FORDHAM: It shall be so marked.
2 (Whereupon, the document was marked as PICGUG
3 Statement No. 1-S for identification.)

4 MS. MINCAVAGE: The parties have indicated
5 that they are willing to stipulate this testimony into the
6 record and as part of this stipulation the parties have
7 agreed that if Dr. Cohen were here today he would testify
8 that this testimony was prepared by him or under his
9 direct supervision, that the testimony is true and correct
10 to the best of his knowledge, and if he were asked these
11 questions today his answers would be the same.
12 Accordingly, at this time I would like to move PICGUG
13 Statements Nos. 1 and 1-S into the record.

14 JUDGE FORDHAM: PICGUG Statements 1 and
15 1-S are admitted.

16 (Whereupon, the documents marked as PICGUG
17 Statements Nos. 1 and 1-S were received in
18 evidence.)

19 JUDGE JONES: Thank you, Ms. Mincavage.
20 Mr. Shore.

21 MR. SHORE: Thank you, Your Honors.

22 The direct testimony of James Lewis I have
23 marked as School District Exhibit No. 1, and the direct
24 testimony of Paul Vallas I have marked as School District
25 Exhibit 2.

1 The parties have stipulated to waive
2 cross-examination of Mr. Lewis and Mr. Vallas and are
3 stipulating to the admission of the direct testimony
4 without cross-examination. Both Mr. Lewis and Dr. Vallas
5 verify that the answers in their direct testimony are true
6 and correct to the best of their knowledge and if they
7 were to testify at the hearing today their answers would
8 be the same as set forth in the direct testimony.

9 Therefore, I move that the two direct
10 testimonies be marked as exhibits, School District
11 Exhibits 1 and 2, and that they be admitted into the
12 record of this hearing. And I have two copies of each for
13 the court reporter.

14 JUDGE FORDHAM: Mr. Lewis is School
15 District Statement 1 and Mr. Vallas is School District
16 Statement 2. Both are admitted.

17 MR. SHORE: Thank you, Your Honors.

18 (Whereupon, the documents were marked as School
19 District Statements Nos. 1 and 2 for
20 identification, and were received in evidence.)

21 JUDGE JONES: We are momentarily off the
22 record.

23 (Discussion off the record.)

24 JUDGE JONES: Back on the record.

25 We note that we still do not have Counsel

1 for the Archdiocese so we are not able at this time to
2 stipulate to the prefiled testimony that we have.

3 We are also reminding Counsel that we are
4 willing to hear a motion in reference to the status of
5 their complaint.

6 We also would like to remind the parties
7 that we are planning to start at 9:00 a.m. as opposed to
8 10:00 the remainder of this week. We are planning to
9 start on time.

10 Please note that there are problems with
11 the elevators. We are aware of it. You should now be
12 aware of it. Believe me, if you are not aware of it now
13 you will be aware of it at your lunch break. So please
14 plan accordingly because we do plan to start on time.

15 We did mention that we are planning to
16 give you menus for some eateries that are close by so that
17 we do not have a whole lot of time in flux with everyone
18 getting something to eat, obtaining proper nourishment and
19 then coming back after the lunch break. We have found
20 that it is efficient to call ahead and then listen to what
21 time they say they will have your order ready so that you
22 can retrieve it.

23 We had envisioned that you could at this
24 point start your settlement negotiations or you could
25 break for lunch. The option is up to you. We note that

1 you have been preparing and have not been able to talk
2 settlement and so we wanted to make sure you had enough
3 time to have a settlement conference that would be
4 productive and fruitful. We would like to hear the
5 parties' response.

6 MR. CLEARFIELD: May we go off the record?

7 JUDGE JONES: Yes.

8 (Discussion off the record.)

9 JUDGE FORDHAM: We are back on the record.

10 MR. CLEARFIELD: I was going to mention
11 that we did have an update with respect to the rejoinder
12 that we were providing that I can provide off the record
13 to the other parties, or I can provide it on the record.

14 JUDGE FORDHAM: We can do it off the
15 record.

16 MR. CLEARFIELD: Thank you.

17 JUDGE FORDHAM: Mr. Stewart.

18 MR. STEWART: Your Honor, I just wanted to
19 report that the OSBA and IGS were able to reach an
20 agreement on a stipulation. So if you want to put the
21 testimony in now or do it later --

22 JUDGE FORDHAM: We can do it now.

23 MS. WEBB: We don't, Your Honor, have the
24 text of the stipulation. If you want that all together we
25 can do it tomorrow. We have agreed. I don't have a paper

1 copy of it.

2 MR. STEWART: If it is okay, if we can put
3 the text of the stipulation in tomorrow as an exhibit, we
4 can do that. However you want to do that.

5 JUDGE FORDHAM: You have a written
6 stipulation?

7 MR. STEWART: We have a written
8 stipulation that we are going to put into the record as an
9 exhibit. We can do that tomorrow. We don't have that
10 written out.

11 JUDGE FORDHAM: Okay. We can wait until
12 tomorrow and do it all together.

13 MR. STEWART: We can do the testimony
14 tomorrow, then.

15 JUDGE FORDHAM: Okay.

16 MR. STEWART: Thank you.

17 JUDGE FORDHAM: Thank you.

18 MR. CLEARFIELD: Your Honor, we also have
19 a written stipulation with IGS that I wanted to confer
20 with Mr. Stewart on before we actually entered it. But we
21 can do that tomorrow as well. It is only two sentences.
22 We can make copies tonight.

23 JUDGE FORDHAM: Okay.

24 MR. STUNDER: Your Honor, I have one
25 housekeeping issue, and it regards the motion to strike.

1 We are preparing rejoinder for the portion
2 that we filed the motion to strike for and we have a
3 rejoinder witness scheduled for Wednesday before
4 Ms. Mondre. I just wanted to bring that to your attention
5 and ask Your Honors to consider ruling on the motion to
6 strike before we present the witness for that portion of
7 the testimony.

8 JUDGE FORDHAM: Yes, we will do that.

9 MR. STUNDER: Thank you.

10 JUDGE JONES: Mr. Kanaskie.

11 MR. KANASKIE: Yes, Your Honor. Just
12 another housekeeping matter, I am not certain how cast in
13 stone this witness schedule is but I just wanted to offer
14 that should things move swiftly OTS's witnesses are
15 available Wednesday as well as Tuesday. But I don't think
16 we will get through the company's entire presentation. So
17 should we make progress on Wednesday, OTS can put their
18 witnesses on then as opposed to waiting to Thursday.

19 JUDGE FORDHAM: Thank you. We appreciate
20 that.

21 JUDGE JONES: Let's go off the record.

22 (Discussion off the record.)

23 (Whereupon, at 11:10 a.m., the hearing was
24 adjourned, to be reconvened at 9:00 a.m. on Tuesday, May
25 22, 2007, in Philadelphia, Pennsylvania.)

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C E R T I F I C A T E

I hereby certify, as the stenographic reporter, that the foregoing proceedings were taken stenographically by me and were thereafter reduced to typewriting by me or under my direction; and that this transcript is a true and accurate record to the best of my ability.

COMMONWEALTH REPORTING COMPANY, INC.

JR

By: Robert J. Stonaker

Robert J. Stonaker

2007 MAY 24 PM 1:02
SECRETARY'S BUREAU